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106TH CONGRESS *2d Session*	SENATE	REPORT 106–261

EDUCATIONAL OPPORTUNITIES ACT

R E P O R T

OF THE

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS UNITED STATES SENATE

TO ACCOMPANY

S. 2

together with

ADDITIONAL AND MINORITY VIEWS

APRIL 12, 2000.—Ordered to be printed

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APRIL 12, 2000.—Ordered to be printed

Mr. JEFFORDS, from the Committee on Health, Education, Labor, and Pensions, submitted the following

REPORT

together with

ADDITIONAL AND MINORITY VIEWS

[To accompany S. 2]

The Committee on Health, Education, Labor, and Pensions, to which was referred the bill (S. 2) to extend programs and activities under the Elementary and Secondary Education Act of 1965, and for other purposes, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill (as amended) do pass.

I. PURPOSE AND SUMMARY

Purpose

It is the purpose of the Educational Opportunities Act, S. 2, to reauthorize and improve programs under the Elementary and Secondary Education Act of 1965 for the next 5 years. The Elementary and Secondary Education Act (ESEA) provides the authority for virtually all Federal support provided for elementary and secondary education, and ESEA programs currently receive about $15 billion in Federal funding. Nearly half of these funds are used on behalf of disadvantaged children under the title I program. Other activities supported through ESEA include professional development, literacy, safe and drug-free schools, bilingual education, impact aid, aid to special populations, and technology.

The primary objectives of this reauthorization bill are to: (1) maintain and strengthen the title I reform process initiated in 1994 which emphasizes the establishment of high standards and aligned

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assessments designed to measure progress towards those standards; (2) promote the sustained professional development of teachers and school leaders; (3) help assure that students are provided a safe and drug-free learning environment; (4) place an emphasis on getting results by insisting that activities and programs supported with federal funds are based on theory, research, and evaluation showing them to be effective in meeting their objectives; and (5) increase State and local flexibility in the use of Federal funds in exchange for greater accountability for improving student performance.

Summary

EDUCATIONAL OPPORTUNITIES ACT

Title I—Helping Disadvantaged Children Meet High Standards

Part A—Basic Programs

OVERVIEW

The purpose of this title is to provide opportunities for those students served by title I activities to meet challenging State performance and content standards. To achieve this purpose, both the current law and the reauthorization bill provide greater decision-making authority and flexibility to schools and teachers in exchange for increased responsibility for student performance. The last reauthorization of title I, which occurred in 1994, made major changes in the program regarding standards, assessment, and professional development and set out a seven-year timetable for achieving them. Most of these changes have been retained, and several additional provisions have been added which build upon the reform activities established under the 1994 reauthorization. The key changes are outlined below.

State Plan: New provisions include—

Coordination: Title I activities, where appropriate, will be coordinated with activities in other Federal education programs, including the Individuals with Disabilities Education Act and the Carl D. Perkins Vocational and Technical Education Act;

Adequate Yearly Progress: Adequate Yearly Progress will be defined in a manner—

(i) that is sufficient to achieve the goal of all children served under part A meeting the State's proficient and advanced levels of performance within 10 years;

(ii) that results in continuous and substantial academic improvement for all students, including economically disadvantaged and limited English proficient students, except that this provision will not apply if the State demonstrates to the Secretary that the State has an insufficient number of economically disadvantaged or limited English proficient students;

(iii) that is based primarily on State standards and assessments and will include specific State determined yearly progress requirements in subjects and grades included in the State assessments; and

(iv) that is linked to performance on the assessments and also permits progress to be established through other factors which are determined by the State.

Parental Involvement: Each State plan will describe how the State will disseminate effective parental involvement practices to local educational agencies and schools.

State Reports: Each State educational agency (SEA) will prepare and disseminate an annual performance report about each local educational agency (LEA).

Local Educational Agency Plan: New provisions include—

Coordination: Title I activities, where appropriate, will be coordinated with activities in other Federal education programs, including the Individuals with Disabilities Education Act and the Carl D. Perkins Vocational and Technical Education Act.

Plan Elements: New plan elements include providing detailed descriptions of how the local educational agency plan will implement professional development and parental involvement activities and take into account the effectiveness of model programs for possible replication.

Local Reports: Each local educational agency will prepare and disseminate an annual performance report which presents information about each school.

Schoolwide Programs: New provisions include—

Eligibility: A local educational agency may use funds for a schoolwide program to upgrade its entire educational program if the LEA serves an eligible school attendance area in which not less than 40 percent of the children are from low-income families or not less than 40 percent of the children enrolled in the school are from such families.

Fiscal Accounting: Any school that is using funds from more than one Federal education program in the operation of its schoolwide program will not be required to maintain separate fiscal accounting records by program, so long as the school maintains records that demonstrate that the schoolwide program addresses the intent and purpose of each Federal program for which funding is consolidated.

Pupil Safety and Family School Choice: New provisions include—

Conditions for Student Participation:

(a) Any title 1 student who is a victim of a violent criminal offense on public school grounds shall be allowed to transfer to another public school or charter school in the same State, unless allowing such transfer is prohibited under State or local law; or

(b) If the school the student attends receives title 1 funds and the school has been designated as unsafe, then the local educational agency may allow such student to transfer to another public or charter school in the same State.

State Educational Agency Role: The State educational agency will determine, based on State law, what constitutes a violent criminal offense and will determine the schools that are unsafe public schools.

Transportation Costs:

(a) The local educational agency serving the school in which a violent criminal offense occurred or which is determined to be unsafe may use title I funds for the transportation costs of a student who transfers to another school.

(b) The amount of assistance provided for transportation with title I funds may not exceed the per pupil costs for elementary or secondary students as provided by the local educational agency that serves the school involved in the transfer.

School Improvement: Key provisions include—

How a School Is Identified for School Improvement: A local educational agency will identify any school that for 2 consecutive years failed to make adequate yearly progress.

For a targeted assistance program, a local educational agency may review the progress of only those students in the school being served.

School Plan: For each identified school, the school will revise their school plan which will—

(i) describe the specific achievement problems to be solved;

(ii) describe how research-based strategies will be employed to improve the student performance;

(iii) address the need for high quality professional development;

(iv) identify specific goals and objectives the school will undertake for making adequate yearly progress;

(v) specify the responsibilities of the school and the local educational agency; and

(vi) describe strategies to promote effective parental involvement.

Technical Assistance: The local educational agency will provide technical assistance to the schools identified for school improvement.

Corrective Action:

(A) Local Educational Agency—Consistent with State and local law, the local educational agency, after providing technical assistance, shall take not less than 1 of the corrective actions listed below. (The local educational agency will continue to provide technical assistance while implementing corrective action.) Such corrective actions include:

(i) Instituting and fully implementing a new curriculum that is based on State and local standards, including appropriate research-based professional development for all relevant staff that offers substantial promise of improving educational achievement for low performing students.

(ii) Restructuring the school, such as by—

(a) making alternative governance arrangements (such as the creation of a public charter school); or

(b) creating schools within schools or other small learning environments.

(iii) Developing and implementing a joint plan between the local educational agency and the school that addresses specific elements of student performance problems and

that specifies the responsibilities of the local educational agency and the school under the plan.

(iv) Reconstituting the school staff.

(v) Decreasing decision making authority at the school level.

(B) Consistent with State and local law, the local educational agency may take the following corrective actions:

(i) Deferring, reducing, or withholding funds.

(ii) Restructuring or abolishing the school.

(C) A local educational agency may delay corrective action, for up to one year, if the local educational agency believes that the school is meeting the adequate yearly progress requirements.

(D) The local educational agency will publish and disseminate to parents and the public information about any corrective action taken.

Public School Choice Related to Schools Identified for Corrective Action and School Improvement: Key provisions include—

Conditions for Student Participation: Not later than 6 months after date of enactment of this Act, a local educational agency shall provide all students enrolled in a school identified for corrective action and school improvement with an option to transfer to any other public school or charter school within the local educational agency or to transfer to a public school or charter school in another local educational agency (unless this practice is prohibited by State or local law).

Transportation—

(a) A local educational agency serving schools identified for school improvement may use title 1 funds to pay the transportation costs of students transferring from those schools.

(b) A local educational agency serving schools identified for corrective action is required to use title 1 funds to pay the transportation costs of students transferring from those schools to schools not identified for school improvement or corrective action.

(c) The amount of assistance provided for transportation with title I funds may not exceed the per pupil costs for elementary or secondary students as provided by the local educational agency that serves the school involved in the transfer.

Continued Public School Choice Option: Once a school is no longer identified for school improvement, the local educational agency must continue to provide public school choice as an option to students in such school for not less than 2 years.

State Educational Agency Corrective Action:

(A) Consistent with State and local law, the State educational agency shall, after providing technical assistance, shall take not less than 1 of the corrective actions listed below. (The State educational agency will continue to provide technical assistance while implementing corrective action.) Such corrective actions include:

(i) Instituting and fully implementing a new curriculum that is based on State and local standards, including ap-

propriate research-based professional development for all relevant staff that offers substantial promise of improving educational achievement for low-performing students.

(ii) Restructuring the local educational agency.

(iii) Developing and implementing a joint plan between the State educational agency and the local educational agency that addresses specific elements of student performance problems and that specifies the responsibilities of the State educational agency and the local educational agency under the plan.

(iv) Reconstituting school district personnel.

(v) Making alternative governance arrangements.

(B) Consistent with State and local law, the State educational agency may take one of the following actions—

(i) Deferring, reducing, or withholding funds.

(ii) Restructuring or abolishing the local educational agency.

(iii) Removing particular schools from the jurisdiction of the local educational agency and establishing alternative arrangements for public governance and supervision of such schools.

(iv) Appointing a receiver or trustee to administer the affairs of the local educational agency in place of the superintendent and school board.

(C) Prior to implementing any corrective action, the State educational agency will hold a hearing for the affected local educational agency.

(D) The State educational agency will publish and disseminate to parents and the public information about any corrective action taken.

(E) A State educational agency may delay corrective action, up to one year, if the SEA believes the local educational agency is meeting the adequate yearly progress requirements.

Assessments/School Improvement/Awards: Under current law, States may reserve up to ½ percent of the funds that they receive under parts A, C, and D of title I for corrective action, school improvement, and awards to distinguished schools and educators. The reauthorization bill continues this practice with regard to funds from parts C and D and current services levels of funding for part A. In addition, the bill allows the Secretary to reserve 50 percent of part A funds in excess of current services levels of funding for allocation to the States for support of these activities. Funds may be utilized by the State to assist schools in performing all activities authorized under subsections 1111(b), 1116(c), and (d), and section 1117.

Early Childhood Education: A local educational agency may use title 1, part A funds for preschool services. Early childhood education programs may jointly operate with Even Start, Head Start, or State-funded preschool programs.

Child Centered Program: The bill establishes a new child centered program. Key provisions include—

Eligibility: Up to 10 States and up to 20 local educational agencies located in States which do not participate may partici-

pate in the child centered program. The program operates for a period of 5 years.

Funding: Participating States and local educational agencies shall use funds made available under part A of title I for the child centered program. In addition, $500 million is authorized for this program in fiscal year 2000—with "such sums as may be necessary" authorized in the 4 succeeding fiscal years.

Program Requirements and Use of Funds:

(a) The participating State or local educational agency must establish a per-pupil amount based on the number of eligible title I children.

(b) The per-pupil amount is distributed to the public schools in which eligible children are enrolled to be used for supplemental education services provided by the school or by another entity for those children. Funds may be used for schoolwide programs in schools where 50 percent of the children enrolled are title I-eligible.

(c) The participating State or local educational agency must operate an open enrollment program in the State or school district (if space is available and the child meets attendance qualifications), unless the agency can demonstrate that sufficient options are already available. The per-pupil amount will follow each eligible child who transfers to another school.

(d) Eligible children enrolled in private schools are to receive supplemental education services in the same manner as such services are provided under the regular title I program.

(e) Participating schools must provide information about the child centered program and annual school report cards to parents of eligible children, which shall include an annual meeting with those parents.

Program Administration:

(a) A State may reserve 2 percent of funds and a local educational agency may reserve 5 percent of funds for administration of the child centered program, which may include the provision of technical assistance.

(b) Each participating State and local educational agency must submit an annual report to the Secretary of Education regarding the performance and achievement of children receiving supplemental education services under the program.

(c) Three years after a child center program is established, the Secretary of Education will review the performance of a participating State or local educational agency and may terminate the program if the agency has not made progress towards meeting its objectives.

Evaluation: The Comptroller General will contract for an annual evaluation of child centered programs. The evaluation will include information regarding program implementation, parental involvement and satisfaction, and student educational achievement. The Comptroller General will submit an interim report to Congress 3 years after enactment and a final report by March 1, 2006.

Funding: $15 billion is authorized to carry out all title I, part A activities for fiscal year 2001, with "such sums as may be necessary" authorized in the 4 succeeding fiscal years.

Part B—Even Start Family Literacy Program

The Even Start Family Literacy program is designed to improve the educational opportunities for low-income families by integrating early childhood, adult basic education, and parenting education into a unified family literacy program. The Secretary of Education awards grants to State educational agencies through a formula allocation. The State educational agencies distribute the funds to local educational agencies that form a collaboration with a community based organization, an institution of higher education, or another agency or nonprofit organization. This collaboration will provide joint education programs to serve children and their parents.

Even Start program services must include adult literacy instruction, early childhood education, instruction to help parents support their child's education, staff training, and home-based instruction. Child care and transportation may be provided if these services are necessary and other funding sources are not available.

Even Start grants are geared for areas with high rates of: poverty, illiteracy, unemployment, families of limited-English proficiency, or disadvantaged children. Grants are awarded for a 4-year period and may be renewed for up to 4 additional years. In 1998, several changes were made to the Even Start law as part of the Reading Excellence Act. The changes primarily focused on improving coordination between Even Start and other literacy and early childhood programs.

The reauthorization bill strengthens current law by:

(a) increasing the authorization level to $500 million for fiscal year 2001;

(b) strengthening family literacy provisions;

(c) encouraging year-round programs; and

(d) conducting research on family literacy programs and disseminating best practices information.

Part C—Education of Migratory Children

The Migrant Education program provides grants to State educational agencies to develop or improve educational programs for migrant students. Most migrant programs are administered by local educational agencies and operate during both the regular school year and in the summer. Priority for services is given to current migrant students and to students who are failing, or at greatest risk of failing, to meet State performance standards.

Funds are distributed through a formula which is based on the number of migrant children residing in the State. The number is then adjusted to the average per-pupil expenditure for both the State and the United States.

The bill builds upon current law to ensure that migratory children have the opportunity to attain high levels of educational excellence. The reauthorization bill:

(a) includes language ensuring that migratory children who move among the States are not penalized in any manner by

disparities among the States in curriculum, graduation requirements, and State student performance and content standards;

(b) adds a provision which ensures that migratory children receive full and appropriate opportunities to meet the same challenging State content and performance standards that all children are expected to meet;

(c) includes a requirement to have joint planning efforts between migrant education programs and bilingual education;

(d) includes provisions emphasizing the importance of parental involvement and the parent advisory councils;

(e) establishes a national system for electronically exchanging migrant student information which shall include: immunization records and other health information; elementary and secondary academic history (including partial credit); credit accrual; and results from State assessments; other academic information essential to ensuring that migrant children achieve high standards; and eligibility for services under the Individuals with Disabilities Education Act.

A funding level of $400 million is authorized in fiscal year 2001 to carry out title I, part C activities. Such sums as may be necessary are provided for the 4 succeeding fiscal years.

Part D—Parental Assistance

Purpose: It is the purpose of this part to provide leadership, technical assistance, and financial support to nonprofit organizations and LEAs to help implement successful and effective parental involvement policies, programs, and activities; strengthen partnerships among parents, teachers, principals, administrators, and other school personnel; develop and strengthen the relationship between parents and the schools; further the developmental progress primarily of children assisted in this part; and coordinate activities for improved parental involvement.

Grant Program: The Secretary is authorized to award competitive grants (while ensuring geographic distribution of grants) to nonprofit organizations, or consortia of nonprofits and LEAs to establish school-linked or school based parental information and resources centers to provide training, information, and support to parents of elementary and secondary school students and to individuals who work with parents and organizations that carry out parent education and family involvement programs. School-linked and school-based programs are not precluded from meeting with parents at sites off school grounds. Nor does it preclude Parental Information and Resource Centers from working with other agencies that serve families. Agencies or organizations seeking grants must submit an application to the Secretary which must include a broad range of assurances. Each organization or consortium receiving a grant will be government by a board of directors which includes parents or organizations that represent parents. Grant funds shall be used: to assist parents in participating effectively in their children's education; to obtain information about the range of options, programs, services, and resources available at all levels of government to assist parents and school personnel who work with parents; and to help parents learn and use technology applied in

their children's education. At least one-half of the overall funding provided each fiscal year must serve areas with high concentrations of low-income families. The bill provides for continuation grants for currently funded programs under the existing authority. Each grant recipient is required to submit information to the Secretary, on an annual basis, with information concerning the parental information and resource centers assisted under this part.

Funding: A funding level of $50 million is authorized for FY 2001 to carry out all title I, part D activities. Such sums as may be necessary are provided for the 4 succeeding fiscal years.

Part E—Evaluations and Demonstrations

The reauthorization bill retains the current law provisions.

Part F—Comprehensive School Reform

The reauthorization bill includes the Comprehensive School Reform program, often referred to as "Obey-Porter." It authorizes the Secretary to award grants to SEAs by formula to enable them to make competitive grants to LEAs.

SEAs must submit applications to the Secretary that describe items such as: process and selection criteria; how the SEA will ensure that reforms are research-based programs; how the SEA will evaluate the implementation of reforms and link the reforms to student achievement; and how the SEA will make available technical assistance to LEA or consortia. Subgrants to LEA must be of sufficient size and scope to support the initial costs for the plan selected or designed, in an amount not less than $50,000, and renewable for two additional one-year periods. The SEA must give priority consideration to LEAs that plan to use the funds for schools identified as being in need of improvement or corrective action and demonstrate a commitment to assist schools with budget, professional development, and other strategies to ensure reforms are properly implemented and sustained. In order to receive funds, LEAs must submit applications to the SEA for consideration. LEAs shall provide funds to schools eligible for assistance under part A to support a variety of reform activities.

Funding: A funding level of $200 million is authorized for FY 2001 to carry out all title I, part F activities. Such sums as may be necessary are provided for the 4 succeeding fiscal years.

Part G—General Provisions

The reauthorization bill retains the current law general provisions, with minor modifications.

Part H—Assistance to Address School Dropout Problems

Purpose: The bill establishes a new State formula grant program designed to address school dropout problems. State funds are to be awarded competitively to local schools to support dropout prevention programs, to assist school reentry, and to raise the academic achievement of all students.

Subpart 1—Coordinated National Strategy

The Secretary of Education is authorized to conduct national activities including: (1) data collection regarding participation in Fed-

eral dropout prevention and school reentry programs; (2) establishment of an interagency working group to address dropout prevention and school reentry issues; and (3) creation of a national recognition program for schools that have made extraordinary progress in lowering dropout rates.

Subpart 2—National School Dropout Prevention Initiative

State Formula Grants: Funds will be allocated to States based on the title I formula. States receiving part H funds must provide dropout rate information to the Secretary, establish attendance-neutral funding policies, and adopt suspension and expulsion policies.

States may award grants to public middle or secondary schools that have dropout rates that are in the highest third of dropout rates in the State for the purpose of supporting dropout prevention programs. Eligible schools must serve students 50 percent or more of whom are low-income or must participate in a schoolwide program.

Grants may be awarded for up to five years. First-year grants to schools may not be less than $50,000 or more than $100,000—with grant amounts declining during each year of participation in the program. Schools which create smaller learning communities are eligible for a 10–percent increase in the amount of their grant.

Strategies and Capacity Building: Schools must use grant funds for research-based, sustainable, and widely replicated strategies for dropout prevention and school reentry programs serving the entire school population. The Secretary is to award up to five contracts for a capacity building and design initiative to increase these types of strategies. In addition, the Secretary is authorized to offer support to entities with experience in providing training and related assistance to offer such assistance to schools receiving grant funds.

Subpart 3—Definitions; Authorization of Appropriations

A funding level of $5 million is authorized for fiscal year 2001 to carry out the national activities under Subpart 1. A funding level of $145 million is authorized in fiscal year 2001 to carry out the national school dropout prevention initiative authorized under Subpart 2—with $125 million to be used for State formula grants and the remaining $20 million to be used for strategies and capacity building initiatives. Such sums as may be necessary are provided for the 4 fiscal years.

Title II—Teacher Quality

Part A—Teacher Empowerment

Purpose: To assist the efforts of States and local educational agencies to increase student academic achievement and student performance by improving teacher quality.

Subpart 1—Grants to States

State and Local Grant Funds: States are required to submit applications to the Secretary of Education for approval. States will receive not less than each received under fiscal year 2000 appropriations for the current Eisenhower Professional Development Pro-

gram and the Class Size Reduction initiative. Funds remaining after meeting the base requirement would be distributed by a formula in which 50 percent of the remaining funds are distributed based on a State's relative poverty of individuals (aged 5–17) and 50 percent based on a State's relative school-aged (5–17) population. A State may reserve 10 percent of funds for State-level activities, and the remaining 90 percent of funds must be distributed to local educational agencies and eligible partnerships. Ninety-five percent of the funds made available to LEAs and eligible partnerships shall be distributed by formula directly to the LEA, with 75 percent based on relative poverty of individuals aged 5–17 and 25 percent based on relative school-aged population. The remaining 5 percent will be available to the State Agencies for Higher Education (SAHEs) to distribute competitively to eligible partnerships.

State and Local Programs: States must submit an application to the Secretary to receive funds under this part. States may use funds for a broad range of activities such as: reforming teacher certification or licensing requirements; mentoring programs; establishing, expanding, or improving alternative routes to State certification of teachers; recruiting teachers and principals; establishing reciprocity of teacher certification among States; providing technical assistance and services to LEAs or eligible partnerships; providing services through technology and distance learning; supporting activities to support teachers seeking national board certification from the National Board for Professional Teaching Standards or other recognized entities; and providing professional development activities involving training in advanced placement instruction.

LEAs must submit an application to the SEA to receive funding under this part. LEAs must use a portion of funds for professional development in math and science and a portion of funds for professional development activities. LEAs may use funds to carry out activities such as: recruiting teachers in order to reduce class size; recruiting minorities and individuals with disabilities into the teaching profession or hiring special education teachers; providing signing bonuses; establishing retention initiatives; undertaking teacher quality initiatives such as professional development activities; and providing teacher opportunity payments.

Professional development activities for teachers, paraprofessionals, and principals shall be directly related to the curriculum and academic subjects in which a teacher provides instruction or be designed to enhance the ability of a teacher, paraprofessional, or principal to understand and use State standards for the academic subjects in which a teacher provides instruction. If a State determines that an LEA has failed to make progress during the fiscal year, the State shall notify the LEA that the LEA shall be subject to Teacher Opportunity Payments. An LEA receiving notice for 2 consecutive years shall spend a portion of funds in the next succeeding year for Teacher Opportunity Payments. Teacher Opportunity Payments provide direct support to teachers to pursue the professional development activities of their own choosing.

Subgrant to Eligible Partnerships: The SAHE, working in conjunction with the SEA, shall award subgrants on a competitive basis to eligible partnerships. Eligible partnerships must include a

private or State institution of higher education and the division of that institution that prepares teachers; a school of arts and sciences; and a high need LEA. Eligible partnerships may also include other LEAs, a public charter school, a public or private elementary school, an educational service agency, a public or private nonprofit education organization, other institutions of higher education, a school of arts and sciences within such institutions, the division that prepares teachers, a nonprofit cultural organization, an entity carrying out a pre-kindergarten program, a teacher organization, or a business. Partnerships shall use funds for professional development for teachers, paraprofessionals and, if appropriate, principals. Activities must be coordinated with title II of the Higher Education Act, if applicable.

National Activities: The Secretary may make grants to eligible consortia on a competitive basis for Teacher Excellence Academies; make a grant to the National Board for Professional Teaching Standards to enable the Board to complete a system of national board certification through fiscal year 2001; make grants to support activities to encourage and support teachers seeking advanced certification or advanced credentialing through high quality professional teacher enhancement programs designed to improved teaching and learning; award grants on a competitive basis to eligible entities to support and promote the establishment of teacher training programs relating to the core subject areas in math and science; award grants or contracts to continue the Eisenhower National Clearinghouse for Mathematics and Science Education and expand the scope of the Clearinghouse. The bill also includes an authorization for the Troops to Teachers program.

Funding: A funding level of $2 billion is authorized for this part for fiscal year 2001, of which $40 million will be available to carry out subpart 4. The subpart authorizes such sums as necessary for the remaining fiscal years 2002 through 2005.

General Provisions: This subpart contains definitions for "arts and science," "core academic subjects," "highly qualified," "high need local educational agency," "out-of-field teacher," "poverty line," and "State."

Part B—Leadership Education and Development Program

The reauthorization bill addresses the national need for leadership training by including a competitive grant program for leadership education and development and authorizes $100 million for the initiative. State education agencies, institutions of higher education, local educational agencies, and nonprofit educational organizations will be eligible to apply for grants for the purpose of providing professional development services for elementary and secondary school educators, principals, superintendents, and others in leadership positions within the state to develop and enhance their leadership skills. Grant funds shall be used for activities that include: providing school leaders with effective leadership, management, and instructional skills and practices; enhancing and developing school management and business skills; improving the understanding of the effective use of technology; encouraging highly qualified individuals to become school leaders; and establishing sustained and rigorous support for mentorship and developing a

network of school leaders within the state. In making grants, the Secretary must give due consideration to equal representation of rural and urban communities and school districts.

Part C—Reading Excellence Act

The reauthorization bill maintains the current program, increases the authorization level to $280 million for fiscal year 2001, and extends the authority for this program through fiscal year 2005. Currently funded at $260 million, the purposes of the program are: to provide children with the readiness skills they need to learn to read once they enter school; to improve the reading skills of students and the instructional practices for current teachers; to expand the number of high-quality family literacy programs; and to provide early literacy intervention to children who are experiencing reading difficulties in an effort to reduce the number of students who are inappropriately referred to special education.

Part D—National Writing Project

The reauthorization bill moves National Writing Project from title X, part K, to title II; updates provisions of the program; and authorizes $15 million for fiscal year 2001 and such sums as necessary for the 4 succeeding fiscal years. Currently funded at $9 million, the National Writing Project has as its primary purpose improving the quality of student writing and learning and the teaching of writing as a learning process in the Nation's classrooms. National Writing Project has 161 sites in 47 states and has served over 2 million teachers.

Part E—The New Century Program for Distributed Teacher Professional Development

The reauthorization bill moves the current "Telecommunications Demonstration Program for Mathematics" (Mathline) from title III, part D, to title II and expands the purposes of the program. It provides authority for the Secretary to make grants to a nonprofit communications entity or partnerships to carry out a national telecommunications-based program to improve teaching in core curriculum areas. It is designed to assist elementary and secondary school teachers in preparing students for achieving State content standards. The program will provide funds to deliver video and data in an integrated service to train teachers in the use of standards based curricula material appropriate for each State. The Secretary must make grants in at least 15 States. It authorizes $20 million for fiscal year 2001 and such sums as necessary for the 4 succeeding fiscal years.

Part F—Digital Education Content Collaborative

The reauthorization bill authorizes a competitive grant program to develop, produce, and distribute educational material and instructional video programming that is designed for use by kindergarten-through-grade–12 schools and is based on State standards. The program will facilitate the development of educational programming that shall: include student assessment tools and built-in teacher utilization and support components; be created for or adaptable to State content standards; and be capable of distribu-

tion through digital broadcasting and school digital networks. Authorizes $25 million for fiscal year 2001 and such sums as necessary for the succeeding 4 fiscal years.

Title III: Enrichment Initiatives

Part A—21st Century Community Learning Centers

The reauthorization bill retains current law with respect to 21st Century Community Learning Centers and is outlined below. The only change made by this bill is an increase in the authorized funding level to $500 million for fiscal year 2001 and such sums as necessary for the 4 succeeding years.

Purpose: The purpose of this part is to provide local public schools with the opportunity to serve as centers for the delivery of education and human resources for all members of the community in order for schools to become lifelong learning centers. Public schools, primarily in rural or inner city communities collaborate with other public and nonprofit agencies and organizations, local businesses, other educational institutions, recreational, cultural, and other community and human service entities to meet the needs of and expand the opportunities available to, the residents of the communities.

Program: The Secretary is authorized to award grants to rural and inner city public elementary or secondary schools, or consortia of such schools, to plan, implement, or expand projects that benefit the educational, health, social service, cultural, and recreational needs of a rural or inner- city community. The Secretary is required to ensure an equitable distribution of assistance among the States, among urban and rural areas of the United States, and among rural and urban areas of a State.

Application and Use of Funds: The Secretary shall give priority to applications describing projects that offer a broad selection of services which address the needs of the community. Grant funds may be used to plan, implement, or expand community learning centers which include not less than 4 of the following activities: literacy education programs; senior citizen programs; children's day care services; integrated education, health, social service, recreational or cultural programs; summer and weekend school programs in conjunction with recreation programs; nutrition and health programs; expanded library service hours to serve community needs; telecommunications and technology education programs for individuals of all ages; parenting skills education programs; support and training for child day care providers; employment counseling, training, and placement; services for individuals who leave school before graduating from secondary school; and services for individuals with disabilities.

Part B—Initiatives for Neglected, Delinquent or At-Risk Students

The title I, part D, program for youth who are neglected, delinquent, or at risk of dropping out primarily serves youth who have been assigned to institutional facilities. The purpose of the program is to provide those youth with the opportunity to make a successful transition from institutionalization to further schooling or employment. Most of the current law provisions are retained in this bill.

Part C—Gifted and Talented Children

OVERVIEW

Under current law, the Javits Gifted and Talented program provides grants to State educational agencies, local educational agencies, institutions of higher education, and other public and private agencies. These grants fund research, demonstration projects, and training activities designed to meet the special needs of gifted and talented students. The present funding level is $6.5 million.

The reauthorization bill retains language from current law regarding the establishment of a National Center for Research and Development in the Education of Gifted and Talented Children and Youth. Not more than 30 percent of the funds appropriated for the overall Javits Gifted and Talented Program may be used for the National Center.

Under the bill, once the appropriation for the Javits Gifted and Talented program reaches $50 million, funding for the program will be distributed by formula to the States and competitively to local educational agencies and schools. If funding levels fall below $50 million, the current law provisions of the program will remain in effect.

The following provisions will take effect when funding for the program exceeds $50 million:

Allotment to States: The Secretary will allot funds to each State based on a ratio of a State's school-age population to the school-age population of all States. A small State minimum is also included which is ½ of 1 percent. [When funds appropriated for the program are less than $50 million, funds shall be awarded on a competitive basis according to the current law provisions.]

Grandfather Clause: All current grantees that have been awarded funds under the Javits Gifted and Talented program will continue to receive funds under the original terms of the grant until the time period for that grant has expired.

State Applications: Any State seeking a grant must submit an application which:

(1) designates the State educational agency as the agency responsible for the administration of the program, including public dissemination of data;

(2) contains an assurance that the State educational agency will have the ability to provide matching funds (in cash or in-kind);

(3) provides for a biennial submission of data regarding the use of gifted and talented funds;

(4) provides an assurance that the SEA will keep records and provide such information as the Secretary requires;

(5) contains an assurance that there is compliance with the requirements of this part;

(6) provides for timely public notice and public dissemination of data.

State Uses of Funds: A State educational agency may use not more than 10 percent of funding for the following activities:

(1) a peer review process for grant applications;

(2) supervision of the awarding of funds to elementary schools, secondary schools, or consortia of these schools;

(3) planning, supervision, and processing of funds made available under this part;

(4) monitoring, evaluation, and dissemination of programs and activities assisted under this part;

(5) providing technical assistance; and

(6) supplementing, but not supplanting, State and local funds for the education of gifted and talented students.

Parental Support: A State educational agency may use not more than 2 percent of funding for support to parents of gifted and talented children.

Distribution to Schools: A State educational agency shall use not less than 88 percent of funds to award grants, on a competitive basis, to elementary schools, secondary schools, or consortia of schools.

Local Application Contents: Any elementary school, secondary school, or consortium seeking a grant will include the following information in its application:

(1) an assurance that funds received under this program will be used to identify and support gifted and talented students, including gifted and talented students from all economic, ethnic, and racial backgrounds, such as students of limited English proficiency and students with disabilities; and

(2) a description of how the school or consortium will meet the educational needs of gifted and talented students, including the training of personnel in the education of gifted and talented students.

Local Uses of Funds: A school or a consortium may use their grant to carry out one or more of the following activities:

(1) professional development—developing and implementing programs to address State and local needs for inservice training activities for general educators, specialists in gifted and talented education, administrators, school counselors, or other school personnel;

(2) identification of students—providing services to gifted and talented students who may not be identified and served through traditional assessment methods—including educationally disadvantaged students, students of limited-English proficiency, and individuals with disabilities;

(3) model projects—supporting and implementing innovative strategies such as cooperative learning, peer tutoring, independent study, and adapted curriculum used by schools or consortia; and

(4) emerging technologies—assisting schools or consortia that do not have the resources to provide courses through new and emerging technologies, which may include distance learning curriculum. (No funds may be used for the purchase or upgrading of technological hardware).

Private School Children & Teachers Participation: Consistent with current law, where appropriate, the Secretary will ensure that there is equitable participation of students and teachers in private, nonprofit elementary and secondary schools, including the participation of teachers and other personnel in professional development.

Establishment of a National Center: [This provision is also contained in current law.]

National Center Purpose: The purpose of the National Center for Research and Development in the Education of Gifted and Talented Children and Youth is to develop, devise, disseminate, and evaluate model projects and activities that serve gifted and talented students; to conduct research; and to provide technical assistance.

Center Establishment: The Secretary shall establish a National center through grants or contracts with 1 or more institutions of higher education, State educational agencies, or a consortia of such institutions and agencies. The Secretary may not use more than 30 percent of funds made available to carry out the National Center activities.

Grandfather Clause: [This is a new provision.] The current National Center grantee will continue to be the grantee for the duration of the current grant.

Part D—Arts in Education

Purpose and Program: The Arts in Education program is currently funded at $11.5 million. The reauthorization bill reauthorizes Subpart 1—Arts Education, and Subpart 2—Cultural Partnership for Youth at Risk, and moves these provisions to title III, part D. The program will continue to support: activities that provide students opportunities to have the arts as an integral part of the elementary and secondary school curriculum; the important education programs of the John F. Kennedy Center and the VSA arts program (formerly Very Special Arts); and grants to improve the performance of at-risk youth by providing comprehensive and coordinated educational and cultural services. The draft proposal authorizes $25 million for subpart 1 and $45 million for subpart 2 and maintains the reservation of funds for the John F. Kennedy Center and the VSA arts programs.

Part E—Advanced Placement Programs

Part E authorizes the Access to High Standards program, a competitive grant program designed to: encourage more students (especially low-income students) to take the advanced placement (AP) exam; increase the availability of AP courses offered; and broaden the range of schools offering AP courses. This program, originally authorized as part of the Higher Education Amendments of 1998, has been expanded and moved to the Elementary and Secondary Education Act.

The Secretary is to give first priority to providing grants to State educational agencies to enable them to cover all or part of the costs of AP test fees for low-income individuals. Seventy percent of any remaining funds will be allocated for grants to State and local educational agencies to expand access for low-income students to AP programs. Thirty percent of any remaining funds will be used for grants to provide students with on-line AP courses. A funding level of $50 million is authorized for these activities in fiscal year 2001 and "such sums as may be necessary" in the 4 succeeding fiscal years.

Title IV—Safe and Drug Free Schools

Part A—State Grants

Purpose: The purpose of this part is to support programs that: prevent violence in and around schools; prevent the illegal use of alcohol, tobacco and drugs; involve parents; and are coordinated with related Federal, State, school, and community efforts and resources. The goals of the reauthorization bill are to: increase accountability and the adherence to the Principles of Effectiveness; increase the use of researched-based programs; provide States with greater flexibility in preventing violence and drug use; increase community participation in drug and violence prevention programs; and maintain a viable program for all schools willing to conduct proven research-based violence and drug abuse prevention programs.

Funding: For fiscal year 2001, the bill authorizes $700 million for the State Grants Program, $150 million for National Programs, and $75 million for the National Coordinator Initiative.

State and Local Grants: States must submit applications to the Secretary of Education. The application must include a comprehensive plan for use of funds under the Governor's program and the State Department of Education's program; a needs assessment and results of ongoing State evaluation activities; assurances that stakeholders were consulted; measurable goals; a description of how the funds will be spent; and a comprehensive plan for using and monitoring the funds received under this Title. The State plan shall also include a comprehensive plan for the Governor's Program by the chief executive officer.

The reauthorization bill reserves 80 percent of the funds to be available to States for state support and grants to LEAs. State and local programs must implement activities that are research-based initiatives, and States are required to implement a uniform management and information reporting system so that expenditures of these funds can be clearly tracked. SEAs may use up to 5 percent of funds for technical assistance and up to 5 percent for administration.

SEAs may choose between two options for allocating remaining funds to LEAs: (1) provide at least 70 percent to schools based on enrollment and up to 30 percent allocated at a State's discretion or to schools the State determines to have the greatest need; or (2) provide up to 70 percent on a competitive basis to those schools with the greatest need, determined by the state, and 30 percent to those schools the state determines require additional help to run a program but who might not meet "greatest need" criteria. This would allow states to choose and define a competitive or baseline minimum grant system and still allow them help those schools that could not compete under that system, if they choose.

The reauthorization bill reserves 20 percent of a State's allocation for Governors Programs of which not less than 95 percent of the funds must be used for research-based substance abuse/violence reduction through a broad range of activities. The bill allows Governors to directly add their money to the funds being sent to schools and communities to serve out of school youth and to under-

take community mobilization activities related to substance abuse and violence.

LEAs shall submit an application to the SEA which must include a needs assessment; set measurable goals and objectives; utilize effective research-based programs; ensure participation of community groups; and include a program evaluation. Funds shall be used for a comprehensive drug and violence prevention program.

Evaluations and Reporting: The reauthorization bill requires the Secretary of Education to consult with a newly created National Advisory Committee in creating an evaluation and requires the evaluation to determine whether funded programs: conform to the Principles of Effectiveness; have objectively measurable goals; target research-based programs such as risk factors and/or protective factors/buffers or assets; and reduce drug use, school violence, and the presence of firearms at schools. The bill requires the Department of Education, States, and the Governors to implement program and financial monitoring and requires State reports every 2 years to the Department of Education and annual reports to the States from local schools.

Federal Activities: In addition to provisions contained in the current law, the reauthorization bill adds service learning programs to the list of uses of funds. The bill includes a new section which authorizes the Secretary to award grants to local education agencies for the hiring/training of drug prevention and school safety program coordinators. In addition, the bill creates a Safe and Drug Free Schools and Communities Advisory Committee to: coordinate Federal drug and violence prevention programs, develop core data sets and evaluation programs, provide technical assistance and training, provide for the diffusion of research-based programs, and review other regulations and standards developed under this title. The committee will include Department of Education, Center for Disease Control, National Institute on Drug Abuse, National Institute on Alcoholism and Alcohol Abuse, Center for Substance Abuse Prevention, Center for Mental Health Services, Office of Juvenile Justice and Delinquency Prevention, Office of National Drug Control Policy, and State and local government education agency representatives. The committee will annually consult with State and local coordinators of school and community-based substance abuse and violence prevention programs and other interested groups.

Part B—Gun Possession

The Gun-Free Schools provisions currently contained in part F of title XIV are transferred to part B of title IV. These provisions require States receiving funds under ESEA to have laws requiring local educational agencies to expel from school for at least one year any student who brings a weapon to school.

Part C—School Safety and Violence Prevention

Part C includes a number of new provisions and allowable uses of funds related to school safety and violence prevention, including:

School Safety and Violence Prevention: Provides that federal funds provided under titles IV and VI of ESEA may be used for training school personnel to identify potential threats; to identify troubled youth; to make comprehensive school security assess-

ments; to purchase metal detectors, locks, and surveillance cameras; to engage in collaborative efforts with community-based organizations to reduce violence; and to utilize other innovative programs to reduce school violence.

School Uniforms: Provides that nothing in the ESEA can be construed to prohibit schools from establishing a school uniform policy and allows funds provided under titles IV and VI of ESEA to be used for establishing a school uniform policy.

Transfer of School Disciplinary Records: Requires States receiving Federal funds under ESEA to establish a procedure by which local educational agencies must transfer the suspension and expulsion records of any student to any private or public elementary or secondary school in which that student seeks enrollment. This requirement does not apply to private schools.

Disclaimer on Materials Produced, Procured, or Distributed from ESEA Funding: Requires that all materials produced, procured, or distributed as a result of Federal funding through ESEA contain a statement indicating that it has been made available at the expense of the Federal government. The statement must also indicate that any individual who objects to the material or to representations made in it is encouraged to contact the Department of Education. The address of the office at the Department assigned to receive comments must also be listed. Every 6 months, the Secretary is to summarize the comments received and provide them to appropriate congressional committees and to House and Senate leadership.

Background Checks: Amends the National Child Protection Act of 1993 to specify that individuals who are employed, or seek employment, with schools are included in the provisions of that act relating to background checks.

Constitutionality of Memorial Services and Memorials at Public Schools: Provides congressional findings that the saying of a prayer, the reading of scripture, the performance of religious music, and the design or construction of any memorial which includes religious symbols and which is placed on school grounds does not violate the First Amendment. In addition, it ensures that anyone seeking to challenge such memorials as unconstitutional must pay its own attorney's fees, and that the Attorney General is authorized to provide assistance to any school district defending the legality of the service.

Part D—Environmental Tobacco Smoke

The bill transfers to the Elementary and Secondary Education Act the environmental tobacco smoke provisions currently contained in part C of title X of the Goals 2000: Educate America Act to part D of title IV. These provisions prohibit smoking within any indoor facility used for the provision of education, routine health care, day care, library services, or early childhood development to children.

Title V—Educational Opportunity Initiatives

Part A—Technology Education

Purpose: The purpose of this part is to help all students develop technical and higher order thinking skills and to achieve challenging State academic content and performance standards, as well as America's Education Goals, by providing support to: help provide all classrooms with access to educational technology; help ensure access to and the effective use of educational technology in all classrooms through the provision of sustained and intensive high quality professional development that improves the ability of teachers and principals to integrate educational technology effectively into the classroom by actively engaging students, teachers, paraprofessionals, media specialists, principals, and superintendents in the use of technology; help improve the capability of teachers and other appropriate school personnel to design and construct new learning experiences using technology; support efforts by SEAs and LEAs to create learning environments designed to prepare students to achieve challenging State academic content standards and performance standards; support the provision of technical assistance to SEAs, LEAs, and communities; support partnerships among business and industry and the education community; support evaluation and research in the effective use of technology in preparing all students to achieve challenging State standards; encourage collaborative relationships among the State Agency for Higher Education, the State Library Administrative Agency, the State telecommunications agency, and the SEA in the area of technology support to strengthen the system of education to ensure that technology is accessible to and usable by all students; to support the development and use of education technology to enhance and facilitate meaningful parental involvement to improve student learning; and to assist every student in crossing the digital divide by ensuring that every child is computer literate by the time the child finishes 8th grade, regardless of the child's race, ethnicity, gender, income geography or disability.

Funding: A funding level of $815 million is authorized for subparts 1, 2, and 3 for fiscal year 2001 and such sums as necessary for the four succeeding fiscal years. Of that amount, $5 million is available for federal leadership activities and $10 million for Regional Technology in Education Consortia in fiscal year 2001 not to exceed 2.5 percent of total appropriations in the remaining fiscal years; 30 percent of the remaining funds for Technology Innovation grants (competitive grant) and 70 percent of the remaining funds for the Technology Literacy Fund (formula program to States). It ensures that under no circumstances would the formula grant program to States receive less than it did in fiscal year 2000.

The reauthorization bill puts an emphasis on increasing the use of education technology to provide professional development opportunities for prospective teachers and current teachers, as well as school leaders. It eliminates unfunded programs [Product Development (current Subpart 4 of title III, part A) and Elementary Mathematics and Science Equipment Program (title III, part E)].

Part B—Star Schools

The purpose of the Star Schools program is to use telecommunications to encourage improved instruction in math, science, and foreign languages as well as literacy skills and vocational education to underserved populations. The program provides 5–year grants which can be renewed for a 3–year period. The reauthorization bill authorizes a funding level of $50 million for fiscal year 2001 and such sums as necessary for the 4 succeeding fiscal years.

Part C—Magnet School Assistance

Magnet schools are public elementary schools or secondary schools that offer a special curriculum which attracts substantial numbers of students of different racial backgrounds. The purpose of the Magnet Schools Assistance program is to assist schools in increasing their racial, economic, linguistic, or ethnic diversity between minority and non-minority students and among students of different minority groups. Magnet school projects help local educational agencies implement systemic reform. A funding level of $125 million is authorized to carry out this program in fiscal year 2001.

Part D—Public Charter Schools

Charter schools are public schools that are released from various regulations that normally apply to public schools in exchange for increased student performance accountability. The Public Charter Schools program supports the establishment of charter schools in states that have enacted state charter school laws.

The Public Charter Schools program supports the design, initial implementation, and evaluation of charter schools. Under this grant program, funds are provided for up to three years to State educational agencies to support eligible charter schools within the State. The State educational agencies award grants for planning, technical assistance, and dissemination. A funding level of $175 million is authorized to carry out this program in fiscal year 2001. The reauthorization bill extends this program through fiscal year 2005.

Part E—Women's Educational Equity

The Women's Educational Equity Act (WEEA), currently authorized as part B of title V of ESEA, is extended through fiscal year 2005. WEEA provides grants for the operation of programs promoting educational equity for women and girls. Approximately two-thirds of WEEA funds are used to support local projects. The remaining funds are used for technical assistance, dissemination, and research and development. Fiscal year 2000 funding for WEEA is $3 million. The proposed reauthorization makes minor clarifying changes to the existing law and provides an authorization level of $5 million in fiscal year 2001.

Part F—Civic Education

The reauthorization bill merges the Civic Education program currently authorized as part F of title X and the International Education Exchange Program currently authorized under title VI of Goals 2000: Educate America Act and extends the program through

fiscal year 2005. The proposal authorizes $10 million for fiscal year 2001 for each component (domestic and international).

The Civic Education program provides support for programs related to instruction on the basic principles of our constitutional democracy and the history of the Constitution and the Bill of Rights. The program received $9.85 million in fiscal year 2000.

The International Education Exchange program provides support for education exchange activities in civics and government education and in economic education between the United States and eligible developing countries (i.e. Eastern Europe, former republics of the Soviet Union). Its purpose is to support democracy and free market economies. Grantees offer exemplary curriculum and teacher training to educators from eligible countries. They also sponsor seminars and site visits and develop related programs for U.S. students. The program received $7 million in fiscal year 2000.

Part G—Fund for the Improvement of Education

The Fund for the Improvement of Education (FIE), currently authorized as part A of title X of ESEA, is substantially streamlined and extended through fiscal year 2005. FIE currently provides the Secretary with broad authority to support nationally significant programs and projects designed to improve the quality of education. Several specific programs, such as character education, are also authorized under FIE. Fiscal year 2000 funding for FIE is $243.9 million. This amount includes $65 million for the comprehensive school reform program, which is authorized in this bill as part F of title I.

The reauthorization bill specifies activities to be supported by FIE to include: the identification of exemplary schools and programs (such as Blue Ribbon Schools); the development and evaluation of model strategies for professional development for teachers and administrators (such as Christa McAuliffe Fellowships); character education; the scholar-athletes program; elementary school counseling demonstrations; smaller learning communities; and the National Student and Parent Mock Elections. A funding level of $100 million is authorized for fiscal year 2001.

Part H—Allen J. Ellender Fellowship Program

The Allen J. Ellender Fellowship Program, currently authorized as part G of title X, is extended through fiscal year 2005. This program makes an award to the Close Up Foundation to provide fellowships to students from low-income families and their teachers to allow them to participate in one week of seminars on government and meetings with representatives of all three branches of the federal government. Fiscal year 2000 funding for the program is $1.5 million. The reauthorization bill provides for a funding level of $1.5 million for fiscal year 2001.

Part I—Ready to Learn Television

Purpose: The Ready to Learn Television program authorizes the Secretary of Education to award grants or enter into contracts or cooperative agreements to develop, produce, and distribute educational and instructional video programming for preschool and elementary school children and their parents.

Program: The reauthorization bill extends the current Ready to Learn Television program through fiscal year 2005 with small modifications. It makes funds available to local public television stations to work in partnerships with SEAs, LEAs, local schools, institutions of higher education, or community-based organization to: develop educational programming and accompanying support materials for preschool and elementary school children; facilitate development of programming and digital content over public television stations for parents and caregivers; and widely distribute and disseminate programs. Funds under this part may be used to: address the learning needs of young children in limited-English-proficiency households; develop programming and support materials to increase family literacy skills; identify, support, and enhance the effective use and outreach of innovative programs that promote school readiness; and develop and disseminate training materials.

Federal Funds: Currently funded at $16 million, the bill increases the authorization of the program to $50 million for fiscal year 2001.

Part J—Inexpensive Book Distribution Program

Purpose and Program: Funds made available under the Inexpensive Book Distribution Program support "Reading is Fundamental" (RIF), which is extended through fiscal year 2005. Currently funded at $20 million, RIF supports and promotes programs, including the distribution of inexpensive books to students, to motivate children to read. RIF is a public-private partnership program that operates nationwide and serves 3.5 million children annually in schools, child care centers, libraries, hospitals, clinics, and homeless centers. The reauthorization bill provides for funding level of $25 million for fiscal year 2001.

Title VI—Innovative Education

OVERVIEW

The purpose of title VI, part A, Innovative Education, is to provide funds to local educational programs for the implementation of initiatives that support school improvement and reform efforts with the goal of advancing student performance. To accomplish the purpose of part A, States allocate funds to local school districts for an array of activities such as professional development, technology, and library services.

The title VI, part A, reauthorization proposal expands the current funding level for the Innovative Education Program Strategies section. The new authorization of $850 million (for fiscal year 2001) combines funds from Goals 2000 State Grants Program (which is set to expire in the year 2000) and the annual allocation for the authorized title VI program. The appropriation for programs under the current title VI program is $365.8 million.

A key change from current law is the inclusion in this title of the Education Flexibility Partnership Act, Consolidated State and Local Plan Applications, and Waivers of statutory and regulatory requirements. These are provisions relating to both flexibility and accountability which are located in various titles of the current law and are now consolidated under title VI.

The Rural Flexibility Act is a new title VI initiative. The purpose of the Rural Flexibility proposal is to provide adequate funding to rural school districts for improving student performance. The Rural Flex initiative will enable rural school districts to maximize their funding resources which will assist in the implementation of education reform strategies.

Another new flexibility initiative is contained in part G, Education Performance Partnerships, which provides States with the opportunity to combine federal education formula funds in ways which will increase the academic achievement of their students. In exchange for this broad flexibility, States must demonstrate tough accountability. Participating States will enter into performance partnership agreements with the Secretary of Education.

Finally, part H, Academic Achievement for All Demonstration, contains provisions that allows a State to combine funds under a variety of federal formula grant programs to use for any educational purpose permitted under State law. Up to 15 States may participate in the demonstration program. Participating States are to show results in improving the academic performance of all students. The goals for improvement and the means for achieving them are set by the States.

Part A—Innovative Education Program Strategies

Purpose: The purpose of title VI is to support education reform efforts that are consistent with and support statewide education reform initiatives. Grant funds are used to develop and implement education programs to improve school, student, and teacher performance, including professional development activities and class-size reduction programs.

State and Local Responsibility: The administration of title VI funds is handled by the State educational agencies. However, the design and implementation of title VI activities are the responsibilities of the local educational agencies, school superintendents, principals, and teachers.

Federal Funding: A funding level of $850 million is authorized to carry out the innovative education strategies section of this part for fiscal year 2001 and such sums as necessary for the 4 succeeding fiscal years.

Allotment to States: This is the same as current law. The Secretary allots to each State an amount based on a ratio of a State's school-age population to the school-age population of all States. A small State minimum is also included, as in current law, which is ½ of 1 percent.

Allocation to Local Educational Agencies: The reauthorization maintains the current law provisions.

State Use of Funds: A SEA may use funds for: State administration of programs; support for planning, designing, and initial implementation of charter schools; support for the design and implementation of high-quality yearly student assessments; support for implementation of State and local standards; and technical assistance and direct grants to LEAs and statewide education reform activities, including effective schools programs, which assist LEAs to provide targeted assistance.

State Applications: Any State submitting an application to the Secretary will provide assurances that, other than technical assistance and monitoring compliance, the State educational agency will not influence the decision making processes of local educational agencies as to how the local educational agencies will spend the funds received under this title.

Local Uses of Funds: Title VI funds allocated to local educational agencies shall be used for innovative assistance and requires all title VI, part A programs and activities to be tied to promoting high academic standards, to be used to improve student performance, and to be part of an overall education reform strategy. Innovative assistance includes:

(1) programs for the acquisition and use of instructional and educational materials, including library services and material (including media materials), assessments, and other curricular materials;

(2) programs to improve teaching and learning, including professional development activities, that are consistent with comprehensive State and local systemic education reform efforts;

(3) activities that encourage and expand improvement throughout the LEA that are designed to advance student performance;

(4) initiatives to generate, maintain, and strengthen parental and community involvement;

(5) programs to recruit, hire, and train certified teachers (including teachers certified through State and local alternative routes) in order to reduce class size;

(6) programs to improve the academic performance of educationally disadvantaged elementary school and secondary school students, including activities to prevent students from dropping out of school;

(7) programs and activities that expand learning opportunities through strategic research designed to improve classroom learning and teaching;

(8) programs to combat both student and parental illiteracy;

(9) technology activities related to the implementation of school-based reform efforts, including professional development to assist teachers and other school personnel (including school library media personnel), regarding how to effectively use technology in the classroom and the school library media center;

(10) school improvement programs or activities relating to the title I assessment;

(11) programs to provide for the educational needs of gifted and talented children;

(12) programs to provide same gender schools and classrooms, if equal educational opportunities are made available to students of both sexes as consistent with the United States Constitution;

(13) service learning activities; and

(14) school safety programs.

Local Applications: A local educational agency or consortium of agencies seeking title VI funds will include in their applications information including:

(1) a description of the programs, projects, and activities that will be funded and the planned allocation of funds;

(2) a description of how title VI projects will contribute to improving student achievement or improving the quality of education for students;

(3) assurances of compliance regarding the participation of children enrolled in private, nonprofit schools.

(4) a description of how parents, teachers, school personnel, and administrative personnel will be involved in the design, planning, and implementation of title VI initiatives;

Local Educational Agency Discretion: A local educational agency receiving funds under title VI will have complete discretion in determining how funds will be divided among the areas of targeted assistance. The local educational agency will ensure that the schools meet the educational needs of the students served by the schools receiving title VI funds.

Part B—Rural Flexibility Act

The purpose of this part is to provide adequate funding to rural school districts to enhance their ability to recruit and retain teachers, strengthen the quality of instruction, and improve student achievement. Subpart I, the Rural Educational Achievement Program, permits rural school districts with enrollments of fewer than 600 students to combine funds from titles II, IV, and VI and apply these funds toward local initiatives designed to improve student achievement. In addition, participating local educational agencies are eligible to receive a supplemental grant that, when combined with other Federal dollars, will enable these small rural schools to offer programs and activities of sufficient size, scope, and quality to have a significant impact upon student and school performance. Subpart II, the Low-Income and Rural School Program, is designed to meet the needs of rural school districts serving large numbers of disadvantaged students. Local educational agencies residing in rural communities are eligible to receive funds from this program if 20 percent of the children they serve are from families living below the poverty level. A funding level of $125 million is authorized to support these programs during fiscal year 2001.

Part C—Education Flexibility Partnership Act

The Education Flexibility Partnership Act allows State educational agencies the flexibility to waive certain Federal requirements, along with related State requirements, for the purpose of raising the achievement of all students. The provisions of Public Law 106–25, which was signed into law last year as a free-standing bill, are incorporated into title VI.

Part D—Flexibility in the Use of Administrative and Other Funds

Consolidation of State and Local Administrative Funds: A State educational agency may consolidate administrative funds for one or more of the activities specified below provided that the State educational agency can demonstrate that the majority of such agency's resources come from non-Federal sources. These programs include:

(1) all title 1 programs;

(2) administration of this title;

(3) establishment and operation of peer-review mechanisms under ESEA; and

(4) dissemination of information regarding model programs and practices.

Consolidated Administrative Recordkeeping: A State Educational Agency that consolidates administrative funds will not be required to keep separate records, by individual program, to account for administrative costs.

Review of Consolidated State Administrative: To determine the effectiveness of State educational agencies consolidating administrative funds, the Secretary may periodically review the performance of State educational agencies.

Consolidation of Local Administrative Funds: In accordance with regulations, a local educational agency, with the approval of its State educational agency, may consolidate 1 or more of the programs outlined under "Consolidation of State and Local Administrative Funds."

Availability of Unneeded Program Funds: With the approval of the State educational agency, a local educational agency that determines for a fiscal year that funds from programs listed under "Consolidation of State and Local Administrative Funds" (other than funds from part A of title I) are not needed to carry out that program may use up to five percent of those funds to carry out one of the other programs listed under "Consolidation of State and Local Administrative Funds."

Part E—Consolidated Plans

Purpose: It is the purpose of this part to improve teaching and learning by encouraging greater cross-program coordination, planning and service delivery under this act and enhanced integration of programs under this act with educational activities carried out with State and local funds.

Integration of State Plans: State educational agencies may integrate the following programs into one plan. These include:

(1) Part A of Title I—Helping Disadvantaged Children Meet High Standards;

(2) Part C of Title I—Education of Migratory Children;

(3) Title II—Professional Development;

(4) Title IV—Safe and Drug Free Schools; and

(5) Part A of this Title—Innovative Education Program Strategies;

Integration of Local Plans: Local educational agencies may integrate the following programs into one plan:

(A) Part A of Title I—Helping Disadvantaged Children Meet High Standards;

(B) Title II—Professional Development;

(C) Title IV—Safe and Drug Free Schools;

(D) Part A of this Title—Innovative Education Program Strategies.

Part F—Waivers

Waivers: A State educational agency, local educational agency, or Indian tribe which seeks a waiver, shall submit a waiver request to the Secretary that—

(a) identifies the Federal programs affected by such requested waiver;

(b) describes which Federal requirements are to be waived and how the waiving of such requirements will—

(i) increase the quality of instruction for students; or

(ii) improve student academic performance;

(c) if applicable, describe which similar State and local requirements will be waived and how the waiving of such requirements will assist the local educational agencies, Indian tribes, or schools to achieve improvement in student academic performance or increase the quality of instruction for students;

(d) describes specific, measurable, educational improvement goals, and expected outcomes for all students;

(e) describes the methods to be used to measure progress in meeting the goals and outcomes; and

(f) describes how schools will continue to provide assistance to the same populations served by programs for which waivers are requested.

Requirement for State Educational Agencies: In seeking a waiver, a State educational agency will provide all interested local educational agencies and the public with notice and the opportunity to comment and submit the comments to the Secretary.

Local Educational Agencies: A waiver sought by a local educational agency will be reviewed by the State educational agency. In addition, the local educational agency will provide the opportunity for notice and comment to the public.

Restrictions: Waivers will not be granted relating to the following:

(1) the allocation or distribution of funds to States, local educational agencies, or other recipients under this Act;

(2) maintenance of effort;

(3) comparability of services;

(4) use of Federal funds to supplement, not supplant, non-Federal funds;

(5) equitable participation of private school teachers and students;

(6) parental participation and involvement;

(7) civil rights requirements;

(8) requirements for a charter school;

(9) prohibitions on the use of funds for religious worship or instruction; and

(10) the selection of a school attendance area or school under subsections (a) and (b) of section 1113, except that a State educational agency may grant a waiver to allow a school attendance area or school to participate in activities under part A of title I if the percentage of children from low-income families in the school attendance are of such school or who attend such school is not less than 10 percentage points below the lowest percentage of such children for any school attendance are or school of the LEA that meets the requirements of such subsections (a) and (b).

Duration and Extension of Waiver: The duration of a waiver approved by the Secretary may be for a period not to exceed three years. The Secretary may extend the period if the Secretary deter-

mines that the waiver has been effective in enabling the State or affected recipients to carry out the activities for which the waiver was requested and the waiver has contributed to improved student performance and that such an extension is in the public interest.

Part G—Education Performance Partnerships

Part G of title VI provides States with the opportunity to combine the funds they receive from federal education formula grants to tailor activities designed to increase student performance. In exchange for this increased flexibility, States must demonstrate progress in increasing academic achievement and in narrowing the gap between the lowest and highest achieving students. States that participate would enter into a performance partnership agreement with the Secretary of Education which includes student performance goals for the 5-year term of the agreement. If a State chooses not to participate, any local educational agency in that State may do so.

This approach maintains the traditional federal role of targeting of assistance towards low-income students served under title I by providing that any State which includes part A funds in its performance partnership must maintain the current formula for distributing those funds to schools and school districts.

Part G also establishes a $2.5 billion bonus award fund. Bonuses would be provided to those States which make significant progress in eliminating achievement gaps over a 5-year period. All States would be eligible to compete for bonus awards—whether or not they choose to enter into performance partnership agreements.

Part H—Academic Achievement for All Demonstration

Part H of title VI establishes a demonstration program which permits a State to combine funds under a variety of federal formula grant programs to use for any educational purpose permitted under State law. Up to 15 States may participate in the demonstration program. If a State chooses not to participate, any local educational agency in that State may do so.

Participating States are to show results in improving the academic performance of all students. The goals for improvement and the means for achieving them are set by the States and are described in a performance agreement.

A State which elects to include funds from part A of title I in its agreement must assure that each local educational agency in the State will receive no less in Title I funds than the agency received in the fiscal year preceding the State's entry into the demonstration program. Otherwise, the distribution of funds from programs included in the performance agreement within the State will be determined either by the Governor and State legislature or by the individual or entity responsible for education under State law.

A State which makes substantial reductions in achievement gaps by the end of the 5-year term of the agreement will be eligible for a performance reward equal to 5 percent of the funds allocated to the State for the first year of the performance agreement for programs included in the agreement. Funding for the reward program is to be provided under the Fund for the Improvement of Education.

Title VII—Bilingual Education, Language Enhancement, and Language Acquisition Programs

Part A—Bilingual Education

The Bilingual Education program is designed to provide educational assistance to students with limited English proficiency. Funds awarded under this program help students with limited English proficiency to meet challenging State content and performance standards. The reauthorization bill makes several changes to the Bilingual Education program. The key program changes are—

Funding: $300 million has been authorized for fiscal year 2001.

Program Development and Implementation Grants: This program has been repealed and the purposes of this initiative have been woven into other programs under this subpart.

Program Enhancement Projects: The uses of funds section has been modified. Grants will be used for: developing, implementing, expanding, or enhancing comprehensive preschool, elementary, or secondary education programs for limited English proficient children and youth; providing high quality professional development; annually assessing the English proficiency of all limited English proficient students. In awarding grants, the Secretary may give priority to an entity that serves a school district that has: a total district enrollment that is less than 10,000 students; a large percentage or number of limited English proficient students; and limited or no experience in serving English proficient students.

Comprehensive School and Systemwide Improvement Grants: These are two separate programs under current law. The bill combines both initiatives into one grant program. Grants awarded under this section will be used for: improving instructional programs for limited English proficient students; training school personnel and community-based organization personnel to improve the instruction and assessment of limited-English proficient students; implementing family education or parent outreach programs; annually assessing the English proficiency of all limited English proficient students; and developing or improving accountability systems to monitor the academic progress of limited English proficient students. Grantees who received funds prior to the date of enactment of this bill will continue to be funded for the duration of their grants under the terms of current law. One-third of the grants awarded under this section will be awarded to school districts and two-thirds will be used for school activities.

Priority for All Subpart 1 Grants (Bilingual Education Capacity and Demonstration Grants): In awarding grants, the Secretary shall give priority to an applicant who: experiences a dramatic increase in the number or percentage of limited English proficient students enrolled in the applicant's program and has limited or no experience in serving limited English proficient students; is a local educational agency that serves a school district that has a total district enrollment that is less than 10,000 students; demonstrates that the applicant has a proven record of success in helping limited English proficient

students; proposes programs that provide for the development of bilingual proficiency both in English and another language for all participating students; or serves a school district in which a large percentage or number of limited English students is enrolled. In addition, the 25-percent limitation for special alternative programs has been deleted.

State Grant Program: The State grant program assists local educational agencies with program design, capacity building, assessment of student performance, and program evaluation. The bill increases the minimum funding level from $100,000 to $200,000.

Part B—Foreign Language Assistance

The Foreign Language Assistance Program provides competitive grant assistance to State or local educational agencies to provide foreign language study for elementary and secondary school students. Incentive payments are authorized as well for schools that offer programs designed to lead to communicative competency in a foreign language. The reauthorization bill extends this program through fiscal year 2005 and adds provisions giving special consideration to grant applications which make effective use of technology, promote innovative activities, or are carried out through a consortium including the grantee and an elementary or secondary school. A funding level of $35 million is authorized for fiscal year 2001.

Part C—Emergency Immigrant Education

The Emergency Immigrant Education program provides funds to local educational agencies that experience unexpectedly large increases in their student populations due to immigration to assist with the education of those students. The fiscal year 2001 authorization level is $200 million.

Title VIII—Impact Aid

Impact Aid programs provide assistance to school districts that are financially burdened as a result of activities of the federal government for the education of federally connected children or due to the presence of federal property. Total funding for impact aid programs in fiscal year 2000 is $906.5 million.

Federal Property: The reauthorization bill maintains the current structure for providing payments to school districts due to federal ownership of property. The existing hold-harmless provisions are replaced with new provisions dealing with the distribution of funds if appropriations are insufficient. The bill also seeks to avoid payment delays by requiring the Secretary to make a preliminary payment of 60 percent of the amount received by a local educational agency in the previous year no later than 60 days following enactment of appropriations (provided that the LEA has submitted all data necessary for computation of its payment). It addition, it establishes a 5-year time frame following Federal acquisition of property in which districts may apply for payments. A funding level of $35 million is authorized in fiscal year 2001 for Federal property payments.

Basic Payments: The reauthorization bill increases from .10 to .25 the weight assigned to children who have a parent who is on active duty in the uniformed services or is an official of a foreign government and is a foreign military officer, but do not reside on Federal property. A hold-harmless provision is included to assure that other LEAs do not lose funds due to this weight adjustment.

The bill also institutes a maximum 3-year time limit for current law provisions which permit military dependents living off-base to be counted as on-base students in situations where their base housing is being renovated and would clarify that the rebuilding of on-base housing will be treated in the same manner as renovation. In addition, it permits military dependents to be counted as on-base students if they reside in housing initially acquired or constructed under the "Build to Lease" program if the property is within the fenced security perimeter of the military facility. If the property is subject to taxation, the impact aid payment to the LEA will be reduced by the amount of revenues received from the property taxes.

The bill folds payments to heavily-impacted districts into the basic payments structure, consistent with the provisions of a pilot program which has been in operation for the past two years. A separate authority for additional funds for federally connected children with disabilities is maintained.

A funding level of $875 million is authorized in fiscal year 2001 for basic payments, and $60 million is authorized for payments on behalf of children with disabilities.

Construction/Modernization: The current construction authority is expanded to provide assistance for schools serving large proportions of federally connected students in districts which have no bonding authority or are at their limit for bonded indebtedness. A funding level of $62.5 million is authorized in fiscal year 2001. In addition, a funding level of $7 million is authorized for fiscal year 2001 for school facilities owned by the Department Education which are used to educate federally connected military students.

Unfunded Programs: Unfunded authorities for special additional payments for LEAs with high concentrations of children with severe disabilities and for sudden and substantial increases in attendance of military dependents are repealed.

Title IX—Indian, Native Hawaiian, and Alaska Native Education

The purpose of title IX is to modify and improve the educational services provided for American Indian, Alaska Native, and Native Hawaiian students. The reauthorization bill continues to make grants available to schools operated or supported by the Bureau of Indian Affairs and allows local educational agencies to provide an increased range of services to include those that: (1) promote the incorporation of culturally responsive teaching and learning strategies; (2) incorporate American Indian and Alaska Native specific curriculum content into the curriculum; (3) promote coordination among tribal, Federal, and State public schools in areas that will improve education; and (4) offer family literacy activities. The reauthorization bill gives local educational agencies which receive formula grants under part A the ability to commingle all of the federal funding they receive for educating Indian children, regardless of which agency provides it, into 1 coordinated, comprehensive pro-

gram to meet the specific needs of Indian children. The reauthorization bill also authorizes the provision of family literacy services for Indian, Native Hawaiian, and Native Alaskan students, limits administrative costs to 5 percent, and consolidates a number of programs under Part B: Native Hawaiian Education and Part C: Native Alaskan Education.

Title X—General Provisions

The reauthorization bill contains a separate part pertaining to evaluation and dissemination of all elementary and secondary education programs funded under the Elementary and Secondary Education Act. Components include requiring the Secretary of Education to: carry out comprehensive evaluations of all programs and demonstration projects; evaluate the cost-efficiencies of Federal elementary and secondary education programs; assess the impact of programs in relation to student and school performance; and disseminate broadly the results of these evaluations.

In addition, the bill requires that the Secretary provide for a study conducted by the National Academy of Sciences regarding the relationship between time and learning which shall include an analysis on the impact of increasing education time on student learning; an analysis of how schools, teachers, and students use time and the quality of instructional activities; an analysis of how time outside of school may be used to enhance student learning; and cost estimates for increasing time in school.

The bill reauthorizes America's Education Goals Panel (formerly the National Education Goals Panel), and the Panel will work with the Secretary of Education to disseminate information regarding best practices. To ensure that all students have access to high quality continuing education or service opportunities, the bill contains a provision that states that nothing in the Act shall be construed to prohibit recruiters for the Armed Forces of the United States from receiving the same access to secondary school students or directory information as is provided to postsecondary educational institutions or prospective employers of school student.

Title XI—Amendments to Other Acts

Part A—Repeals

The Goals 2000: Educate America Act is repealed, as is the Advanced Placement Incentive Program currently authorized as Part B of Title VIII of the Higher Education Amendments of 1998. The Advanced Placement program is replaced with new provisions included in the new part E of title III of the Elementary and Secondary Education Act.

Part B—Education for Homeless Children and Youth

The Education for Homeless Children and Youth program authorized as Subtitle B of the Stewart B. McKinney Homeless Assistance Act is extended through fiscal year 2005. The program provides assistance for: the establishment of Offices of Coordinator of Education of Homeless Children and Youth in States; the development and implementation of State plans for the education of homeless children; and support to local educational agencies for the edu-

cation of these children. The reauthorization bill strengthens provisions of the current law designed to avoid segregating homeless students, to maintain a child's attendance at his or her school of origin, to avoid enrollment delays, and to assure that the quality of an application is considered in the provision of subgrants to local educational agencies. A funding level of $40 million is authorized for fiscal year 2001.

Part C—Albert Einstein Distinguished Educators

The Albert Einstein Distinguished Educator Fellowship program is extended through fiscal year 2005. This program, which is administered by the Secretary of Energy, provides fellowships for elementary and secondary school mathematics and science teachers. Einstein Fellows work for ten months in positions in the Department of Energy, the Senate, the House, the Department of Education, the National Institutes of Health, the National Science Foundation, the National Aeronautics and Space Administration, and the Office of Science and Technology Policy. A funding level of $700,000 is authorized for fiscal year 2001.

General Notes:

(1) The term "research-based" is used throughout the bill and is defined as follows: "The term 'research-based' used with respect to an activity or a program, means an activity based on specific strategies and implementation of such strategies that, based on theory, research, and evaluation, are effective in improving student achievement and performance and other program objectives."

(2) Throughout the bill, specific funding levels are authorized for fiscal year 2001, and "such sums as may be necessary" are authorized for the 4 succeeding fiscal years.

II. Background and Need for the Legislation

The Federal Government's involvement in elementary and secondary education began with the enactment of the Northwest Ordinance of 1787, one of the first laws passed by the Continental Congress. The Northwest Ordinance required each township within the territory to reserve one square mile for the establishment of public schools. Under the Northwest Ordinance law, 77 million acres of land were set aside for public education.

178 years after passage of the Northwest Ordinance, the Congress of the United States determined that the Federal Government should develop legislation that would strengthen and improve educational opportunities for elementary and secondary school students. That determination evolved into congressional passage and enactment of the Elementary and Secondary Education Act of 1965.

The Elementary and Secondary Education Act of 1965, which has been amended several times during its 35 year history, continues to be the foundation for most of the Federal programs and activities related to elementary and secondary education. That foundation has been built on the belief that federally authorized programs help to strengthen and improve educational quality and opportunities to elementary and secondary school students.

Currently, the Federal Government sends each State an estimated 7 cents on the dollar for education services. Those 7 cents are a very important contribution to the State and local education

systems that exist throughout the Nation. Over the last decade, Federal funds have been especially helpful in assisting State development of school reform strategies that will enable all students to meet challenging standards.

Although some progress is visible regarding student performance improvement, we have a long way to go to ensure that all students have the knowledge and skills necessary to compete in a global economy. To accomplish such a task, the Federal, State, and local governments must join together to establish programs that will provide all students with the opportunity to obtain a high quality education.

The Educational Opportunities Act, S. 2, strengthens the title I reform process initiated in 1994 which emphasizes the establishment of high standards and aligned assessments designed to measure progress toward those standards. This legislation increases high quality professional development opportunities for teachers and other school leaders. S. 2 also creates activities designed to enhance the important partnership between parents and their local schools, and will help local schools provide safe and drug-free learning environments. Finally, S. 2 increases State and local flexibility in the use of Federal funds in exchange for greater accountability.

S. 2 offers States and local school districts a positive framework for creating a first rate education delivery system. This legislation provides mechanisms to give our children the quality education they need to succeed in an increasingly competitive world.

III. Legislative History and Committee Action

The Educational Opportunities Act, S. 2, was introduced by Senators Jeffords, Gregg, Lott, McCain, Mack, Coverdell, Hagel, and Landrieu on January 19, 1999.

In December 1998, the committee held the first of 24 hearings on issues related to the reauthorization of the Elementary and Secondary Education Act (ESEA). All hearings were held by the full committee, including 3 field hearings and a joint hearing with the House Committee on Education and the Workforce. Committee ESEA hearings include:

December 4, 1998
Are Our Children Ready to Learn? (S. Hrg. 105–772)
Purpose: Examining early childhood education and related services.

December 11, 1998
The Price We Pay for Illiteracy (S. Hrg. 105–787)
Purpose: Examining educational goals, focusing on literacy.

January 26, 1999
Improving Educational Opportunities: Senators' Perspectives (S. Hrg. 106–1)
Purpose: Examining proposals by several members of the Senate to improve ESEA programs.

February 9, 1999
Department of Education Elementary and Secondary Education Proposals (S. Hrg. 106–30)
Purpose: Examining proposed legislation authorizing funds to extend programs and activities under ESEA of 1965.

February 23, 1999
Education Reform: Governors' Views (S. Hrg. 106–4)
Purpose: Examining ESEA reform initiatives at the state level and the view of state governors on the proper role of the federal government.

March 16, 1999
Educating the Disadvantaged (S. Hrg. 106–23)
Purpose: Examining legislation authorizing funds for ESEA, focusing on Title I, education programs for the disadvantaged.

April 7, 1999 (Winooski, VT)
Reauthorization of the ESEA (S. Hrg. 106–62)
Purpose: Examining issues and programs related to the reauthorization of ESEA.

April 14, 1999
What Works: Education Research (S. Hrg. 106–28)
Purpose: Examining education research issues, including research support, vehicles for dissemination, education improvement, education policy and practice, and the impact of education research on overall school and student performance.

April 19, 1999 (Montpelier, VT)
Reauthorization of the ESEA: A Focus on Professional Development (S. Hrg. 106–36)
Purpose: Examining the effectiveness of professional development programs authorized under ESEA.

April 22, 1999
Education Technology (S. Hrg. 106–78)
Purpose: Examining legislation authorizing funds for ESEA, focusing on educational technology programs.

April 29, 1999
Retention and Social Promotion (S. Hrg. 106–54)
Purpose: Examining legislation authorizing funds for programs of ESEA, focusing on retention and social promotion.

May 6, 1999
ESEA: Safe Schools (S. Hrg. 106–142)
Purpose: Examining legislation authorizing funds for programs of the ESEA, focusing on safety programs.

May 10, 1999 (Bennington, VT)
Reauthorization of the ESEA: Innovative Programs (S. Hrg. 106–73)
Purpose: Examining the federal role in our education delivery. What is working? What is Not? What can we do better?

May 12, 1999
ESEA Title I: Evaluation & Reform (S. Hrg. 106–51)
Purpose: Examining legislation authorizing funds for programs of the ESEA, focusing on the Title I Program, helping disadvantaged children meet high standards, including issues as accountability, targeting assistance to low-come students, allocating resources for early childhood initiatives and making Title I a portable entitlement.

May 18, 1999
ESEA Educating the Forgotten Half (S. Hrg. 106–59)

Purpose: Examining various strategies for transforming the forgotten half into the indispensable foundation of the 21st century workforce and for making secondary education the centerpiece of those strategies.

May 20, 1999
ESEA: From Tales To Tape (S. Hrg. 106–149)
Purpose: Examining legislation authorizing funds for programs of the ESEA.

June 10, 1999
ESEA: Special Populations (S. Hrg. 106–77)
Purpose: Examining legislation authorizing funds for programs of the ESEA, focusing on special populations, and S. 505, to give gifted and talented students the opportunity to develop their capabilities.

June 17, 1999 (Joint Hearing with House Committee on Education and the Workforce)
ESEA: Federal Education Research and Evaluation Efforts (S. Hrg. 106–128)
Purpose: Examining legislation authorizing funds for programs of the ESEA, focusing on research and evaluation.

June 22, 1999
Professional Development in ESEA (S. Hrg. 106–83)
Purpose: Examining proposed legislation authorizing funds for programs of the ESEA, focusing on professional development for teachers.

June 23, 1999
ESEA: Title VI and Class Size Reduction (S. Hrg. 106–101)
Purpose: Examining the legislation authorizing funds for programs of the ESEA, focusing on Title VI, innovative education program strategies.

June 29, 1999
ESEA: Arts Education and Magnet Schools (S. Hrg. 106–84)
Purpose: Examining proposed legislation authorizing funds for programs of the ESEA, focusing on arts education and magnet schools.

June 30, 1999
ESEA: Facilities (S. Hrg. 106–153)
Purpose: Examining proposed legislation authorizing funds for programs of the ESEA, focusing on school facilities.

July 13, 1999
ESEA: Drug Free Schools (S. Hrg. 106–178)
Purpose: Examining proposed legislation authorizing funds for programs of the ESEA, focusing on safe and drug free schools.

July 20, 1999
ESEA: Improving Use of Funds (S. Hrg. 106–185)
Purpose: Examining proposed legislation authorizing funds for programs of the ESEA, focusing on improving the use of funds provided under the Act.

EXECUTIVE SESSION

On March 1, 7, 8, and 9, 2000, the committee met in executive session to consider S. 2. At the outset of the executive session, Sen-

ator Jeffords introduced a complete substitute for S. 2, which served as original text for purposes of further amendment. The committee took action on 38 amendments, adopting 17 of them and defeating the remaining 21. Thirty-four other amendments were filed, but were either not offered or were withdrawn. The bill as amended was adopted by a roll call vote of 10 yeas to 8 nays.

VOTES TAKEN DURING EXECUTIVE SESSION

Twenty-three roll call and 13 voice votes were taken during committee consideration of S. 2, as follows:

1. Senator Kennedy offered an amendment to strike the Teacher Empowerment (Title II, Part A) provisions and substitute provisions authorizing $2 billion for activities under 4 subparts: Grants to States and LEAs (subpart 1); National Activities for the Improvement of Teaching and School Leadership (subpart 2); Transitions to Teaching (subpart 3); and Hometown Teachers (subpart 4). Under the amendment, a specific percentage of funds would be allocated for activities including: 56 percent for professional development activities; 30 percent for teacher recruitment; and 4 percent for the State Agency for Higher Education for recruitment partnership grants. The amendment also proposed an increase in the current law set-aside for professional development in math and science from $250 million to $300 million. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
	Sessions

2. Senator Gregg offered an amendment to establish an Academic Achievement for All Demonstration program as a new Part H of Title VI. Under the demonstration program, up to 15 States would be permitted to combine funds under a dozen Federal education formula grant programs to use for any educational purpose permitted under State law. Participating States must show results in improving the academic performance of all students during the 5-year term of the performance agreement. If a State chooses not to participate, any local educational agency in the State may do so. The amendment was adopted by a roll call vote of 9 yeas to 8 nays, with Senator Jeffords voting "present".

YEAS	NAYS
Gregg	Kennedy
Frist	Dodd
DeWine	Harkin
Enzi	Mikulski
Hutchinson	Bingaman

Collins	Wellstone
Brownback	Murray
Hagel	Reed
Sessions	

3. Senator Frist offered an amendment which permits a local educational agency to use Title I funds for a schoolwide program to upgrade its entire educational program if at least 40 percent of the children it serves are from low-income families. Under current law, the threshold is set at 50 percent. Senator Frist's amendment also provides that any school that is using funds from more than one Federal education program in the operation of its schoolwide program will not be required to maintain separate fiscal accounting records by program, so long as the school maintains records that demonstrate that the schoolwide program addresses the intent and purpose of each Federal program for which funding is consolidated. The amendment was adopted by voice vote.

4. Senator Murray offered an amendment to authorize $1.75 billion for the class-size reduction program which has been funded for the past 2 years through appropriations legislation. Funds must be used to hire fully qualified teachers in order to reduce class size, with particular consideration for reducing class size in the early elementary grades. Funds may be used for recruiting, hiring, and training fully qualified regular and special education teachers; testing new teachers for academic content knowledge; and providing professional development. With some exceptions, not more than 25 percent of total funds may be used for professional development or testing teachers. If class size has already been reduced to 18 or fewer students in the early grades, funds could be used to further reduce class size or to conduct activities designed to improve teacher quality. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
	Sessions

5. Senator Gregg offered an amendment to authorize $500 million for a new child centered program within Title I. Under the program, up to 10 States and up to 20 local educational agencies located in States which do not participate would allocate all their Part A funds (including the additional amount authorized in the amendment) to Title I-eligible children on a per-pupil basis. The per-pupil amount could be used for supplemental educational services provided by the school or by another entity and would follow any eligible child who transfers to another school. The amendment was adopted by a roll call vote of 9 yeas to 8 nays, with Senator Jeffords voting "present".

YEAS	NAYS
Gregg	Kennedy
Frist	Dodd
DeWine	Harkin
Enzi	Mikulski
Hutchinson	Bingaman
Collins	Wellstone
Brownback	Murray
Hagel	Reed
Sessions	

6. Senator Sessions offered an amendment to add a new Part C to Title IV, containing several provisions related to school safety and violence prevention. These provisions deal with: school safety and violence prevention activities; school uniforms; transfer of school disciplinary records; drug tests and locker inspections; employee background checks; disclaimers on materials produced with ESEA funding; and memorial services at public schools. The amendment was adopted by a roll call vote of 9 yeas to 8 nays, with Senator Collins not voting.

YEAS	NAYS
Jeffords	Kennedy
Gregg	Dodd
Frist	Harkin
DeWine	Mikulski
Enzi	Bingaman
Hutchinson	Wellstone
Brownback	Murray
Hagel	Reed
Sessions	

7. Senator Harkin offered an amendment to authorize $1.3 billion for the repair and renovation of public schools. Of this amount, $50 million is authorized for grants to local educational agencies in which 50 percent of students reside on Indian lands. The remaining $1.25 billion is to be used for grants and loans for: repairing or replacing roofs, electrical wiring, or plumbing systems; repairing, replacing, or installing heating, ventilation, or air conditioning systems; ensuring that repairs and renovations are ADA compliant; and making other types of school repairs and renovations that the Secretary determines are urgently needed. The Secretary may not approve an application for a grant or loan unless the applicant demonstrates that it lacks sufficient funds from other sources to carry out the repairs. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins

Reed	Brownback
	Hagel
	Sessions

8. Senator Mikulski offered an amendment to add as a new purpose to the technology education provisions in Title V to "assist every student in crossing the digital divide by ensuring that every child is computer literate by the time the child finishes 8th grade, regardless of the child's race, ethnicity, gender, income, geography or disability." The amendment was adopted by voice vote.

9. Senator Wellstone offered an amendment to authorize $5 million for competitive national grants and contracts to elementary and secondary schools that work with experts to enable those schools to provide training to educators, educational programming, and support services related to issues concerning children experiencing or witnessing domestic violence. The amendment was defeated by a roll call vote of 8 yeas to 8 nays, with Senator Jeffords voting "present" and Senator Collins not voting.

YEAS	NAYS
Kennedy	Gregg
Dodd	Frist
Harkin	DeWine
Mikulski	Enzi
Bingaman	Hutchinson
Wellstone	Brownback
Murray	Hagel
Reed	Sessions

10. Senator Hagel offered an amendment to the impact aid provisions of the bill (Title VIII) which revises the criteria for an LEA to be designated as "heavily impacted" by reducing the percentage of federally connected children enrolled in the LEA from 40 percent to 35 percent; institutes a maximum 3-year time limit for current law provisions which permit military dependents living off-base to be counted as on-base students in situations where their base housing is being renovated and clarifies that the rebuilding of on-base housing will be treated in the same manner as renovation; and permits military dependents to be counted as on-base students if they reside in housing initially acquired or constructed under the "Build to Lease" program if the property is within the fenced security perimeter of the military facility. If the property is subject to taxation, the impact aid payment to the LEA will be reduced by the amount of revenues received from the property taxes. The amendment was adopted by voice vote.

11. Senator Reed offered an amendment to establish two school library media resources programs as part of the Technology Education provisions of Title V. The amendment would authorize $250 million for a State formula grant program for library media resources. State funds are to be awarded to local educational agencies for activities such as acquiring up-to-date library media resources, acquiring and using advanced technology, and providing professional development for school library media specialists. The amendment would also authorize $25 million for a national competitive grant program to assist local educational agencies in providing stu-

dents with access to school libraries during non-school hours. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
	Sessions

12. Senator Bingaman offered an amendment to authorize $150 million for the Teacher Training in Technology program which has been funded for the past 2 years through appropriations legislation. Under the amendment, the Secretary would award competitive grants to be used to prepare prospective teachers to make better use of advanced technologies to enhance student learning. The amendment was defeated by voice vote.

13. Senator DeWine offered an amendment to authorize the Troops to Teachers program as a national activity in Title II, Part A. It directs the Secretary of Education to turn funds over to the Defense Activity for Non-Traditional Education (DANTES) to pay for and run the program. The Secretary of Education may retain a portion of the funds to identify LEAs with teacher shortages and States with alternative certification requirements. The amendment was adopted by voice vote.

14. Senator Murray offered an amendment to add references to student involvement throughout the bill. The amendment was defeated by voice vote.

15. Senator Bingaman offered an amendment to authorize $150 million for school dropout prevention programs. Of that amount, $5 million is allocated for national activities. The remaining $145 million will be used for States formula grants and for a capacity building and design initiatives. State funds are to be awarded competitively to local schools to support dropout prevention programs, to assist school reentry, and to raise the academic achievement of all students. The amendment was adopted by voice vote.

16. Senator Murray offered an amendment to authorize $2 million for a national grant program to local educational agencies (or consortia) for innovative programs dealing with homeless education. Priority would be given to programs focusing on transportation, unaccompanied children and youth, and homeless preschoolers. The applicant must demonstrate experience in one of these areas. The Secretary is to evaluate the programs and disseminate information about them. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist

Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
	Sessions

17. Senator Bingaman offered an amendment to authorize $50 million to support Advanced Placement (AP) testing. The amendment would repeal the existing Advanced Placement testing provisions in the Higher Education Act and establish an expanded program within ESEA. The Secretary is to give first priority to providing grants to State educational agencies to enable them to cover all or part of the costs of AP test fees for low-income individuals. Seventy percent of any remaining funds will be allocated for grants to State and local educational agencies to expand access for low-income students to AP programs. Thirty percent of any remaining funds will be used for grants to provide students with on-line AP courses. The amendment was adopted by a roll call vote of 11 yeas to 7 nays.

YEAS	NAYS
Jeffords	Gregg
DeWine	Frist
Collins	Enzi
Kennedy	Hutchinson
Dodd	Brownback
Harkin	Hagel
Mikulski	Sessions
Bingaman	
Wellstone	
Murray	
Reed	

18. Senator Bingaman offered an amendment to the provisions of Title V relating to programs for school technology resources to require that State applicants for funds include the State's goals for using advanced technology to improve student achievement and performance and its strategy for disseminating information. The amendment also requires that local educational agencies use grant funds to use technology to enable teachers to help students meet standards through the use of research-based teaching practices and advanced technologies, to provide professional development in using technology to create new learning environments, and to use web-based learning resources. The amendment was adopted by voice vote.

19. Senator Bingaman offered an amendment to the provisions of the National Technology Innovation Grants program in Title V to specify that any member of a consortium receiving a competitive grant under the program may serve as the fiscal agent, provided that the lead local educational agency agrees to have another member of the consortium serve in that capacity. The amendment was adopted by voice vote.

20. Senator Harkin offered an amendment to transfer to the Elementary and Secondary Education Act the environmental tobacco

smoke provisions currently contained in Part C of Title X of the Goals 2000: Educate America Act. These provisions prohibit smoking within any indoor facility used for the provision of education, routine health care, day care, library services, or early childhood development to children. The amendment was adopted by a roll call vote of 18 yeas to 0 nays.

YEAS

Jeffords
Gregg
Frist
DeWine
Enzi
Hutchinson
Collins
Brownback
Hagel
Sessions
Kennedy
Dodd
Harkin
Mikulski
Bingaman
Wellstone
Murray
Reed

21. Senator Sessions offered an amendment to strike activities related to hate crimes from the national programs portion of Title IV. These activities include: a permissive use of funds by the Secretary to develop training programs and related materials designed to prevent and reduce the incidence of hate crimes; and a grant program to assist local educational agencies and community-based organizations in localities most directly affected by hate crimes. The amendment was defeated by a roll call vote of 5 yeas to 13 nays.

YEAS	NAYS
Gregg	Jeffords
Frist	DeWine
Hutchinson	Enzi
Hagel	Collins
Sessions	Brownback
	Kennedy
	Dodd
	Harkin
	Mikulski
	Bingaman
	Wellstone
	Murray
	Reed

22. Senator Bingaman offered an amendment to make a number of changes to title I, part A, including: providing for a reservation of title I funds for school improvement, accountability, and evaluation; substantially revising provisions related to standards, assess-

ments, school improvement, and corrective action; and requiring the issuance of annual State and school report cards. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
	Sessions

23. Senator Gregg offered an amendment to amend Title I, Part A to require public school choice for Title I students who are victims of violent criminal offenses on public school grounds and to permit it for students who attend unsafe schools. The local educational agency may use Title I funds for the transportation costs of students who transfer for safety reasons. The amendment also requires public school choice for all students enrolled in a school identified for corrective action and school improvement. A local educational agency serving schools identified for school improvement may use Title 1 funds to pay the transportation costs of students transferring from those schools; an LEA identified for corrective action must use Title I funds for such transportation costs. Once a school is no longer identified for school improvement, the local educational agency must continue to provide public school choice as an option to students in such school for not less than 2 years. The amendment was adopted by voice vote.

24. Senator Reed offered an amendment to authorize $50 million for the establishment of a competitive grant program within Part D of Title I for the establishment or expansion of child opportunity zone family centers in elementary and secondary schools. Such centers are school-based or school-linked centers that provide comprehensive support services designed to improve the education, health, mental health, safety, and economic well-being of children and their families. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
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25. Senator Dodd offered an amendment to increase the authorization of funding for Part A of Title I from $10 billion to $15 billion. The amendment was adopted by voice vote.

26. Senator Reed offered an amendment to require that State and local annual performance reviews include the review of parental involvement and professional development activities assisted under Title I, Part A; that State technical assistance be provided to address any problems with the implementation of parental involvement and professional development requirements; and that the State to review local parental involvement policies and practices. The amendment would also require, as a condition for receipt of ESEA funds, that the State develop a parental involvement plan. The requirements proposed by the Reed amendment could not be waived under a performance partnership or agreement. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
	Sessions

27. Senator Bingaman offered an amendment to strike the migrant education program from the list of programs which a State may choose to include in a performance partnership authorized under Part G of Title VI. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
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28. Senator Reed offered an amendment to: add as a new purpose to the technology education provisions in Title V "to support the development and use of education technology to enhance and facilitate meaningful parental involvement to improve student learning"; provide that local applications for technology literacy grants include a description of how parents will be informed of the use of technologies; and give priority in the award of National Technology Innovation grants to consortia which demonstrate that their project will enhance parental involvement by providing par-

ents with the information needed to participate in their child's learning. The amendment was adopted by voice vote.

29. Senator Reed offered an amendment to require that the annual State report regarding the progress of schools toward meeting State student performance standards be submitted to the Secretary of Education and that the report include the number and names of low-performing schools, the reason each school was identified as low-performing, and the steps taken to address the performance problems of the schools. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
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30. Senator Bingaman offered an amendment to authorize the Opportunities to Improve Our Nation's Schools (OPTIONS) program to provide grants to State and local educational agencies for programs that promote innovative approaches to public school choice. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
	Sessions

31. Senator Reed offered an amendment to require that local educational agencies use at least 5 percent of their Title I, Part A funding for fiscal years 2001 and 2002 and 10 percent of those funds in subsequent fiscal years for professional development activities. The amendment would also strike the Title I, Part A program from the list of programs which a State may choose to include in a performance partnership authorized under Part G of Title VI. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist

Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
	Sessions

32. Senator Kennedy offered an amendment to include in the general provisions of the Act (Title X) a statement that nothing in the Act shall be construed to prohibit recruiters for the Armed Forces of the United States from receiving the same access to secondary school students or to directory information as is provided to postsecondary educational institutions or to prospective employers. The amendment was adopted by voice vote.

33. Senator Kennedy offered an amendment to authorize the Community Technology Centers program which has been funded for the past 2 years through appropriations legislation. The amendment would establish a competitive grant program to allow foundations, museums, libraries, for-profit businesses, nonprofits, community-based organizations, institutions of higher education, SEAs, LEAs, or consortia to expand access to computers and related services to disadvantaged residents of economically distressed urban and rural communities. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
	Sessions

34. Senator Kennedy offered three amendments, which were considered en bloc. The first amendment proposed to strike the education of homeless children and youth program from the list of programs which a State may choose to include in a performance partnership authorized under Part G of Title VI. The second amendment proposed to strike the emergency immigrant education program from that same list. The third amendment proposed to strike the Even Start program from the list. The three amendments, considered en bloc, were defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson

Murray	Collins
Reed	Brownback
	Hagel
	Sessions

35. Senator Dodd offered an amendment to substitute for the provisions of the 21st Century Community Learning Centers program under Part A of Title III provisions which: focus the program on after-school activities; increase the authorization level from $500 million to $1 billion; and change the program from a national competitive grant program to a State formula grant program. The amendment also provides that the program will not be included on the list of programs which a State may choose to include in a performance partnership authorized under Part G of Title VI. The amendment was defeated by a roll call vote of 8 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	DeWine
Bingaman	Enzi
Wellstone	Hutchinson
Murray	Collins
Reed	Brownback
	Hagel
	Sessions

36. The substitute bill, as amended, was reported favorably by a roll call vote of 10 yeas to 8 nays.

YEAS	NAYS
Jeffords	Kennedy
Gregg	Dodd
Frist	Harkin
DeWine	Mikulski
Enzi	Bingaman
Hutchinson	Wellstone
Collins	Murray
Brownback	Reed
Hagel	
Sessions	

IV. Explanation of the Bill and Committee Views

Title I—Helping Disadvantaged Children Meet High Standards

Part A—Basic Programs

The purpose of part A is to provide opportunities for those students served by part A of title I to meet challenging State performance and content standards. The last reauthorization of title I, which occurred in 1994, made major changes regarding standards, assessment, and professional development. The 1994 law also established a 7-year timetable for all States to develop and implement standards and assessments. Most of the 1994 changes have been retained in S. 2. Additional provisions have been included

which build upon the reform activities created in the last reauthorization.

A key provision in S. 2 is the inclusion of a reservation of funds, 50 percent of the amount that is in excess of $8,076,000,000, that State educational agencies will be able to use for school improvement activities, assessment initiatives, and awards for outstanding schools and educators. The State will determine how the reservation will be used.

The 1994 law created several mechanisms to measure student performance. One such mechanism was adequate yearly progress. S. 2 expands the definition of adequate yearly progress by stating that all children served by this part shall meet the State's performance levels within 10 years. In addition, adequate yearly progress must be based on State standards and assessments.

Another mechanism included in the last reauthorization was the establishment of the school improvement and corrective actions process for local educational agencies and schools.

S. 2 expands these provisions by requiring State educational agencies and local educational agencies to take at least 1 of a series of corrective actions with respect to schools and local educational agencies that do not improve after being identified as failing to meet adequate yearly progress.

S. 2 also expands parental involvement and professional development activities. Both the State and local educational agencies must implement parental involvement and professional development programs that have demonstrated effectiveness. In regard to professional development, the committee believes teachers may need to include the use of remedial and supplementary academic enrichment activities, including literacy programs or supplementary educational material and instruction.

Since the last reauthorization, the title I school-wide program has become quite popular. Due to its popularity, the committee changed the eligibility qualification from not less than 50 percent of enrolled children from low income families to not less than 40 percent.

Two new provisions pertaining to school choice have been included in S. 2. The Senate bill requires local educational agencies to offer public school choice alternatives to students attending Title I schools that have been identified as needing improvement or corrective action, as well as schools where violent incidents have occurred. In addition to the public school choice section of the bill, S. 2 also creates a Child Centered program for up to 10 States and up to 20 local educational agencies in other States. Under the Child Centered program, title I funds received by a State or local educational agency would be distributed on a per pupil basis. Parents of the pupils who are eligible to receive these grants would be allowed to use them for supplementary education at a public school or for tutorial services.

The committee passed bill includes an early childhood section. Under this section, the local educational agency may use part A of title I funds for preschool services.

S. 2 increases the authorization level for fiscal year 2001 for part A to $15 billion.

Part B—Even Start Family Literacy Programs

The Even Start Family Literacy program is designed to improve the educational opportunities for low-income families by integrating early childhood, adult basic education, and parental education into a unified family literacy program. Even Start grants are geared to areas with high rates of poverty, illiteracy, unemployment, families of limited English proficiency, or disadvantaged children. S. 2 strengthens coordination activities between Even Start and other literacy and early childhood programs. In addition, it increases the authorization level for fiscal year 2001 to $500 million.

Part C—Education of Migratory Children

The Migrant Education program provides grants to State educational agencies to develop or improve educational programs for migrant students. Most migrant programs are administered by local educational agencies and operate during both the regular school year and in the summer. Priority for services is given to current migrant students and to students who are failing, or at greatest risk of failing, to meet State standards. The committee passed bill builds upon current law to ensure that migratory children have the opportunity to attain high levels of educational excellence. S. 2 increases the authorization level for fiscal year 2001 to $400 million.

Part D—Parental Assistance

Part D of title I focuses on parental assistance. Parental Information and Resource Centers, established under the Goals 2000: Educate America Act, has been incorporated into S. 2. The committee bill expands the program by increasing the authorization level for fiscal year 2001 to $50 million and by strengthening provisions that focus on partnerships among parents, teachers, principals, administrators, and other school personnel.

Part E—Evaluations and Demonstrations

S. 2 retains current law provisions.

Part F—Comprehensive School Reform

S. 2 includes the Comprehensive School Reform program, often referred to as the Obey-Porter initiative. The Comprehensive School Reform program awards formula grants to State educational agencies. These grants are designed to assist in the implementation of effective school reform models. There are a number of demonstration programs that have produced positive results in a variety of subject areas. Project Seed, a mathematics project, is a reform effort which focuses on higher order thinking skills. S. 2 authorizes $200 million for fiscal year 2001.

Part G—General provisions

S. 2 retains current law provisions.

Part H—Assistance to Address School Dropout Problems

An issue of great concern to the members of the committee is the escalating school dropout rate. To address this problem, a dropout prevention program has been included in S. 2. The new initiative

creates a grant program that will provide assistance to public schools for the implementation of an effective, sustainable, and coordinated dropout effort.

Title II—Teacher Quality

Part A—Teacher Empowerment

The committee was unanimous in its interest to improve the quality of professional development opportunities for teachers. While there was some disagreement regarding the best method to achieve the goal of enhancing teacher professional development opportunities, there was no disagreement that children can make greater academic gains if they have a knowledgeable and caring teacher leading their classroom. S. 2 recognizes that an investment in better teachers is an investment in our nation's young people, and the legislation authorizes $2 billion in title II for teacher quality measures.

The committee held hearings on professional development in Washington, D.C. and Montpelier, Vermont. Time and time again, witnesses spoke of the need to make significant investments in providing support and professional development to teachers in the classroom. It was the committee's intent to create legislation that reflected the observations and recommendations by professionals in the field regarding how to best meet the needs of individual students in schools across this country. The bill responds to those recommendations by taking a flexible approach that allows States and local educational agencies to adopt successful models that will work for the conditions and circumstances of their schools. Members of the committee heard testimony that: (1) professional development in the area of math and science is important; (2) collaborative, systemic, staff development activities adopted by School District 2 in New York City have been met with success in urban and rural environments; (3) recruitment of teachers from other careers by school districts with teacher shortages, has put a qualified, enthusiastic person at the head of the classroom; and (4) the short term focus of staff training and professional development has not helped teachers provide better instruction to their students. The committee heard from diverse voices about many different strategies for improving instruction for the students in their communities. The message received by members of the committee was loud and clear: different communities have different needs.

It was the committee's intent to provide a general framework and funding stream for teacher quality initiatives while allowing individual school districts to adapt a program to meet its needs. The committee recognizes that coming up with the right formula for success in a specific school district is nearly impossible to do at the Federal level. Each school district has unique considerations and must determine for themselves how to strike the correct balance between recruiting individuals into the teaching profession, retaining new teachers and providing professional development for teachers in the classroom.

The committee bill combines funds and authorities from the Eisenhower Program and Class Size Reduction programs while maintaining a separate Federal program for teacher quality initiatives

in recognition of the critically important role that teachers play in improving educational opportunities for young people. The professional development component of title II, part A builds upon the strengths of the Eisenhower program by placing an emphasis on innovative professional development programs. In an effort to focus the Federal dollars on professional development that will make a difference in teaching, the bill strictly defines professional development as activities that directly relate to the curriculum and academic subjects in which a teacher provides instruction or is designed to enhance the ability of a teacher, paraprofessional or principal to understand and use State standards for the academic subjects in which a teacher provides instruction. The bill requires professional development activities to be tied to strategies that demonstrate effectiveness in increasing student academic achievement and performance or substantially increasing the knowledge and teaching skills of the teachers participating in the activities and all activities must be developed with extensive participation of teachers, paraprofessionals, and principals. Further, it prohibits the one-day, "one-shot" workshop approach that research and evaluation have shown to be largely ineffective in fostering learning and changing the way a teacher teaches.

The committee's decision to unite the Eisenhower Professional Development program and the Class Size Reduction initiative was based on the consideration it gave to some fundamental issues, such as how to balance the tension between quality and quantity with respect to hiring teachers, and whether large classrooms are the biggest obstacle to improving student achievement. Witnesses brought to the attention of the committee constructive observations about the effectiveness of class size reduction with regard to managing students in the classroom and providing better instruction, increased personal attention to individual students, the cost-benefit associated with the program, the effect on poor communities, and the potential costs of not investing in professional development.

The committee's intent in combining these funds and these authorities was to create a program that could be tailored to the individual needs of school districts across the country. The legislation allows a school district to commit the same percentage of funds that it does now to class size reduction, if it so chooses. Yet, for other school districts that have a greater need for recruitment or professional development, it allows that school district to shift funds to those needs.

Title II of the Elementary and Secondary Education Act also maintains an important role for institutions of higher education in providing professional development for teachers. The most recent review of the Eisenhower program stated that teachers participating in State Agency for Higher Education (SAHE) grantee activities found that the professional development led to enhanced knowledge and skills and changes in their classroom teaching practice. Further, SAHE grantee activities were of longer duration and place a greater emphasis on subject matter content, active learning and coherence. Using the success of the Eisenhower program as a model, institutions of higher education within each state will receive a dedicated stream of funding to be provided through competitive grants within the State.

Since 1991, Congress has provided authorization for grants to support the creation and implementation of the nationwide system of advanced certification for teachers provided by the National Board for Professional Teaching Standards. That system is close to completion. This authority will allow the Secretary to provide the funding sufficient to finish the system. It is understood that these grants are obligated by the National Board for work covering multi-year contracts. The committee believes that efforts to encourage and support teachers to become highly accomplished master teachers as recognized through advanced certification or credential programs will improve teaching and learning in schools. The bill includes an authority that allows the Secretary to support such activities provided through high quality professional teacher enhancement programs such as the National Board for Professional Teaching Standards. In addition, the committee supports States' efforts to raise the quality of teachers through encouraging teachers to become master teachers as recognized through advanced certification programs such as the national board certification program offered by the National Board for Professional Teaching Standards. To date, 38 States have enacted some measure to encourage teachers to seek advanced certification. The committee intends to encourage further activities by making these funds available to the States to use for this purpose.

Part B—Leadership Education and Development Program

Members of the committee have benefitted from hearing firsthand accounts from parents, teachers, principals, superintendents and other school leaders about the positive difference that strong leadership at the school level makes in educating our Nation's students. Unfortunately, at the same time, the members of the committee were informed of the lack of professional development opportunities in the areas of leadership, management, and skills building. In response to the need and concerns expressed by witnesses, the bill authorizes a new program designed to meet the unique professional development needs of our Nation's school leaders.

This program, modeled after the Snelling Center for School Leadership in Vermont, authorizes $100 million for competitive grants to State educational agencies, local educational agencies, institutions of higher education or nonprofit educational organizations for programs to develop or enhance the leadership skills of school leaders. Programs for school leaders could include: training in effective leadership, management, and instructional skills and practice; enhancing and developing school management and business skills; improving the effective use of educational technology; improving knowledge of challenging State content and performance standards; encouraging highly qualified individuals to become school leaders and developing and enhancing instructional, leadership, school management, parent and community involvement, mentoring and staff evaluation skills of school leaders; and establishing sustained and rigorous support for mentorship and for developing a network of school leaders within the State with the goal of improving the leadership of school leaders.

Part C—Reading Excellence Act

The committee believes that the current provisions of the Reading Excellence Act, first authorized in October 1999, are still current. The legislation adopted by the committee extends the current authorization through the year 2005 and increases the authorization level to accommodate the increased appropriations that the program has received.

Part D—National Writing Project

The committee recognizes the effectiveness of the National Writing Project program and authorizes the program through 2005. The committee believes that the National Writing Project has been effective in improving the teaching of writing and has improved learning in the Nation's schools. It is a model of excellence in professional development. Currently, the National Writing Project has sites in 49 States, with 169 sites overall. The legislation adopted by the committee promotes the expansion of the National Writing Project program and increases the authorization to $15 million in an effort to expand the reach of the program to more teachers.

Parts E and F—The New Century Program for Distributed Teacher Professional Development and the Digital Education Content Collaborative

The bill reauthorizes and expands the "Mathline" program, renaming it the "New Century Program for Distributed Teacher Professional Development." The "Mathline" program has provided over 5,000 K–12 math teachers with sustained training in the teaching and learning of mathematics. In turn, those teachers have reached over 1.3 million students. The provisions of part E of the bill expand upon the success of the "Mathline" model with the goal of reaching more teachers in other subject areas. In addition, the committee has included an additional program, known as the "Digital Education Content Collaborative" under part F, which will provide high quality, curriculum-based digital content for teachers and students to easily access in order to meet the State standards for student performance. The committee recognizes that the capacity of interactive digital content, matched to State standards can dramatically increase and improve the types of services public broadcasting stations can offer kindergarten through grade 12 schools and can contribute to student performance by broadening access to data, information and programming.

Title III—Enrichment Initiatives

Part A—21st Century Community Learning Centers

The legislation passed by the committee includes a reauthorization of the 21st Century Community Learning Center program. The 21st Century Community Learning Center program remains largely unchanged from current law in recognition of the success the program has had in providing increased educational, health, social service, cultural and recreational activities for people in rural and urban communities throughout the Nation. The bill increases the authorization for the program to accommodate the increased appropriations the program has received in recent years.

Part B—Initiatives for Neglected, Delinquent or At-Risk Students

The Initiatives for Neglected, Delinquent or At-Risk Students program has been reauthorized and moved to Title III of the Act. This program is designed to meet the academic and skills building needs of at-risk, school-aged youth in all States and remains unchanged from current law. Authorized at $42 million, the committee strongly supports the continuation of this program.

Part C—Gifted and Talented Children

Funding for the National Center for Research and Development in the Education of Gifted and Talented Children and Youth is continued in this bill, in recognition of the vital contributions of the Center, in supporting, through research and dissemination, schools and local educational agencies developing strong, accessible programs to serve gifted and talented students. The research conducted and analyzed by the Center has been a valued resource for schools looking for more effective ways to identify and help gifted students from populations traditionally under-served and underrepresented in these programs.

The purposes of the National Center are to: develop, disseminate, and evaluate model projects and activities for serving gifted and talented students; to conduct research regarding innovative methods for identifying and educating gifted and talented students; and to provide technical assistance programs that will further the education of gifted and talented students. The National Center is funded through grants to or contracts with one or more institutions of higher education, State educational agencies, or a consortia of such institutions and agencies. The Secretary may use up to 30 percent of the program's funds to pay for the National Center.

Part D—Arts in Education

On June 29, 1999 the committee held a hearing on arts in education. Arts in education programs have proven to be effective tools in increasing academic achievement and performance for young people. Recent studies have found that low-income students with high involvement in the arts had higher grades in English, were less likely to drop out of school by the 10th grade, were less bored in school, had a higher self-concept, and placed a higher value on volunteer work than their low-income peers with low arts involvement. In an effort to make effective arts in education programs available to more students across the country, the committee reauthorized the current Federal Arts in Education program, moving it from Part D of Title X. The committee recognizes the need for students to have the opportunity to learn in, through, and about the arts and the value of partnerships between arts specialists, classroom teachers, and the resources of arts organizations to arts education in the schools.

The reauthorization bill maintains the successful arts education programs of the Kennedy Center and VSA arts which support programs and affiliate organizations in nearly all 50 States. The Kennedy Center supports a network of Alliances for Arts Education in 45 States. The alliances provide programs for young people in the arts and professional development for teachers. In addition, the programs help develop innovative collaborations between schools

and cultural institutions. VSA ARTS currently has affiliates in 41 States and has served 4.3 million Americans through its programs. Both the Kennedy Center and VSA ARTS provide leadership, access to technical assistance, and resources as well as an economy of scale at the national level to leverage and expand opportunities in the arts for young people across the country.

The committee recognizes that active participation and learning in the arts improve overall academic achievement, student performance, socialization, and preparation for college and the workforce. In reauthorizing the Arts in Education program, the committee believes that: arts education should be an integral part of the elementary and secondary school curriculum for a complete education; the arts make a tremendous impact on the developmental growth of every child and have proven to level the "learning field" across socioeconomic boundaries; and the arts teach children the skills necessary to succeed in life, including developing an informed perception, articulating a vision, learning to solve problems and make decisions, building self-esteem and self-discipline, developing the ability to imagine what might be, and accepting responsibility to complete tasks from start to finish. The arts help children develop literacy skills in reading, writing, speaking, listening and viewing, and help children achieve a high level of competency in using convergent and divergent thinking skills, problem-solving skills, and comparing and contrasting skills. Participation in performing arts activities has proven to be an effective strategy for promoting the inclusion of persons with disabilities in mainstream settings. Opportunities in the arts have enabled individuals with disabilities to participate more fully in school and community activities and the arts have had a measurable impact on youth at risk in deterring delinquent behavior and truancy problems while increasing overall academic performance.

In Gaining the Arts Advantage, a nationwide study of 91 school districts that offer arts education to all of their students, it reports that the single most important factor contributing to the successful delivery of arts education is the involvement of community partners. In communities where parents and families, artists, arts organizations, businesses, local civic and cultural leaders are actively engaged in instructional programs, arts education is more successful. The National Assessment of Educational Progress (NAEP) in arts education demonstrated that students receiving classroom arts instruction outperformed other students and that instruction increased all of their arts abilities, including the ability to create works of quality that communicated complex ideas. The bill supports cultural partnerships that use the arts to improve academic achievement of at-risk youth. The committee recognizes that there is much to be gained from capitalizing on the growing body of research that demonstrates the benefits of arts education to at-risk students by funding model partnerships between schools and arts organizations that support arts learning in school and after school. The legislation adopted by the committee embraces both a comprehensive strategy for a complete education in the arts including high-quality, sequential arts instruction in the classroom, as well as participation and learning in community-based arts programs.

Part E—Advanced Placement Program

The Advanced Placement Program was initially authorized as part of the Higher Education Amendments of 1998. The committee bill moves the authorization of this program to Title III of the Elementary and Secondary Education Act and expands its purposes. The committee recognizes that having rigorous academic programs available to students provides those young people with better preparation for postsecondary study and has adopted this program to ensure that the opportunity is available to more students.

Title IV—Safe and Drug-Free Schools and Communities

Part A—State Grants

The committee has made substantial revisions to the Safe and Drug-Free Schools and Communities program in an effort to increase the accountability for the use of Federal funds and to ensure that effective, research-based programs are funded with Federal dollars. By better directing the use of Federal funds under this program, it is the committee's intent to improve efforts to provide all of our Nation's students a safe and nurturing learning environment. Recent tragedies in our Nation's schools have heightened attention to the devastating impact that an unsafe environment can have on learning. The committee believes strongly that every school in this Nation should be violence-free as well as drug- and alcohol-free and has strengthened the current program to better achieve those goals. The committee also believes that involving parents in violence and drug prevention programs is important.

Part B—Gun Possession

The Gun-Free Schools provisions currently contained in part F of title XIV are transferred to part B of title IV. These provisions, which were first enacted in 1994, require States receiving funds under the Elementary and Secondary Education Act to have laws requiring local educational agencies to expel from school for at least one year any student who brings a weapon to school.

The Report of State Implementation of the Gun-Free Schools Act—School Year 1997–98 issued in August 1999 indicates that an estimated 3,930 students were expelled for bringing a firearm to school. This figure represents a decrease of approximately 30 percent from the number of expulsions reported for the 1996–97 school year. Fifty-seven percent of the 1997–98 expulsions involved high school students; 33 percent involved junior high students; and the remaining 10 percent involved elementary school students.

Part C—School Safety and Violence Prevention

Part C includes a number of new provisions dealing with: school safety and violence prevention activities; school uniforms; transfer of school disciplinary records; drug tests and locker inspections; employee background checks; disclaimers on materials produced with ESEA funding; and memorial services at public schools. These provisions are virtually identical to provisions dealing with these subjects which were approved by the Senate last year as part of the Juvenile Justice reauthorization bill (S. 254).

Part D—Environmental Tobacco Smoke

The bill transfers to part D of title IV the Elementary and Secondary Education Act the environmental tobacco smoke provisions currently contained in part C of title X of the Goals 2000: Educate America Act. These provisions prohibit smoking within any indoor facility used for the provision of education, routine health care, day care, library services, or early childhood development to children.

Title V—Educational Opportunity Initiatives

Part A—Technology Education

First authorized as part of the Elementary and Secondary Education Act in 1994, the Federal education technology programs—Technology Literacy Challenge Fund and the Technology Innovations Challenge Grant—have made a significant and positive difference in increasing access to technology in our public school classrooms. The committee has extended the authorization of the ESEA programs in recognition of the important role these Federal dollars have had in making technology more prevalent and effectively used in our Nation's classrooms.

While the committee was mindful of the extraordinary advances made in the area of education technology, the members also recognized there is still a long way to go in making technology an effective educational tool for all students in the nation. The committee passed legislation reaffirms the Federal commitment to education technology. It recognizes that the current system in place works well and therefore maintains that structure in an effort to build upon the current success and improve opportunities for more of our Nation's students.

Throughout the legislation, the committee has incorporated provisions related to education technology in recognition of the "next wave" of education technology, that is effectively integrating it into the every day learning activities of the student. The committee's actions acknowledge the importance of "not separating technology from learning." While the committee did incorporate language relating to education technology throughout the bill, the committee also maintained separate funding streams for a number of education technology programs in an effort to ensure that the Federal Government continues to provide leadership and support for strengthening and integrating education technology in classrooms throughout the nation.

The committee heard from expert witnesses about effectively integrating technology into the classroom for the benefit of students. Thus, the committee focused on integrating technology into all programs supported in this legislation and all core academic subject areas. The committee also placed a strong investment on teacher preparation and leadership and support from principals and other school leaders. Planning and partnerships were also highlighted by witnesses as being important to the successful integration of technology at the school, school district and State levels. The bill also includes language encouraging and allowing the use of technology to promote parental involvement and foster communication with parents.

Based on the testimony from witnesses, the technology education program is working effectively, and therefore, the committee did not make significant changes to current law. The legislation passed by the committee maintains the important balance between the "Technology Literacy Fund" which provides formula grant funds to each State and the "Technology Innovations Grant" which supports the development of programs that may serve as replicable models of success in integrating technology effectively into the curriculum. In addition, the bill includes language that supports building and strengthening partnerships between institutions of higher education and school districts so that prospective teachers are better prepared to use technology upon entering the classroom. The provisions in S. 2 complement the teacher preparation initiatives relating to education technology which are included in Title II of the Higher Education Act. These provisions demand that schools of education improve the instruction that they provide to prospective teachers in the effective use of technology to enhance educational opportunities for young people in elementary and secondary classrooms. Further, as schools acquire equipment under the program, high quality educational software is equally important in providing the learning experiences which electronic learning technologies offer. The bill does not include a separate authorization for the Community Technology Centers initiative as those activities may be carried out by other programs established under this act such as 21st Century Community Learning Centers and under other Federal acts. The legislation passed by the committee provides resources to meet the critical needs that still exist as all States and school districts seek to provide better opportunities for learning through technology.

Part B—Star Schools

The Star Schools program has helped encourage and support the use of distance learning strategies to serve multi-state regions and underserved populations. The committee believes that the program has played an important role in improving instruction and in providing challenging and advanced coursework in critical subjects such as mathematics, science, and foreign languages. These distance learning programs have been used effectively to provide students in small, rural schools and schools with large populations of underserved children with courses of instruction that the LEA would otherwise not be able to provide. In order to meet the challenging educational prerequisites that students and adults in the 21st century need to succeed in postsecondary study or in the workforce, the committee supports the continuation of the Star Schools program which has opened the door of opportunity to many young people in rural and underserved communities to more rigorous and diverse course offerings, college-level programs, second languages, and advanced placement. The committee also modernized the program by authorizing the use of funds for the establishment of web-based resources for interactive training and reaching large numbers of schools.

Part C—Magnet Schools Assistance Program

The Magnet Schools Assistance Program (MSAP) provides competitive grants to local educational agencies (LEAs) for magnet schools that are intended to reduce, eliminate, or prevent minority group isolation in elementary and secondary schools and to strengthen students' knowledge of academic or vocational subjects. In order to be eligible for a grant, an LEA must be a participant in a court-ordered or voluntary desegregation plan. Magnet schools provide a special curriculum intended to be attractive to substantial numbers of students of different races. In addition to providing funds to operate magnet programs designed to promote desegregation and student achievement, the MSAP can provide leverage to school districts in building local capacity to continue and expand programs.

The number of magnet schools has increased dramatically since the enactment of the MSAP, with approximately two million students nationwide now attending such schools, of which more than 65 percent of the students are nonwhite. Magnet schools allow children from diverse social, economic, ethnic and racial backgrounds to participate together in high quality public schools with a specialized curriculum. Magnet schools offer a wide range of distinctive programs that have served as models for school improvement efforts.

The ethnic and racial segregation that exists in the Nation's schools is attributable to a number of causes, but primarily a result of the substantial residential segregation in our communities. In many major metropolitan areas of the country, residential segregation is so stark that more than 70 percent of the minority residents would have to change their residence in order for there to be an even distribution of minority residents throughout the metropolitan area. The extreme racial and ethnic residential segregation that currently exists in the Nation results in virtually all minority and all majority enclaves. For example, almost one-half of minority students attend schools with 75 percent or more minority students and almost one-third of non-minority students attend schools with less than 10 percent minority students. It is common that children of one racial or ethnic group rarely interact with children of another. Racial and ethnic residential segregation has the corresponding effect of exacerbating the concentration of poverty in communities and in local schools. This concentration of poverty is a key factor in adversely affecting the quality of education available to children.

Title V of S. 2 reauthorizes the Magnet Schools Assistance Program and includes several new elements designed to: improve the capacity of local educational agencies to continue operating magnet schools after the grant has ended; increase the allowable use of funds for planning; clarify the critical role of professional development; and enhance the quality of the program. The authorization in fiscal year 2001 is $125 million and such sums as may be necessary for each of the four succeeding fiscal years.

The findings section of the bill, which has been revised and shortened, summarizes the importance of magnet schools in achieving desegregation in our Nation's schools and affirms the Federal Government's support of this program. The bill retains the existing

statement of purpose which is to provide financial assistance to eligible local educational agencies for: (1) the elimination, reduction, or prevention of minority group isolation; (2) the development and implementation of magnet school projects that will assist local educational agencies in achieving systemic reform and providing all students the opportunity to meet challenging State content and student performance standards; (3) the development and design of innovative educational methods and practices; and (4) courses of instruction that will strengthen knowledge of academic and vocational subjects. In addition, the bill adds two new purposes of the program, including (5) to improve the capacity of local educational agencies, through professional development, to continue operating magnet schools at a high performance level after Federal funding is terminated; and (6) to ensure that all students enrolled in the magnet school program have equitable access to high quality education that will enable the students to succeed academically and continue with post secondary education or productive employment.

Consistent with current law, priority is given to applicants who demonstrate the greatest need; who propose to carry out new or significantly revised magnet schools projects, who propose to serve a wide range of students by basing student selection on multiple criteria rather than relying solely on academic examination, and who propose to implement innovative educational approaches that are consistent with State and local content and student performance standards. In addition, the bill includes a new priority for those applicants who propose activities, which may include professional development, that will build local capacity to operate the magnet school program once Federal assistance has ended.

The current law lists four uses of funds: (1) planning; (2) acquisition of books and materials; (3) payment or subsidization of the compensation of teachers and instructional staff who are necessary for the conduct of the program; and (4) for schools whose magnet program does not include all students enrolled in the school. S. 2 adds 3 new uses of funds to those in current law. Grant funds may be used: (1) for professional development in order to build the capacity to operate the magnet school once Federal assistance has terminated; (2) to enable the local educational agency to have more flexibility in the administration of a magnet school program in order to serve students attending a school who are not enrolled in a magnet school program; and (3) to enable the local educational agency to have flexibility in designing magnet schools for students of all grades. The addition of professional development as a use of funds is particularly important. Clarification is needed in the law regarding professional development as a separate activity from planning. Therefore, it is the committee's intent that professional development be considered a core use of funds, and not as planning. Trained, qualified teachers and staff are critical to the success of magnet school as well as any other school and these changes ensure that the magnet schools law reflects these priorities.

As in current law, the bill prohibits grantees from using magnet school funds for transportation or any other activity that does not augment academic improvement. However, the ban on using funds for planning after the third year of receiving a grant has been re-

moved. In addition, the bill modifies the current limitation on planning funds, and increases the limits on planning in the second and third year to 25 percent and 15 percent, respectively. This change recognizes the critical importance of planning in maintaining as well as implementing innovative education strategies.

The Innovative Programs component of the MSAP, designed to foster meaningful interaction among students of different racial and ethnic backgrounds, has been updated to better reflect the direction of this program. The bill states that an innovative program is one that involves innovative strategies other than magnet schools, such as neighborhood or community model schools, to support desegregation of schools and to reduce achievement gaps. The new language clarifies an innovative program as one that assists in achieving systemic reform and provides all students with the opportunity to meet challenging content and student performance standards.

Finally, the evaluation section of this part lists what each evaluation shall address. As in current law, the bill lists several issues to be evaluated, including: (1) how magnet school programs lead to educational quality and improvement; (2) the extent to which magnet school programs enhance student access to quality education; (3) the extent to which magnet school programs lead to the elimination, reduction, or prevention of minority group isolation in schools with substantial proportions of minority students; and (4) the extent to which magnet school programs differ from other school programs in terms of organizational characteristics and resource allocations. The bill adds a fifth area to evaluate, and that is the extent to which magnet school programs continue once the grant has ended. In addition, a dissemination component is added to the bill, which states that the Secretary shall collect and disseminate information on successful magnet school programs to the general public.

Part D Public Charter Schools

S. 2 reauthorizes the Public Charter Schools provisions in the legislation and maintains current law, while including an increase in the authorization level to $175 million. Last considered in 1998, the Charter School program was amended to increase and strengthen accountability, promote dissemination, and support technical assistance, evaluation and research on model charter school programs.

Part E—Women's Educational Equity Act

The Women's Educational Equity Act (WEEA), which was created in 1974, provides grants for the operation of programs promoting educational equity for girls and women and assists institutions in meeting the requirements of Title IX of the Education Amendments of 1972. Approximately two-thirds of WEEA funds are used to support local projects. The remaining funds are used for technical assistance, dissemination, and research and development. A resource center conducts the technical assistance and dissemination activities. Fiscal year 2000 appropriations for the act are $5 million.

The bill extends WEEA through fiscal year 2005 and makes minor changes designed to clarify and update provisions of the existing law. The proposal is based on recommendations included in S. 1264, "Educating America's Girls Act," introduced by Senators Snowe and Kennedy. A funding level of $5 million is authorized for fiscal year 2001, with such sums as may be necessary authorized in the 4 succeeding fiscal years.

Part F—Civic Education

The civic education provisions of S. 2 combine the Civic Education program currently authorized as part F of title X and the International Education Exchange Program currently authorized under Title VI of Goals 2000: Educate America Act. The Civic Education program provides support for programs related to instruction on the basic principles of our constitutional democracy and the history of the Constitution and the Bill of Rights. Fiscal year 2000 appropriations for the program are $9.85 million. The International Education Exchange program provides support for education exchange activities in civics and government education and in economic education between the United States and eligible developing countries. Its purpose is to support democracy and free market economies. Fiscal year 2000 appropriations for the program are $7 million.

The bill extends the civic education and international education exchange programs through fiscal year 2005 and makes revisions in them based on recommendations included in S. 1642, the "Education for Democracy Act," introduced by Senators Cochran and Dodd. The civic education provisions include support for the "We the People * * * The Citizen and the Constitution" program which has been administered by the Center for Civic Education since 1985 and for the "We the People * * * Project Citizen" program. In addition to the instructional activities and simulated hearings currently authorized, S. 2 expands program activities to include advanced teacher training, the utilization of technology, and the development of civic education materials designed to address specific problems—such as school violence. In his introductory remarks to this legislation, Senator Cochran noted:

> The Popularity of We the People is demonstrated by the 82,000 teachers and the 26.5 million students who have participated since its beginning. Studies by the Education Testing Service have repeatedly indicated that We the People participants outperform other students in every area tested. In one, We the People high school students outscored university sophomore and junior political science students in every topic.
>
> A Stanford University study showed that these students develop a stronger attachment to political beliefs, attitudes and values essential to a functioning democracy than most adults and other students. Other studies reveal that We the People students are more likely to register to vote and more likely to assume roles of leadership, responsibility and demonstrate civic virtue.

The international education exchange provisions of the bill extend current law provisions with minor change. Grantees, in consultation with the Secretary of State, offer exemplary curriculum and teacher training to educators from eligible developing countries. They also sponsor seminars and site visits and develop related programs for United States students.

The bill authorizes $10 million for civic education and $10 million for international education exchange in fiscal year 2001 and "such sums as may be necessary" for each of the 4 succeeding fiscal years.

In addition, S. 2 includes language encouraging all schools to dedicate a day of learning for the study of the Declaration of Independence, the United States Constitution, and the Federalist Papers in the recognition of the importance of assuring our Nation's students have a solid understanding of the documents which comprise the foundation of our democracy. This language is drawn from S. Con. Res. 37, introduced by Senator Sessions.

Part G—Fund for the Improvement of Education

The Fund for the Improvement of Education (FIE), currently authorized as part A of title X, provides the Secretary with broad authority to support nationally significant programs and projects designed to improve the quality of education. Under current law, FIE includes a lengthy list of activities which may be supported under the program and provides specific authorities for character education, elementary school counseling, smaller learning communities, scholar-athlete competitions, mock election programs, and model projects. Fiscal year 2000 funding for FIE is $243.9 million.

The committee bill eliminates the current list of discretionary activities and limits FIE funding to support programs with specific authorities under the part, as well as the identification of exemplary schools and programs—such as Blue Ribbon Schools—and the development and evaluation of model strategies for professional development for teachers and administrators—such as Christa McAullife Fellowships. The Comprehensive School Reform Program currently funded under FIE is transferred to part F of title I. The model projects authority, which has not been funded, is repealed. The currently funded authorities relating to elementary school counseling, smaller learning communities, scholar-athlete competitions, and mock election programs are extended through fiscal year 2005 with minor revisions. More extensive revisions are made to the character education program, which is also extended through fiscal year 2005.

Specifically, the elementary school counseling provisions are revised to update the definitions of "school psychologist" and "school social worker." The smaller learning community provisions are revised to expand the pool of eligible applicants to include not only local educational agencies but also an elementary or secondary school, a Bureau funded school, or any of these entities in partnership with other public agencies or private nonprofit organizations and to add new provisions requiring recipients to submit an annual report to the Secretary which describes the use of grant funds and evidence of the impact of the grant on student performance and school safety. The national student and parent mock election provi-

sions are revised to expand participation by including students and parents from the Territories, Department of Defense Dependent schools, and other international locales where Americans are based and to require that all votes be recorded at least 5 days prior to the date of the general election.

With respect to character education, the committee recognizes that schools and communities are challenged as never before by demands for safety, academic achievement, and a technologically sophisticated student body. An important way to meet these challenges is through comprehensive character education programs. By integrating the values of caring, respect, responsibility, trustworthiness, citizenship and family, character education programs help meet the needs of the whole child, improving self-esteem and decision-making skills, while increasing the likelihood of academic success and thoughtful, productive citizenship.

Since its inception in 1994, the Character Education Partnership Pilot Program has provided crucial support to States across the country in developing and implementing local character education program. In the past 6 years, character education has spread beyond the boundaries of a few isolated programs to schools all across the country. These schools have seen an appreciable improvement in school climate; a reduction in discipline problems, truancy and delinquency; and an increase in overall student achievement. Federal dollars have provided the seed money to get these efforts off the ground.

The committee believes that this success merits expansion of the program to provide grants directly to local school districts, as well as continuing grants to state and local partnerships. In addition, the committee recognizes the importance of national activities to support these effective state and local programs and has included in S. 2 new provisions regarding national research, evaluation, and dissemination. Up to 5 percent of the funds available for character education may be used for these purposes.

The committee bill authorizes $100 million for all FIE activities for fiscal year 2001 and such sums as may be necessary in the 4 succeeding fiscal years.

Part H—Allen J. Ellender Fellowship Program

The Allen J. Ellender Fellowship Program, currently authorized as part G of title X, is extended through fiscal year 2005 without major change. The fiscal year 2000 appropriations for the program are $1.5 million. This program makes an award to the Close Up Foundation to provide fellowships to students from low-income families and their teachers to allow them to participate in one week of seminars on government and meetings with representatives of all three branches of the Federal Government. Similar activities designed to increase the understanding of the Federal Government are made available to older Americans, recent immigrants, and children of migrant parents. In 1999, approximately 2,800 fellowships were awarded under the program. The bill provides an authorization level of $1.5 million for fiscal year 2001 and such sums as may be necessary for the 4 succeeding fiscal years.

Part I—Ready-to-Learn Television

Ready-to-Learn Television was enacted in 1992 to address the problem, identified by Dr. Ernest Boyer in his Carnegie Foundation report, of an alarmingly high number of children who enter school without the skills to learn. Their lack of preparation presents enormous obstacles to their education and raises impossible roadblocks for learning basic skills. Ready-to-Learn is a worthwhile answer to that crisis. It links the power of television to the world of books. It helps young children improve the quality of the time they spend watching television and turns the old roadblocks into new building blocks for successful early learning.

The committee finds that Ready-to-Learn has earned bipartisan support and has proven to be an effective program in addressing this serious problem. The committee recommends its continued authorization and expansion.

Part J—Inexpensive Book Distribution Program

This title provides an authorization for the "Reading is Fundamental" (RIF) program. RIF makes books available to students and supports literacy initiatives in a variety of settings including schools, child care centers, libraries, hospitals and homeless centers. The committee recognizes that reading and literacy skills are at the heart of learning and continues to support this national model of excellence in this ESEA reauthorization bill.

Title VI—Innovative Education

Title VI of the bill includes a broad array of flexibility options for States and localities. The existing title VI program is expanded to incorporate funding currently provided through the Goals 2000: Educate America Act. A variety of provisions dealing with waivers, program coordination, and related authorities are incorporated into title VI, permitting State and local officials to find in one place the options available to them. In addition, new provisions included as parts B (Rural Flexibility), G (Education Performance Partnerships), and H (Academic Achievement for All Demonstration) of the title offer additional opportunities to combine Federal education funds in ways which will make the most effective use of these funds in meeting the individual needs of schools and students.

Part A—Innovative Education Program Strategies

The purpose of part A of title VI is to provide funds to local educational programs for the implementation of initiatives that support school improvement and reform efforts with the goal of advancing student performance. To accomplish this purpose, States allocate funds to local school districts for an array of activities such as professional development, technology, and library services.

Title VI was created almost 20 years ago in response to the calls from State and local educational agencies that they be given the flexibility to respond to the education reform needs of their local communities. It remains the most flexible source of education funds provided by the Federal Government. The Title VI Effectiveness Evaluation for 1998 prepared by the Title VI National Steering

Committee included the following observation from an Arkansas school district official:

> Title VI is the only Federal program where schools can actually use money that isn't previously directed to a need identified by those outside the school. As our needs change, the program has the flexibility to change with us. The funds are most beneficial when they are used with other funding sources to work toward improving targeted areas identified by the district.

The committee bill increases the current funding level for the Innovative Education Program Strategies section, authorizing $850 million for fiscal year 2001. This increased funding is achieved by combining funds from Goals 2000 State Grants Program—which is repealed in the bill—and the annual allocation for the current title VI program. In fiscal year 2000, funding for the current title VI program is $365.8 million.

Part B—Rural Flexibility

Part B is one of the new flexibility initiatives included in title VI and is based on S. 1225, the "Rural Education Initiative Act," introduced by Senator Collins. The purpose of this part is to provide adequate funding to rural school districts to enhance their ability to recruit and retain teachers, strengthen the quality of instruction, and improve student achievement. Through flexibility provisions and a supplemental grant program, rural school districts will have the ability to maximize their resources for implementation of education reform strategies.

Subpart I, the Rural Educational Achievement Program, is designed to address 2 unique problems facing small, rural districts. The Elementary and Secondary Education Act authorizes formula and competitive grants that allow many of our local school districts to improve the education of their students. These Federal grants support efforts to promote such laudable goals as the professional development of teachers, the incorporation of technology into the classroom, gifted and talented programs and making sure our schools provide safe learning environments for our children. Schools receive several categorical grants supporting these programs, each with its own authorized activities and regulations and each with its own red tape and paperwork.

Unfortunately, as valuable as these programs may be for thousands of predominantly urban and suburban school districts, they simply do not work well in rural areas. This is because the grants are based on school district enrollment. Unfortunately, these individual grants confront smaller schools with a dilemma; namely, they simply may not receive enough funding from any single grant to carry out meaningful activities. Part B will allow a district to combine the funds from four categorical programs and use the funds to support projects that bring about improved academic achievement.

Small Rural Schools face equally difficult challenges when attempting to compete for competitive grants. These schools must dedicate all of their resources to the primary task of educating stu-

dents. They lack the personnel and resources to prepare successful applications.

In response to these challenges, Part B permits rural school districts with enrollments of fewer than 600 students to combine funds from titles II, IV, and VI and apply these funds toward local initiatives designed to improve student achievement. In addition, participating local educational agencies are eligible to receive a supplemental grant that, when combined with other Federal dollars, will enable these small rural schools to offer programs and activities of sufficient size, scope, and quality to have a significant impact upon student and school performance.

Subpart II, the Low-Income and Rural School Program, is designed to meet the needs of rural school districts serving large numbers of disadvantaged students. Local educational agencies residing in rural communities are eligible to receive funds from this program if 20 percent of the children they serve are from families living below the poverty level.

A funding level of $125 million is authorized to support these programs during fiscal year 2001.

Parts C through F—General Flexibility Authorities

Parts C through F of title VI contain flexibility authorities included in current law which are moved to a single title for ease of reference.

Part C includes the provisions of the Education Flexibility Partnership Act, which was signed into law in 1999 (Public Law 106–25) as a free-standing bill. This act allows State educational agencies to waive certain Federal requirements, along with related State requirements, for the purpose of raising the achievement of all students.

Part D includes the "Flexibility in the Use of Administrative and Other Funds" currently included as part B of title XIV. These provisions permit States and localities to consolidate administrative funds from several Federal programs.

Part E includes the "Coordination of Programs; Consolidated State and Local Plans and Applications" provisions currently included as part C of title XIV. These provisions permit the submission of a single plan for several different programs at both the State and local levels.

Part F includes the waiver provisions currently included as part D of title XIV. These provisions offer broad authority for the waiver of statutory or regulatory requirements of the act in order to increase the quality of instruction or improve academic performance.

Part G—Education Performance Partnerships

Part G includes one of the significant steps taken by the committee to increase flexibility in exchange for greater accountability. The committee has taken these steps in the recognition that national programs which offer assistance for specific activities are limited in their ability to capture the diversity of individual needs in States and localities throughout the country.

Among these steps are two new initiatives included in title VI which are designed to permit states and localities to make the most effective use of the federal funds available to them. The first of

these initiatives is the performance partnership provisions included in part G, which are based on a bipartisan proposal developed by the National Governors Association (NGA). In a February 28, 2000, letter to Chairman Jeffords, the Chairman (Governor Mike Huckabee) and Vice Chairman (Governor James B. Hunt Jr.) of the Human Resources Committee of the National Governors Association (NGA) noted:

> * * * The Governors support an education system that focuses on performance, is aligned with state standards, and incorporates strong accountability mechanisms. To this end, Federal education resources must be accompanied by broad flexibility to ensure that those who work within the education system can be held accountable for the results they achieve. NGA believes that the substitute bill takes an important step in moving Federal elementary and secondary education programs in this direction.* * *

Under the performance partnership provisions, any State has the opportunity to combine the funds it receives from Federal education formula grants to tailor activities which will increase the academic achievement of its students. This approach will permit a States to focus funding in the areas in which its particular needs are greatest and which hold the greatest promise of success. In addition, it would permit States to operate under a single set of rules—allowing for the integration of State and Federal reform efforts.

In exchange for this broad flexibility, a State must meet tough accountability standards which demonstrate progress in increasing academic achievement and in narrowing the gap between its lowest and highest achieving students. If a State chooses not to participate, any local educational agency in that State may do so.

Participating States or local educational agencies will enter into performance partnership agreements with the Secretary of Education, which will include student performance goals for the 5-year term of the agreements. Part G sets out a timetable for negotiations between the State and the Secretary and provides for a peer-review process in the event that the agreement is rejected by the Secretary.

Under a performance partnership agreement, a State may combine funds under all or any combination of formula grant programs listed in part G. These programs include: (1) Improving Basic Programs Operated by Local Educational Agencies (part A of title I); (2) Even Start; (3) Migrant Education; (4) Demonstrations of Innovative Practices (section 1502); (5) Teacher Empowerment Grants to States, Subgrants to Eligible Partnerships, and Subgrants to Local Educational Agencies; (6) Initiatives for Neglected, Delinquent, or At Risk Students; (7) Technology Literacy Fund; (8) Innovative Education; (9) Emergency Immigrant Education; (10) any other State formula grant program authorized under the Elementary and Secondary Education Act which was not in effect prior to the date of enactment of the Educational Opportunities Act; (11) Class-Size Reduction; (12) State and Local Education Systemic Improvement (title III of the Goals 2000: Educate America Act); and (13) Education for Homeless Children and Youth.

In many respects, performance partnerships are a logical extension of the Education Flexibility Partnership ("Ed Flex") provisions signed into law last year with the near-unanimous support of this committee and the full Senate. The list of programs subject to increased flexibility are similar, with the notable differences being that performance partnerships may include the homeless education program but may not include Safe and Drug Free Schools and Communities programs or programs authorized under the Carl D. Perkins Vocational Technical Education Act. In addition, the performance partnership provisions include authority relating to formula grant programs added to the Elementary and Secondary Education Act in the future. The list of program requirements which may not be waived is identical in the two authorities.

Performance partnerships take a step beyond Ed Flex, however, in that no program requirements other than those specifically mentioned in part G will apply to the funds combined under the partnership agreement. These funds may be used for any educational purpose designed to improve student achievement. Under Ed Flex, program requirements may be waived, but funds must be used to meet the specific purposes of the Federal programs included in the waiver authority.

Part G includes special provisions related to the targeting of funds in cases where a performance partnership agreement includes funds from part A of title I. In those cases, a State must maintain the current formula for distributing those funds to schools and school districts.

Accountability requirements also vary between performance partnership agreements which include part A of title I funds and those which do not. In both cases, however, States must establish rigorous performance goals which: establish high standards for all students; include annual goals for improving the performance of each group of students (disaggregated by race, ethnicity, English proficiency status, and socioeconomic status) and for narrowing achievement gaps; and require all students to make substantial gains in achievement.

At the end of the third year of the agreement, the Secretary will conduct a performance review of the State's progress in meeting its goals and is to make recommendations for improvement in cases where progress is inadequate. In those cases, the Secretary will conduct a second review the following year and may either withhold a percentage of State administrative funds or terminate the agreement if problems persist. In instances where the review shows that student achievement in the State has declined significantly, the Secretary will terminate the agreement.

The accountability requirements included in part G are stringent, and it is the intent of the committee that they be fully met by the States and local educational agencies which are permitted maximum flexibility in the use of Federal funds.

Part G also provides a directed appropriations of $2.5 billion for a bonus award fund. The award fund is intended to serve as a strong incentive to States to increase the academic achievement of their lowest performing students, and the $2.5 billion in funding is made mandatory in order to guarantee that all States which make significant progress in eliminating achievement gaps over a 5-year

period will receive bonus awards. To qualify, a State must reduce the achievement gap between its lowest and highest performing students in at least 3 of 4 measured categories by a percentage that exceeds the national average. The measured categories include math and English at the 4th- and 8th-grade levels. Performance is to be measured either by National Assessment of Educational Progress tests or by another non-State auditing device. All States are eligible to compete for bonus awards—whether or not they choose to enter into performance partnership agreements.

Part H—Academic Achievement for All Demonstration

A second State flexibility option is provided in part H of title VI, the Academic Achievement for All Demonstration. The committee approved an amendment by Senator Gregg to include part H, the provisions of which are similar to those of legislation (H.R. 2300) approved by the House of Representatives last year.

Like part G, part H is intended to provide States and local educational agencies with maximum flexibility in the use of Federal education formula grant funds in exchange for strong accountability for improving student achievement through 5-year agreements. There are a number of differences in the specific approaches to achieving this objective, the most significant of which relate to the number of participants, the role of the Secretary, and the distribution of funds made available under part A of title I.

Participation in the demonstration program established by part H is limited to the first 15 States to submit approvable applications. If a State chooses not to participate in either part G or part H, any local educational agency in that State may do so.

The performance agreement submitted by the State is not negotiated with the Secretary. Rather, the Secretary must approve the agreement within 60 days unless it is incomplete.

If part A of title I funds are included in the agreement, the State must provide each local educational agency an amount at least equal to the part A funds the agency received in the fiscal year preceding the one in which the performance agreement took effect. Unlike the part G requirements, a participating State is not required to maintain Federal targeting of funds to local educational agencies above the hold-harmless amount or to the school level.

The list of programs from which a State can choose to combine funds is similar to the list included in part G, with the exceptions being that selected vocational education programs may be included in a part H agreement and no reference is made to new formula grant or Goals 2000 programs.

Accountability requirements vary among performance agreements which include any title I funds, those which include part A of title I funds, and those which do not include title I funds at all. If title I funds are not included, States must establish performance goals which: establish a single high standards for all students; include annual goals for improving student performance in each subject and grade included in State assessments; compare student performance from one year to the next by grade level; and require all students to make substantial gains in achievement. States which include title I funds must meet several additional requirements, including the establishment of numerical student performance objec-

tives and the disaggregation of assessment data by race, ethnicity, gender, English proficiency status, migrant status, and economic disadvantage. Annual numerical goals for improving the performance of students for which data is disaggregated and for narrowing the achievement gap must also be established by those States including part A funds in their agreements.

As is the case with part G, the Secretary has the authority to terminate an agreement under certain circumstances and must do so if a State has not substantially met its performance goals at the end of the 5-year term. In those cases, the Secretary may also reduce up to half of State administrative funds for the programs included in the agreement in each of the 2 years following termination.

Part H also includes provisions for rewards to States which reduce achievement gaps, with the rewards being limited to States with performance agreements. The reward amount is equal to 5 percent of the funds allocated to the State for the first year of the performance agreement for programs included in the agreement. To qualify a State must either: (1) reduce by at least 25 percent the difference between the percentage of the highest and lowest performing groups of students for which data is disaggregated that meet the State's proficient level of performance in at least two content areas and at least two grade levels or (2) increase by 25 percent the proportion of two or more groups of students for which data is disaggregated that meet the proficient level. One of the two content areas must be math or reading. The Secretary is required to set aside sufficient funds under the Fund for the Improvement of Education to cover reward amounts to qualifying States.

TITLE VII—BILINGUAL EDUCATION

The Bilingual Education program is designed to provide educational assistance to students with limited English proficiency. Funds awarded under this program help students with limited English proficiency to meet challenging State standards. S. 2 repeals the authorization for Program Development and Implementation grants and weaves the purposes of the program into other bilingual initiatives funded under this title. The committee also decided to combine Comprehensive School grants and System-wide Improvement grants into one program. Grants awarded under this initiative will be used for such activities as improving instructional programs, training school personnel, and implementing family education or parent outreach programs.

One significant change the committee has included in the reauthorization pertains to grant priority. In awarding grants, the Secretary shall give priority to an applicant: (1) who experiences a dramatic increase in the number or percentage of limited English proficient students enrolled in the applicant's program and has limited or no experience in serving limited English proficient students; (2) that is a local educational agency that serves a school district with a total enrollment less than 10,000 students; (3) who demonstrates a proven record of success in helping limited English proficient students; (4) who proposes initiatives that provide for the development of bilingual proficiency both in English and another language for all participating students; or (5) who serves a school district in

which a large percentage or number of limited English students is enrolled.

S. 2 retains the State grant program. The committee believes that it is important to increase the minimum funding level from $100,000 to $200,000. $300 million has been authorized for part A bilingual programs for fiscal year 2001.

The Foreign Language Assistance program provides competitive grant assistance to State or local educational agencies to provide foreign language study for elementary and secondary school students. S. 2 extends this program through fiscal year 2005 and adds provisions giving special consideration to grant applications which make effective use of technology, promote innovative activities, or are carried out through a consortium.

The Emergency Immigrant Education program provides funds to local educational agencies that experience unexpectedly large increases in their student populations due to immigration to assist with the education of those students. The committee raised the authorization level for fiscal year 2001 to $200 million.

Title VIII—Impact Aid

BACKGROUND

Impact Aid programs provide assistance to school districts that are financially burdened as a result of activities of the Federal Government for the education of federally connected children or due to the presence of Federal property. Total fiscal year 2000 appropriations for impact aid is $906.5 million. Separate funding authorities are provided for the major activities supported under title VIII. These include:

(1) Payments relating to Federal property (Section 8002). This section authorizes payments to school districts due to federal ownership of property. The Federal Government must have acquired the property after 1938, and the assessed value of the property at the time it was acquired must have represented at least 10 percent of the assessed value of all the district's real property. Federal property is exempt from local property taxes, which are a major source of support for schools. Impact aid payments assist in making up for the revenue foregone as a result of the Federal presence. In fiscal year 2000, section 8002 payments are being provided to 245 school districts. Fiscal year 2000 appropriations: $32 million.

(2) Basic support payments for eligible federally connected children (Section 8003(b)). Federally connected children include children of members of the Armed Forces (living on or off the military base); children who live on Indian lands; children who live in low-rent housing; and children of civilians who work and/or live on federal land. A "weight" is assigned to each category of children. The weights are intended to reflect differences in tax revenues lost and educational costs and are one of the factors used in the calculation of award amounts to local educational agencies. In fiscal year 2000, basic payments are provided to approximately 1,400 local educational agencies serving over 1.2 million federally connected children. Fiscal year 2000 appropriations: $737.2 million.

(3) Children with disabilities (Section 8003(d)). This subsection provides additional funds for federally connected children with disabilities. The additional funds are to be used in accordance with the provisions of the Individuals with Disabilities Education Act. In fiscal year 2000, 831 school districts are receiving payments on behalf of about 52 million children under this subsection. Fiscal year 2000 appropriations: $50 million.

(4) Additional assistance for heavily impacted local educational agencies (Section 8003(f)). Under current law, a separate authority is provided for payments to local educational agencies which enroll large numbers or proportions of federally connected students. (As noted below, S. 2 folds payments to heavily impacted districts into the basic payments subsection of the act.) In fiscal year 2000, 27 school districts are receiving payments under this authority. Fiscal year 2000 appropriations: $72.2 million.

(5) Construction (Section 8007). This section authorizes funds for the construction and renovation of school facilities for the local educational agencies with enrollments comprised of at least 50 percent children living on Indian lands or with a parent in the uniformed services and heavily impacted local educational agencies. Authority is also provided for payment to districts receiving assistance under section 8006 ("Payments for Increases in Military Dependents"), but funding has never been provided for this section. Payments are determined by ratably distributing available funds among eligible local educational agencies according to the relative weighted count of federally connected students. In fiscal year 2000, approximately 150 local educational agencies receive payments under this section in an average amount of $46,667. Fiscal year 2000 appropriations: $10.1 million.

(6) Facilities (Section 8008). This section authorizes assistance for school facilities (both emergency repairs and comprehensive capital improvements) supported under the old section 10 program. These schools are owned by the Department of Education and are used by local educational agencies to educate federally connected military students. There are 118 schools owned by the Department of Education and located on military bases. Since 1983, the Department of Defense has taken responsibility for the maintenance and operation of 68 of these schools (known as Domestic Dependents Elementary and Secondary Schools). The Department of Education is responsible for the remaining 50 schools. Fiscal year 2000 appropriations: $5 million.

PROVISIONS OF S. 2

The committee bill extends currently funded impact aid programs through fiscal year 2005. Unfunded authorities for special additional payments for local educational agencies with high concentrations of children with severe disabilities and for sudden and substantial increases in attendance of military dependents are repealed.

A significant initiative included in S. 2 is the expansion of the current construction authority to include a facilities modernization component. These provisions are based on recommendations included in S. 897, the "Federally Impacted School Improvement Act," introduced by Senators Baucus and Hagel. The purpose of this expansion is to provide badly needed assistance for schools serving large proportions of children living on or near Federal property which are located in districts which have no bonding authority or are at their limit for bonded indebtedness. Most of these children reside on Indian lands or are military dependents. Because of the Federal presence, these districts have limited—if any—access to tools such as local mill levies which are normally used by school districts to address school construction and repair needs. As a consequence, many of these school facilities are in serious disrepair and pose very real health and safety concerns. The committee bill authorizes $62.5 million in fiscal year 2001 for construction and facilities modernization. Of this amount, 20 percent is reserved for the construction activities authorized under section 8007 of current law. The remaining 80 percent is to be used for the new facilities modernization activities authorized in section 8007A.

A number of the revisions included in S. 2 are intended to reduce delays in the issuance of payments and to avoid disruption of payments to program participants. The committee is aware of the severe difficulties faced by school districts in planning, budgeting, and conducting related administrative activities when the Federal impact aid payments upon which they depend are delayed or abruptly reduced. The committee notes that the Department of Education has developed a performance goal related to the timely distribution of basic support payments and strongly encourages department officials to continue to give priority to this effort.

Over the years, heavily impacted districts in particular have experienced lengthy delays in receiving payments. In an effort to alleviate this problem, the committee bill folds payments to heavily impacted districts into the basic payments structure, consistent with the provisions of a pilot program which has been in operation for the past two years. School officials of heavily impacted districts have expressed satisfaction with the pilot program, particularly in terms of its success in expediting payments.

The bill also seeks to avoid payment delays to Federal property districts by requiring the Secretary to make a preliminary payment of 60 percent of the amount received by a local educational agency in the previous year no later than 60 days following enactment of appropriations—provided that the local educational agency has submitted all data necessary for computation of its payment. In many cases, the failure of some local educational agencies to submit necessary data in a timely fashion has contributed to delays in payment to all districts. It is the hope of the committee that this provision will provide an incentive for all program participants to submit their data within the time frames established in the act. In addition, the bill establishes a 5-year time frame following Federal acquisition of property in which districts may apply for payments. The committee believes that 5 years is an adequate period of time for a local educational agency to determine its need for impact aid

payments to compensate for revenue losses it experiences due to Federal property acquisition.

In an effort to avoid substantial disruptions in the payments to a number of Federal property districts, the existing hold-harmless provisions are replaced with new provisions dealing with the distribution of funds if appropriations are insufficient.

The committee bill also increases from .10 to .25 the weight assigned to children who have a parent who is on active duty in the uniformed services or is an official of a foreign government and is a foreign military officer, but do not reside on Federal property. A hold-harmless provision is included to assure that other local educational agencies do not lose funds due to this weight adjustment.

The bill also includes language clarifying that current law provisions which permit military dependents living off-base to be counted as on-base students in situations where their base housing is being renovated apply in the same way to situations involving the rebuilding of on-base housing. This clarification is intended to make explicit the view of the committee that the provisions in current law cover both renovation and rebuilding. The committee neither intends nor expects Department of Education officials to seek the recovery of funds provided in the past to any local educational agency which exercised these provisions with respect to a rebuilding project. This new language also institutes a maximum 3–year time limit for these renovation/rebuilding provisions. Current law does not include a time limit, and this new limit will take effect with respect to payments made for fiscal years beginning on or after the date of enactment of S. 2.

A total of $1.04 billion is authorized for impact aid programs in fiscal year 2001, as follows:

	In millions
Payments for Federal Acquisition of Real Property (Section 8002)	$35.5
Basic Payments (Section 8003(b))	875.0
Payments for Children with Disabilities (Section 8003(d))	60.0
Construction and Facilities Modernization (Sections 8007/8007A)	62.5
Facilities Maintenance (Section 8008)	7.0

Such sums as may be necessary are authorized for each of the fiscal years 2002 through 2005.

Title IX Indian, Native Hawaiian, and Alaska Native Education

Part A—Indian education

This part of the bill modifies and improves educational services provided for American Indian and Alaska Native students. The committee has included four new activities that can be provided under grants to Local Educational Agencies. These additions are intended to encourage LEAs to address the needs of American Indians and Alaskan Native students in the areas of curriculum development, creating and implementing standards, improving student achievement and gifted and talented education. The committee also recognizes that increasing the flexibility at the local level may give LEAs the ability to reduce their administrative costs while improving the services they provide. Accordingly, the committee included a new provision which would allow an LEA which receives formula grants under Part A the ability to commingle all of the federal funding they receive for educating Indian children, regardless of

which agency provides it, into one coordinate comprehensive program to meet the specific needs of Indian children. In addition, the committee has provided increased flexibility in counting eligible children for funding purposes to BIA funded schools.

Because the committee recognizes the importance of family literacy services for effected populations, we have allowed for grants for this purpose under the improvement of educational opportunities for Indian children. We have also underscored the importance of both pre-service and in-service training by separating the two into different sections under professional development. Lastly, we have reduced the percentage of funds that can be used on administrative costs.

Part B—Native Hawaiian education

This part of the bill modifies and improves the educational services provided for Native Hawaiian students. We have updated the findings of Congress by using the most recent data available and included additional findings that reflect the new legal position of the United States relative to the status of Native Hawaiians as set forth in the brief filed by the United States in the United States Supreme Court on July 28, 1999. The committee has maintained the Native Hawaiian Education Council, while reducing its size and composition. The committee has also established priorities for the award of contract or grants. Recognizing that it has been difficult to have one Council serving two or more islands, the committee has added two more Island Councils so that each island will have its own Council.

The committee believes that placing all of the existing programs serving Native Hawaiians into a single more flexible authority, will allow all of the types of activities currently carried out to continue. It is the committee's hope that this consolidation will better serve the educational needs of Native Hawaiians children and adults. The committee has focused on the importance of family literacy services in effected populations once again by adding it as a new permissible activity and we have reduced the percentage of funds that can be used on administrative costs.

Part C—Alaskan Native education

This part of the bill modifies and improves the educational services provided for Alaska Native students. The committee has decided to place all of the existing programs serving Alaskan Natives, specifically Alaska Native Educational Planning, Curriculum Development, Teacher Training, and Recruitment; Home-Based Education for Preschool Children; and Student Enrichment, into a single more flexible authority. The committee believes that the consolidation will allow these activities to continue and will better serve the educational needs of Alaskan Native children and adults. The committee has once again added family literacy services as a new permissible activity and reduced the percentage of funds that can be used on administrative costs.

Title X—General Provisions

Throughout the hearing process on the Elementary and Secondary Education Act, there was a great deal of attention placed

on the importance of research and evaluation in targeting Federal education dollars. It was the committee's determination that research should be at the foundation of all the investments we make at the Federal level. Proven, research based programs offer the best opportunity for making a significant and positive difference in the education that our Nation's students receive. Title X places a new and increased focus on the importance of research and evaluation in an effort to make Federal dollars work more effectively in improving educational opportunities for all young people.

Title XI—Amendments to Other Acts

Part A—Repeals

Part A of title XI repeals the Goals 2000: Educate America Act and the Advanced Placement Incentive Program currently authorized as part B of title VIII of the Higher Education Amendments of 1998. The Advanced Placement program is replaced with new provisions included as a new part E of title III of the Elementary and Secondary Education Act.

Part B—Education for homeless children and youth

Part B of title XI includes amendments to the Education for Homeless Children and Youth program authorized as Subtitle B of Title VII of the Stewart D. McKinney Homeless Assistance Act. The program provides State formula grant assistance for: the establishment of Offices of Coordinator of Education of Homeless Children and Youth in States; the development and implementation of State plans for the education of homeless children; and subgrant support to local educational agencies for the education of these children.

The committee notes that much progress has been made since the enactment of the homeless education program in 1987. At that time, nearly half of all homeless children were not attending school. In 1996–97, States reported that approximately 78 percent of these children were enrolled in grades K–12. At the same time, much remains to be done in overcoming the particular challenges involved in educating homeless children and youth. The mobility and frequent absence of the records or immunizations required for enrollment of homeless children present significant obstacles to meeting the educational needs of these children.

The committee bill strengthens provisions of the current law in an effort to assure that homeless children receive a quality education, to provide for continuity in the education of homeless children, and to focus resources on high quality programs. Specifically, the committee bill includes several provisions designed to avoid segregating homeless students into separate schools. It is estimated that 40 such schools are now in operation. Many of these schools were established as temporary arrangements but have now become permanent fixtures. Serious questions have been raised regarding the quality of the education offered by some of these institutions.

The bill also contains provisions intended to avoid disruption of a child's education program by maintaining the child's attendance at his or her school of origin. The bill also attempts to avoid enrollment delays by requiring immediate enrollment and by directing

school officials to make referrals for immunizations and to contact other schools to obtain required records. Consistent with the committee's efforts throughout S. 2 to focus Federal resources on proven approaches, the bill includes new provisions requiring that the quality of an application is considered in the provision of subgrants to local educational agencies. A funding level of $40 million is authorized for FY 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

Part C—Albert Einstein Distinguished Educator Fellowship Act

Part C of title XI includes amendments to the Albert Einstein Distinguished Educator Act of 1994, which is part A of title V of the Improving America's Schools Act of 1994. This program, which is administered by the Secretary of Energy, provides fellowships for 12 elementary and secondary school mathematics and science teachers each year. Einstein Fellows work for 10 months in positions in the Department of Energy, the Senate, the House, the Department of Education, the National Institutes of Health, the National Science Foundation, the National Aeronautics and Space Administration, and the Office of Science and Technology Policy.

In addition to extending the authority for this program, S. 2 revises the order-of-priority provisions. These provisions set out the order of placement of fellows in years where funding is not sufficient to support 12 fellows. The committee bill specifies that first priority will be given to the placement of 2—rather than 3—fellows in the Department of Energy. A funding level of $700,000 is authorized for fiscal year 2001 and such sums as may be necessary is authorized for each of the succeeding 4 years.

V. COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 31, 2000.

Hon. JAMES M. JEFFORDS,
Chairman, Committee on Health, Education, Labor, and Pensions, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 2, the Educational Opportunities Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Audra Millen (for federal costs), and Susan Sieg Tompkins (for the state and local impact).

Sincerely,

STEVEN LIEBERMAN
(For Dan L. Crippen, Director).

Enclosure.

S. 2—Educational Opportunities Act

Summary: Programs under the Elementary and Secondary Education Act of 1965 (ESEA) are authorized through 2000 under the General Education Provisions Act (GEPA). S. 2 would extend the authorization for most of these programs through 2005. It would

also revise or reauthorize parts of the Stuart B. McKinney Homeless, Albert Einstein Distinguished Educator, and National Child Protection Acts. In addition, it would reauthorize activities that are currently authorized under the Higher Education Act of 1998 (HEA) and Parts III and IV of the Goals 2000: Educate America Act (Goals 2000). Those provisions of Goals 2000 were repealed by the Department of Education Appropriations Act, 2000, contained in the Consolidated Appropriations Act, 2000 (Public Law 106–113). Because most of these programs will qualify for an automatic one-year extension, CBO has estimated costs through 2006.

CBO estimates that authorizations under the bill relative to current law would total about $25.3 billion in 2001 and about $158.6 billion over the 2001–2006 period, assuming adjustments for inflation, or $25.3 billion and $152.2 billion, respectively, without such adjustments. Over the 2001–2006 period, CBO estimates that implementing S. 2 would increase outlays by $125.6 billion assuming appropriations that keep pace with inflation, and by $121.6 billion without such inflation adjustments.

In addition, CBO estimates that the funding structure for two bonus payment plans under S. 2 would result in direct spending of $2.6 billion in 2006 and an additional $100 million after 2006. Because S. 2 would affect direct spending, pay-as-you-go procedures would apply to the bill. We estimate, however, that there would be no impact on direct spending or receipts over the years for which such procedures apply: the current year and the next five years.

The reauthorization of programs under S. 2 would provide grants to state and local education agencies and tribal governments to assist specific populations of students in meeting state performance standards. The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform act (UMRA). Any costs incurred by state, local, or tribal governments would result from complying with conditions of aid.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 2 is shown in Table 1. The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

CBO's estimate of the total spending under current law for 2001 includes budget authority that was provided in advance under Public Law 106–113 and outlays from both this advanced authority and funding from previous years. CBO's estimate of proposed changes under S. 2 does not make any assumptions about advanced funding. Therefore, the estimate of total spending in 2001 under S. 2 includes the advance appropriation enacted for the 2000–2001 academic year as well as the total estimated funding under S. 2 for the 2001–2002 academic year.[1]

Basis of estimate: S. 2 would reauthorize several existing education programs and create some new ones. Most of the bill's provisions would be subject to appropriation action. For the purposes of this estimate, CBO assumes that S. 2 will be enacted by the end of fiscal year 2000 and that all estimated amounts will be appropriated for each year. Table 1 shows two alternative funding paths:

[1] Funds for education programs are generally provided on an academic-year basis, so appropriations made in 2000, including any advances for 2001, are intended for the 2000–2001 academic year.

One that includes annual adjustments for anticipated inflation and one without such adjustments.

Two of the provisions in title VI would increase direct spending, beginning in 2006. The bill explicitly provides $2.5 billion in direct spending authority for one of those provisions. CBO estimates direct spending of $200 million for the other provision based on state eligibility requirements that title VI would establish. Of the $2.7 billion total for direct spending, CBO estimates that $2.6 billion would occur in 2006, with the remaining $100 million coming over 2007 and 2008.

TABLE 1.—ESTIMATED BUDGETARY EFFECTS OF S. 2

	By fiscal year, in millions of dollars—						
	2000	2001	2002	2003	2004	2005	2006
SPENDING SUBJECT TO APPROPRIATION							
With Adjustments for Inflation							
Spending Under Current Law:							
Budget Authority/Authorization Level [1]	13,348	8,077	165	168	171	0	0
Estimated Outlays	12,757	12,280	3,784	987	300	192	51
Total Proposed Discretionary Changes:							
Estimated Authorization Level	0	25,332	25,707	26,144	26,587	27,209	27,659
Estimated Outlays	0	2,097	19,207	24,706	25,974	26,493	27,067
Spending Under S. 2:							
Estimated Authorization Level	13,348	33,410	25,872	26,313	26,758	27,209	27,659
Estimated Outlays	12,757	14,376	22,991	25,693	26,273	26,685	27,118
Without Adjustments for Inflation							
Spending Under Current Law:							
Budget Authority/Authorization Level [1]	13,348	8,075	160	160	160	0	0
Estimated Outlays	12,757	12,280	3,782	982	292	182	48
Total Proposed Discretionary Changes:							
Estimated Authorization Level	0	25,335	25,311	25,301	25,296	25,456	25,456
Estimated Outlays	0	2,097	19,175	24,370	25,217	25,292	25,409
Spending Under S. 2:							
Estimated Authorization Level	13,348	33,410	25,471	25,461	25,456	25,456	25,456
Estimated Outlays	12,757	14,376	22,957	25,352	25,510	25,474	25,457
CHANGES IN DIRECT SPENDING							
Estimated Budget Authority	0	0	0	0	0	0	2,600
Estimated Outlays	0	0	0	0	0	0	2,600

[1] The 2000 level is the amount appropriated for that year. The 2001 level includes $7.9 billion from an advance appropriation already enacted. Remaining amounts for 2001 and subsequent years are the estimated authorization levels under current law.

Note.—Components may not sum to totals because of rounding.

Spending subject to Appropriation

S. 2 would reauthorize funding through 2005 for various programs created under ESEA and other acts which authorize education programs. These programs, most of which would have expired in 1999 had not the automatic one-year extension provided under GEPA applied, would generally be reauthorized at specific levels for 2001 and for such sums as may be necessary for 2002 through 2005.[2] As most of these programs will qualify for an additional one-year extension under GEPA, CBO estimates costs through 2006.

CBO estimates that the bill would increase authorized levels by $25.3 billion in 2001 and by $158.6 billion over the 2001–2006 pe-

[2] The Charter Schools Program is currently authorized through 2003 under the Charter School Reauthorization Act and through 2004 under GEPA. The Albert Einstein Distinguished Educator Act is funded through the Department of Energy and is not subject to GEPA.

riod assuming that "such sums" amounts provided after 2001 are adjusted for inflation. If the authorized amounts are appropriated, S. 2 would increase outlays relative to current-law authorizations by $2.1 billion in the first year and by $125.6 billion over the six-year period. Without inflationary adjustments, the increased authorizations would result in outlays of $121.6 billion over the six years.

Table 2 provides a detailed breakdown of CBO's estimates for the various components of each title under S. 2. For most existing programs that S. 2 would simply reauthorize, the outlay estimates reflect CBO's current spendout rate assumptions. Because most education programs are funded on a forward-funded basis, first-year spending is consistently slow for all programs, with variation in spending patterns in the subsequent years. Historically, spending occurs at an even slower rate for new programs, programs that experience significant funding increases, or programs with matching requirements or other restrictions. Conversely, spending may increase when additional activities are authorized for use with program funds. For new programs or significant revisions to existing authorizations under S. 2, an explanation of CBO's outlay assumptions is provided after Table 2.

For several of the new or significantly expanded competitive programs under S. 2, CBO assumed an outlay rate of 3 percent in the first year and a rate of 65 percent in the second year (with additional amounts in subsequent years). We refer to this pattern of spending as the rate for new, competitive, matching grant programs. By comparison, the established formula grant program under title I of ESEA has a pattern of spending 5 percent in the first year and 70 percent in the second year.

TABLE 2.—DETAILED DISCRETIONARY EFFECTS OF S. 2, WITH ADJUSTMENTS FOR INFLATION

	By fiscal year, in Millions of Dollars—						
	2000	2001	2002	2003	2004	2005	2006
SPENDING SUBJECT TO APPROPRIATION							
Spending Under Current Law:							
Budget Authority/Aithorization Level [1]	13,348	8,077	165	168	171	0	0
Estimated Outlays	12,757	12,280	3,784	987	300	192	51
Proposed Changes:							
Title I—Helping Disadvantaged Children Meet High Standards							
Grants to Local Education Agencies (LEAs):							
Estimated Authorization Level	0	15,000	15,236	15,501	15,767	16,032	16,298
Estimated Outlays	0	750	12,012	14,902	15,457	15,722	15,987
School Improvement:							
Estimated Authorization Level	0	136	138	141	143	146	148
Estimated Outlays	0	7	109	135	140	143	145
Capital Expense Account:							
Estimated Authorization Level	0	15	15	5	0	0	0
Estimated Outlays	0	1	12	14	7	1	0
Education Finance Incentive Program:							
Estimated Authorization Level	0	200	203	207	210	214	217
Estimated Outlays	0	10	160	199	206	210	213
Child Centered Program:							
Estimated Authorization Level	0	500	508	517	526	534	543
Estimated Outlays	0	15	340	481	514	523	531
GAO Report and Evaluation:							
Estimated Authorization Level	0	9	0	0	0	0	0
Estimated Outlays	0	([2])	3	3	3	([2])	0
Even Start Family Literacy:							

TABLE 2.—DETAILED DISCRETIONARY EFFECTS OF S. 2, WITH ADJUSTMENTS FOR INFLATION—Continued

	By fiscal year, in Millions of Dollars—						
	2000	2001	2002	2003	2004	2005	2006
Estimated Authorization Level	0	500	508	517	526	534	543
Estimated Outlays	0	15	365	456	514	523	531
Education of Migratory Children:							
Estimated Authorization Level	0	400	406	413	420	428	435
Estimated Outlays	0	20	320	397	412	419	426
Parental Assistance:							
Estimated Authorization Level	0	50	51	52	53	53	54
Estimated Outlays	0	3	23	43	49	51	53
Federal Activities:							
Estimated Authorization Level	0	35	36	36	37	37	38
Estimated Outlays	0	2	28	35	36	37	37
Comprehensive School Reform:							
Estimated Authorization Level	0	200	203	207	210	214	217
Estimated Outlays	0	6	136	192	206	209	213
Assistance to Address School Dropouts:							
Coordinated National Strategy:							
Estimated Authorization Level	0	5	5	5	5	5	5
Estimated Outlays	0	2	4	5	5	5	5
Grants to States:							
Estimated Authorization Level	0	125	127	129	131	134	136
Estimated Outlays	0	4	85	120	128	131	133
Capacity Building Initiative:							
Estimated Authorization Level	0	20	20	21	21	21	22
Estimated Outlays	0	8	16	20	21	21	21
Subtotal, Title I:							
Estimated Authorization Level	0	17,195	17,456	17,750	18,049	18,353	18,657
Estimated Outlays	0	842	13,611	17,000	17,694	17,994	18,297
Title II—Professional Development for Teachers							
Teacher Empowerment:							
Estimated Authorization Level	0	1,960	1,991	2,026	2,060	2,095	2,130
Estimated Outlays	0	98	1,374	1,885	2,015	2,050	2,084
Alternative Routes to Teaching and Promoting Excellence in Teaching:							
Estimated Authorization Level	0	40	41	41	42	43	43
Estimated Outlays	0	2	28	38	41	42	43
Leadership Education and Development:							
Estimated Authorization Level	0	100	102	103	105	107	109
Estimated Outlays	0	3	68	96	103	105	106
Reading Excellence:							
Estimated Authorization Level	0	280	284	289	294	299	304
Estimated Outlays	0	3	140	226	272	291	296
National Writing Project:							
Estimated Authorization Level	0	15	15	16	16	16	16
Estimated Outlays	0	2	12	15	15	16	16
New Century Program for Distributed Teacher Professional Development:							
Estimated Authorization Level	0	20	20	21	21	21	22
Estimated Outlays	0	1	14	19	21	21	21
Digital Education Content Collaborative:							
Estimated Authorization Level	0	25	25	26	26	27	27
Estimated Outlays	0	1	17	24	26	26	27
Subtotal, Title II:							
Estimated Authorization Level	0	2,440	2,478	2,522	2,565	2,608	2,651
Estimated Outlays	0	109	1,652	2,304	2,493	2,550	2,593
Title III—Enrichment Initiatives							
21st Century Community Learners:							
Estimated Authorization Level	0	500	508	517	526	534	543
Estimated Outlays	0	25	225	429	486	514	528
Initiatives for Neglected, Delinquent, or At-risk Students:							
Estimated Authorization Level	0	42	43	43	44	45	46

TABLE 2.—DETAILED DISCRETIONARY EFFECTS OF S. 2, WITH ADJUSTMENTS FOR INFLATION—Continued

	By fiscal year, in Millions of Dollars—						
	2000	2001	2002	2003	2004	2005	2006
Estimated Outlays	0	2	34	42	43	44	45
Javits Gifted and Talented:							
Estimated Authorization Level	0	155	157	160	163	166	168
Estimated Outlays	0	5	105	149	159	162	165
Arts in Education:							
Estimated Authorization Level	0	25	25	26	26	27	27
Estimated Outlays	0	1	18	24	26	26	27
Cultural Partnerships for At-risk Youth:							
Estimated Authorization Level	0	45	46	47	47	48	49
Estimated Outlays	0	1	31	43	46	47	48
Advanced Placement Incentive Program:							
Estimated Authorization Level	0	50	51	52	53	53	54
Estimated Outlays	0	3	35	48	51	52	53
Repeal of Higher Education Advanced Placement Program:							
Estimated Authorization Level	0	−15	−15	−16	−16	0	0
Estimated Outlays	0	−1	−11	−15	−16	−15	−5
Subtotal, Title III:							
Estimated Authorization Level	0	802	814	829	843	873	888
Estimated Outlays	0	36	437	720	796	831	860
Title IV—Safe and Drug Free Schools and Communities							
State Grants:							
Estimated Authorization Level	0	700	711	723	736	748	761
Estimated Outlays	0	35	491	673	720	732	744
National Programs:							
Estimated Authorization Level	0	150	152	155	158	160	163
Estimated Outlays	0	8	105	144	154	157	160
Coordinator Initiative:							
Estimated Authorization Level	0	75	76	78	79	80	81
Estimated Outlays	0	4	53	72	77	78	80
Subtotal, Title IV:							
Estimated Authorization Level	0	925	940	956	972	989	1,005
Estimated Outlays	0	46	648	890	951	967	984
Title V—Educational Opportunity Initiatives							
Technology Education:							
Estimated Authorization Level	0	830	828	842	857	871	886
Estimated Outlays	0	42	373	705	794	839	861
Star Schools:							
Estimated Authorization Level	0	50	51	52	53	53	54
Estimated Outlays	0	3	23	43	49	51	53
Magnet Schools Assistance:							
Estimated Authorization Level	0	125	127	129	131	134	136
Estimated Outlays	0	6	88	120	129	131	133
Charter Schools:							
Estimated Authorization Level	0	28	28	28	29	187	190
Estimated Outlays	0	1	19	26	28	37	140
Women's Educational Equity:							
Estimated Authorization Level	0	5	5	5	5	5	5
Estimated Outlays	0	(2)	4	5	5	5	5
Civic Education and International Educaton Exchange:							
Estimated Authorization Level	0	20	20	21	21	21	22
Estimated Outlays	0	2	16	20	21	21	21
Fund for the Improvement of Education:							
Estimated Authorization Level	0	100	102	103	105	107	109
Estimated Outlays	0	12	80	99	103	105	107
Ellender Fellowships:							
Estimated Authorization Level	0	2	2	2	2	2	2
Estimated Outlays	0	(2)	1	1	2	2	2
Ready to Learn TV:							
Estimated Authorization Level	0	50	51	52	53	53	54
Estimated Outlays	0	3	23	43	49	51	53

TABLE 2.—DETAILED DISCRETIONARY EFFECTS OF S. 2, WITH ADJUSTMENTS FOR INFLATION—Continued

	By fiscal year, in Millions of Dollars—						
	2000	2001	2002	2003	2004	2005	2006
Inexpensive Book Distribution:							
Estimated Authorization Level	0	25	25	26	26	27	27
Estimated Outlays	0	1	18	24	26	26	27
Subtotal, Title V:							
Estimated Authorization Level	0	1,234	1,238	1,260	1,281	1,461	1,485
Estimated Outlays	0	70	644	1,087	1,204	1,268	1,401
Title VI—Innovative Education							
Innovative Education Program Strategies:							
Estimated Authorization Level	0	850	863	878	893	909	924
Estimated Outlays	0	43	596	878	893	909	924
Grants to Small Rural LEAs:							
Estimated Authorization Level	0	63	63	65	66	67	68
Estimated Outlays	0	3	44	60	64	65	66
Grants to Poor Rural LEAs:							
Estimated Authorization Level	0	63	63	65	66	67	68
Estimated Outlays	0	3	44	60	64	65	66
Evaluation of Administrative Flexibility:							
Estimated Authorization Level	0	(2)	(2)	(2)	(2)	(2)	(2)
Estimated Outlays	0	(2)	(2)	(2)	(2)	(2)	(2)
Subtotal, Title VI:							
Estimated Authorization Level	0	975	990	1,008	1,025	1,042	1,059
Estimated Outlays	0	49	683	938	1,003	1,020	1,037
Title VII—Bilingual Education							
Bilingual Education:							
Estimated Authorization Level	0	300	305	310	315	321	326
Estimated Outlays	0	15	210	289	308	314	319
Immigrant Education:							
Estimated Authorization Level	0	200	203	207	210	214	217
Estimated Outlays	0	24	160	199	206	210	213
Subtotal, Title VII:							
Estimated Authorization Level	0	500	508	517	526	534	543
Estimated Outlays	0	39	371	488	515	524	532
Title VIII—Impact Aid							
Payments for Federal Property:							
Estimated Authorization Level	0	35	36	36	37	37	38
Estimated Outlays	0	32	35	36	37	37	38
Additional Payments for Certain LEAs Impacted by Federal Property Acquisition:							
Estimated Authorization Level	0	1	1	1	1	1	1
Estimated Outlays	0	(2)	(2)	1	1	1	1
Basic Support System Payments and Payments for Heavily Impacted Districts:							
Estimated Authorization Level	0	875	889	904	920	935	951
Estimated Outlays	0	788	870	902	918	933	949
Payments for Children with Disabilities:							
Estimated Authorization Level	0	60	61	62	63	64	65
Estimated Outlays	0	54	60	62	63	64	65
Formula Construction:							
Estimated Authorization Level	0	13	13	13	13	13	14
Estimated Outlays	0	11	12	13	13	13	14
School Modernization:							
Estimated Authorization level	0	50	51	52	53	53	54
Estimated Outlays	0	5	19	43	51	52	53
Facilities Maintenance:							
Estimated Authorization Level	0	7	7	7	7	7	8
Estimated Outlays	0	1	3	6	7	7	7
Subtotal, Title VIII:							
Estimated Authorization Level	0	1,040	1,056	1,074	1,093	1,111	1,129
Estimated Outlays	0	890	998	1,063	1,089	1,107	1,126

TABLE 2.—DETAILED DISCRETIONARY EFFECTS OF S. 2, WITH ADJUSTMENTS FOR INFLATION—Continued

	By fiscal year, in Millions of Dollars—						
	2000	2001	2002	2003	2004	2005	2006
Title IX—Indian, Native Hawaiian, and Alaska Native Education							
Indian Education Grants:							
Estimated Authorization Level	0	62	63	64	65	66	67
Estimated Outlays	0	7	50	62	64	65	66
Special Programs and National Activities:							
Estimated Authorization Level	0	4	4	4	4	4	4
Estimated Outlays	0	(2)	3	4	4	4	4
Grants Administration and Planning:							
Estimated Authorization Level	0	3	3	3	3	3	3
Estimated Outlays	0	(2)	2	3	3	3	3
Education for Native Hawaiians:							
Estimated Authorization Level	0	23	23	24	24	25	25
Estimated Outlays	0	1	16	22	24	24	24
Alaska Native Education Equity:							
Estimated Authorization Level	0	17	17	18	18	18	18
Estimated Outlays	0	1	12	16	17	18	18
Subtotal, Title IX:							
Estimated Authorization Level	0	109	111	113	115	117	118
Estimated Outlays	0	10	83	107	112	114	116
Title X—General Provisions							
General Provisions:							
Estimated Authorization Level	0	3	3	3	3	3	3
Estimated Outlays	0	(2)	2	2	3	3	3
Comprehensive Regional Assistance Centers:							
Estimated Authorization Level	0	70	71	72	74	75	76
Estimated Outlays	0	4	49	67	72	73	74
Subtotal, Title X:							
Estimated Authorization Level	0	73	74	75	76	77	79
Estimated Outlays	0	4	51	70	75	76	77
Title XI—Amendments to Other Laws							
Education for Homeless Children and Youth:							
Estimated Authorization Level	0	40	41	41	42	43	43
Estimated Outlays	0	2	28	38	41	42	43
Albert Einstein Distinguished Educators:							
Estimated Authorization Level	0	1	1	1	1	1	1
Estimated Outlays	0	(2)	(2)	1	1	1	1
Subtotal, Title XI:							
Estimated Authorization Level	0	41	41	42	43	44	44
Estimated Outlays	0	2	29	39	42	43	44
Total Proposed Changes:							
Estimated Authorization Level	0	25,332	25,707	26,144	26,587	27,209	27,659
Estimated Outlays	0	2,097	19,207	24,706	25,974	26,493	27,067
Total Discretionary Spending Under S. 2:							
Estimated Authorization Level	13,348	33,410	25,872	26,313	26,758	27,209	27,659
Estimated Outlays	12,757	14,376	22,991	25,693	26,273	26,685	27,118

[1] The 2000 level is the amount appropriated for that year. The 2001 level includes $7.9 billion from an advance appropriation already enacted. Remaining amounts for 2001 and subsequent years are the estimated authorization levels under current law.
[2] Less than $500,000.

Note.—Components may not sum to totals because of rounding.

Title I—Helping Disadvantaged Children Meet High Standards. Title I would reauthorize and revise programs currently authorized under parts A, B, C, and E of Title I of ESEA.[3] It would also introduce three new programs under the same title: the Parental Involvement Grant program, the comprehensive School Reform program, and the Child Centered Program. S. 2 would authorize a

[3] Part D, which authorizes grants for neglected and delinquent youth, would be reauthorized under part B of title III of S. 2.

total of $17.2 billion for 2001 for all programs under title I. CBO estimates the total funding required for title I for the 2001–2006 period would be $107.5 billion, assuming adjustments for inflation. We estimate resulting outlays of $85.4 billion over the 2001–2006 period.

Part A—Basic Program. S. 2 would reauthorize the Basic and Concentration Grant programs under Part A of Title I of ESEA. The legislation would introduce stricter reporting requirements, phase out the capital expense account, add requirements to increase parental involvement, and increase the allowable set-aside for school improvement activities. It would also reauthorize two programs which have not been funded, the Targeted Grant program and the Education Finance Incentive Program. It would also establish a new program that would allow parents to control how Title I funds are spent on their child.

Currently, states identified for school improvement are allowed to set aside 0.5 percent of certain Title I funds for school improvement activities. S. 2 would allocate 50 percent of appropriations in excess of the inflated 2000 funding level for improvement activities in addition to the set-aside. The legislation would direct any remaining excess to fund the Targeted Grant program. A similar provision exists in current law in reference to increases above 1995 levels, but funds have never been appropriated for these targeted grants.

In addition, S. 2 would continue a separate authorization for school improvement at such sums as may be necessary for 2001. While this provision has never been directly funded, Public Law 106–113 set aside $134 million for similar activities from amounts appropriated for basic grants. CBO assumes that new funds would be provided specifically through this additional authorization. As the new school improvement set-aside under S. 2 would also address these activities (providing an additional $3.5 billion for 2001 assuming appropriation of authorized levels), CBO estimates that funding under this authorization in subsequent years would be consistent with the 200 appropriation. Therefore, CBO's estimate for 2001 is $136 million, the 2000 level of $134 million plus inflation.

S. 2 would authorize $15 billion for 2001 for the basic, concentration, and targeted grants under Part A. The comparable funding for the 2000–2001 academic year was $7.9 billion.

S. 2 would continue the authorization of the capital expense account. This account funds costs associated with ensuring that Title I services to private school children are administered in neutral settings. In response to the 1997 Supreme Court ruling that overturned this requirement, S. 2 would phase out funding over three years, authorizing $15 million for 2001, $15 million for 2002, and $5 million for 2003. Funding for 2000 was $12 million.

S. 2 would authorize $200 million for 2001 to reauthorize the Education Finance Incentive Program, which has never been funded. The program would reward states that finance education in an equitable manner and at reasonable levels based on the state's relative wealth. The Secretary of Education would calculate an equity factor, reflecting the consistency of spending among districts, and an effort factor, determined by the extent to which the state's per pupil spending level is consistent with its relative per capita in-

come. The bill would authorize the Secretary to award payments in proportion to the combination of these two factors. States would be required to use these funds for the same purposes as other grants under this part; therefore, CBO assumes funds will be spent at the same rate.

S. 2 would authorize $500 million for 2001 for a new Child Centered Program to be established in up to 10 states and an additional 22 Local Education Agencies (LEAs). Participating states or LEAs would offer supplemental educational programs in various schools. Parents of eligible students could choose the school that would provide the supplemental services for their child and the specific amount allocated for their child would be directed to that school. Parents would also have the option to direct the school to use the funds for contracted tutorial services. The specific per pupil amount that would be made available for the parent's discretion would be determined by the LEAs or states, who could also use current Title I funds for this purpose in addition to funds made available specifically for this subpart. To be eligible, an agency must ensure that parents have an adequate number of choices among potential providers of the supplemental services. The program would also authorize a school-wide component for schools in which greater than 50 percent of their students chose to apply their funds to that school's child centered program.

CBO estimates that designing these supplemental programs and establishing policies to administer the parental choice component and per pupil tracking of funds would require significant start-up time. Therefore, CBO expects that spending will occur slowly with only $15 million in outlays in 2001 increasing to $531 million in 2006.

S. 2 would also direct the Comptroller General to enter into a contract to conduct a comprehensive evaluation of the child centered program, based on annual evaluations of each program funded under this part. It would require an interim report after three years and a final report by March of 2006. Based on estimates from the General Accounting Office, CBO estimates the total cost of the evaluation and reports would be $8.5 million. Assuming that funding is provided in 2001, CBO estimates the costs would be spread over the 2001–2005 period, with most of the costs incurred for data collection between 2002 and 2004.

Part B—Even Start Family Literacy. S. 2 would significantly increase funding for Even Start Family Literacy programs. It would authorize $500 million for 2001, compared with the 2000 funding level of $150 million. If actual appropriations exceed $150 million, the legislation would require 50 percent of such excess, not to exceed $2 million, to be set aside for a research project through the National Institute for Literacy. In addition, the bill would require long-term recipients to assume a greater share of costs, lowering the allowable federal share of total spending to 35 percent for the ninth year and beyond. It also would expand the program's authorization to allow funds to be used in collaboration with other Title I funds for programs that serve children over eight years old. Currently funds are exclusively for programs serving children ages eight and under. CBO estimates that these changes would not change spending rates significantly.

Part C—Education of Migratory Children. S. 2 would authorize $400 million to continue to fund grants to support the needs of children of migratory workers, currently authorized under Part C of Title I. The funding level for 2000 was $355 million.

Under current law, the Secretary may set aside a maximum of $6 million from the total appropriation under Part C of Title I of ESEA to meet existing data gathering and reporting requirements. S. 2 would require the Secretary to establish a national tracking system for children of migratory workers. States would be required to gather specific data and make the information available through electronic access. S. 2 would increase the maximum set-aside to $100 million to address the additional cost of establishing the system.

Current law also encourages states and LEAs to establish consortia to coordinate tracking efforts and allows $1.5 million of the funds set aside for data gathering to be used to provide incentive grants to such consortia. S. 2 would double the authorized set-aside for these incentive grants to $3 million.

CBO estimates that these increased set-asides will not significantly alter the spending behavior of this program.

Part D—Parental Assistance. S. 2 would authorize $50 million for 2001 for a new Parental Assistance program. The program would replace and expand on the Parental Assistance Funds program, authorized under Title IV of Goals 2000. The existing program is repealed effective September 30, 2000, under Public Law 106–113. Funds provided under this part would be used to support continuation grants for recipients under the current program. CBO estimates that the funds from this new program will demonstrate a spending rate consistent with the current program, which was funded at $33 million in 2000. CBO estimates outlays for 2001 of $3 million and $221 million over the six-year period.

Part E—Federal Activities. S. 2 would authorize $35 million for 2001 to continue the existing authority to conduct Federal evaluations of programs for the disadvantaged and to fund demonstrations of innovative strategies for serving disadvantaged children. For 2000, $9 million was provided for evaluations and $170 million was funded under the demonstration authority for the Comprehensive School Reform program, which would be authorized separately under S. 2. As the bill would introduce no changes to the underlying authorization, CBO estimates a spending rate consistent with the current programs.

Part F—Comprehensive School Reform. S. 2 would authorize $200 million for 2001 to continue the Comprehensive School Reform Grant program created through a 1998 appropriations act. The program was funded in 2000 at $170 million under Title I's demonstration authority and at $50 million under the Fund for the Improvement of Education for a non-Title I component. CBO assumes a spending rate consistent with the current program's spending pattern.

Part G—Assistance to Address School Dropouts. S. 2 would introduce a new Assistance to Prevent School Dropouts program. A program to address school dropouts is currently authorized under Part C of Title V of ESEA, but has never been funded. Subpart 1 would authorize $5 million for the Coordinated National Strategies com-

ponent to fund research and the coordination of dropout prevention strategies and to establish a national recognition program. Subpart 2 would authorize $125 million for 2001 to fund grants to States based on their relative share of Title I funds. States could award grants on a competitive basis directly to schools with high dropout rates. Funds could only be used to cover start-up and implementation costs of activities associated with whole school dropout prevention programs that are research based. It would authorize an additional $20 million for 2001 under subpart 3 to fund contracts with non-Federal entities to conduct capacity building and design initiatives.

CBO expects that spending for subparts 1 and 3 would be consistent with other research initiatives, while outlays for subpart 2 would occur at a spending rate consistent with other new competitive matching grant programs.

Title II—Professional Development for Teachers. Title II would authorize a total of $2.4 billion for 2001 for several initiatives that address teacher hiring, recruitment, and professional development. CBO estimates the total cost of implementing this title would be $15.3 billion for the 2001–2006 period, with resulting outlays of $11.7 billion over that period.

Part A—Teacher Empowerment. The Teacher Empowerment Act would authorize a total of $2.0 billion for 2001 for a block grant to fund many activities previously authorized under the Eisenhower Professional Development and Class Size Reduction programs, both of which would be discontinued. The combined funding level for the 2000–2001 academic year was $1.64 billion under Eisenhower Professional Development and the Class Size Reduction programs.

S. 2 would reserve $40 million of funds under part A for subsection 4 which would authorize the Alternative Routes to Teaching and Promoting Excellence in Teaching program. This subsection would authorize grants to the National Board for Professional Teaching Standards to complete a national certification system and continuation grants for the Eisenhower National Clearinghouse program. It would also authorize competitive grants to education consortia to establish teacher academies that promote alternative routes to certification or teacher training programs.

For funds under subsection 4 of this part, CBO assumes a spending rate consistent with other new competitive grant programs. The remaining $1.96 billion is assumed to spend at a rate consistent with programs it would replace.

Part B—Leadership Education and Development. S. 2 would authorize $100 million for 2001 for competitive grants to State or local education entities to establish professional development opportunities for educators in leadership roles. S. 2 would require 20 percent of the costs of such programs to be covered by non-Federal sources. CBO assumes a spending rate consistent with other new competitive matching grant programs.

Part C—Reading Excellence. S. 2 would authorize $280 million for 2001 to continue the Reading Excellence program, currently authorized under Part C of Title II of ESEA. The 2000 funding level for this program was $260 million.

Part D—National Writing Project. S. 2 would authorize $15 million for 2001 to continue the National Writing Project, currently

funded under Part K of Title X of ESEA. The 2000 funding level for this program was $9 million.

Part E—The New Century Program for Distributed Teacher Professional Development. S. 2 would authorize $20 million for 2001 to continue and expand on the purposes of the Telecom Demonstration program, currently authorized under Part D of Title III of ESEA. The 2000 funding level for this program was $8.5 million. Despite the significant increase in funds, CBO assumes a spending rate consistent with the current program.

Part F—Digital Education Content Collaborative. S. 2 would authorize $25 million for 2001 for a new program to support the development of educational videos. It would authorize 3-year grants with a 50-percent matching requirement. CBO assumes a spending rate consistent with other new competitive matching grant programs.

Title III—Education Enrichment. Title III would authorize a total of $802 million for 2001 to continue four programs that focus on unique student populations or are offered outside the traditional classroom or school day. CBO estimates the total cost of implementing this title would be $5.0 billion for the 2001–2006 period, with resulting outlays of $3.7 billion over that period.

Part A—21st Century Community Learners. S. 2 would authorize $500 million for 2001 to continue the 21st Century Learners program, currently authorized under Part I of Title X of ESEA, with no significant revisions. The 2000 funding level was $453 million.

Part B—Initiatives for Neglected, Delinquent, or At-risk Students. S. 2 would authorize $42 million for grants for education programs for neglected or delinquent youth, currently authorized under Part D of Title I of ESEA. The 2000 funding level was also $42 million.

Part C—Javits Gifted and Talented. S. 2 would reauthorize and significantly revise the Javits Gifted and Talented program, currently authorized under Part B of Title X of ESEA. The current program supports competitive grants to states to develop and implement model programs that identify and challenge gifted and talented students. It also supports activities conducted through the National Center for Research and Development in the Education of Gifted and Talented Children and Youth.

Under S. 2 once, funding exceeds $50 million, the program would be converted into a formula grant program supporting research-based gifted and talented programs in all states. It would set aside up to $50 million for continuation grants to current recipients under the competitive grant structure. The bill would allow 30 percent of funds to be reserved for the National Center for Research and Development.

The remainder would be allocated among states based on their relative school-age population. States could set aside 10 percent for administrative and application review purposes and 2 percent for statewide parental support initiatives. The remainder would be allocated to LEAs on a competitive basis for activities targeted at gifted and talented students including offering professional development opportunities, implementing of model programs, or providing services for gifted students via distance learning. States would be required to fund 20 percent of program costs through non-Federal sources.

The bill would authorize $155 million for 2001 and such sums as necessary through 2005. The 2000 funding level for the current competitive grant program is $6.5 million. Typically, pilot programs demonstrate slower spending rates when they are expanded to become permanent grant programs. Spending also slows when matching requirements are introduced or when the scope of the program increases significantly. Therefore, CBO estimates that the program authorized under S. 2 would spend more slowly than the current program. CBO assumes a rate consistent with other new competitive matching grant programs.

Part D—Arts in Education. S. 2 would authorize $25 million for 2001 to continue to support art education programs through the John F. Kennedy Center for the Performing Arts and VSA (formerly Very Special Arts) currently authorized under Part D of Title X of ESEA. Funding for 2000 was $12 million and CBO assumes spending to remain consistent with current rates.

S. 2 also would authorize $45 million for the Cultural Partnerships for At-risk Youth program, also authorized under Part D of Title X but which has never been funded. S. 2 would authorize competitive grants and require 20 percent of program costs to be covered by nonfederal sources. Recipients could use funds for activities aimed at improving educational performance of at-risk youth, defined as those who have a history of drug use, are pregnant or have children, or have been incarcerated. Unlike the current authorization, S. 2 would not allow funds to be used for transportation, child care for children of participants, or equipment and supplies. CBO assumes a spending rate consistent with other new competitive matching grant programs.

Part E—Advanced Placement Incentive Program. S. 2 would repeal the Advanced Placement program, authorized under Part B of Title VII of HEA and authorize the same activities under a new Advanced Placement Incentive Program. It would also introduce a grant program component for states to provide on-line advanced placement courses. The bill would authorize $50 million for 2001, directing 30 percent of the actual appropriation to be used for the traditional advanced placement program and the remaining 70 percent for grants under the on-line program. Comparable funding for the traditional program for 2000 was $15 million.

Title IV—Safe and Drug Free Schools and Communities Act. S. 2 would authorize a total of $925 million to continue the Safe and Drug Free Schools and Communities program in 2001, currently authorized under Title IV of ESEA. CBO estimates the total cost of enacting this title would be $5.8 billion for the 2001–06 period, with resulting outlays of $4.5 billion over that period.

Part A—State Grants. S. 2 would authorize $700 million for 2001 for grants to state educational agencies and governors' programs and introduce several revisions. The comparable funding level for the 2000–2001 academic year was $439 million. It would require States to establish an advisory council, to implement a uniform management information system to track program services, and to include a parent involvement component in their State plans. It would allow States to submit interim plans while they incorporate these changes. It would also increase the allowable set-aside for administrative purposes from 4 percent to 5 percent, grant States

more discretion in allocating funds to LEAs, and remove a requirement that 10 percent of the governor's program funds be used for Law Enforcement Education Partnerships programs. It would maintain the current 20-percent cap on funds that can be spent on purchasing security devices such as metal detectors, but would expand the list of allowable devices to include electronic locks, surveillance cameras and other technologies. CBO estimates that the net effect of these provisions would not change the current spending rate for this program.

S. 2 also would authorize $150 million to continue the National Programs and $75 million to continue the National Coordinator Initiative in 2001. Funding levels in 2000 were $111 million and $50 million, respectively. It would establish a Safe and Drug Free Schools and Communities Advisory Committee to coordinate Federal programs. The advisory committee would be composed of representatives from eight Federal institutions and State and local governments. Authorized activities would include technical and training assistance, research and program evaluations, and information dissemination. CBO does not assume this new provision will significantly alter the spending of these programs.

Part B—Gun Free Requirements. S. 2 would introduce two new requirements for recipients of funds under Title IV of ESEA. States must have in effect a State law mandating 1-year suspension for students caught with a weapon. Secondly, LEAs receiving funds under this part must have a policy of referring such students to juvenile court and comply with the state suspension law. CBO estimates no costs associated with this part.

Part C—School Safety and Violence Prevention. Part C would not authorize additional funds but would expand the allowable activities for funds authorized under Titles IV and VI of ESEA. Under S. 2, funding under these two titles could be used for training school personnel to identify illegal weapons and respond to emergencies, purchasing school security equipment, or assisting schools to implement school uniform policies. It would also require States receiving funds under this part to establish policies for transferring data between LEAs regarding student expulsions and suspensions. CBO estimates no change in spending from these provisions.

Title V—Educational Opportunity Initiatives. Title V would authorize a total of $1.2 billion for 2001 for a variety of programs. CBO estimates the total cost of implementing this title would be $8.0 billion for the 2001–06 period, with resulting outlays of $5.7 billion over that period.

Part A—Technology Education. S. 2 would authorize $815 million for 2001 to continue the Technology for Education program, currently authorized under Part A of Title III of ESEA.

For 2001 only, S. 2 would authorize an additional $5 million for the National Programs Initiative and an additional $10 million for the Regional Technical Support and Professional Development program, to cover one-time requirements. These additional authorizations address the costs of two new requirements that S. 2 would introduce. Under the National Programs Initiative, S. 2 would require the Secretary to update the National Long-Range Technology Plan within 12 months of the bill's enactment. S. 2 would require recipients of funds granted under the Regional Technical Support

and Professional Development program to submit a report to the Congress detailing program activities within 3 months of enactment.

The bill would require recipients to use funds for the State and Local Programs on initiatives to involve parents in their children's technology education and to prepare teachers in technology. It would also require the Secretary to submit an evaluation of both the Technology Literacy Challenge and the Technology Literacy Fund within three years of enactment. CBO expects that any changes would not affect current spending patterns in these programs.

Part B—Star Schools. S. 2 would authorize $50 million for 2001 to continue the Star Schools program. The funding level for 2000 was $51 million.

Part C—Magnet Schools Assistance. S. 2 would authorize $125 million for 2001 to continue the Magnet Schools program currently authorized under Part A of Title V of ESEA. Funding for 2000 was $110 million. S. 2 would add provisions to ensure that programs are sustainable once federal funds are no longer available. States are currently allowed to set aside for planning 50 percent in year one, 15 percent in year two, and 10 percent in year three. S. 2 would increase the amounts for years two and three to 25 percent and 15 percent respectively. It would also require the Secretary to disseminate evaluation results publicly.

Part D—Charter Schools. The Charter School program is currently authorized through 2003 under the Charter School Reauthorization Act (Public Law 105–278) and through 2004 under GEPA. S. 2 would authorize $175 million for 2001 and extend the authorization through 2005 (2006 under GEPA). The comparable funding for 2000 was $145 million.

Part E—Women's Educational Equity. S. 2 would authorize $5 million to continue the Women's Educational Equity program for 2001, currently authorized under Part B of Title V of ESEA. The 2000 funding level was $3 million.

Part F—Civic Education. As part of the Civic Education program, currently authorized under Part F of Title X of ESEA, the Secretary contracts with the Center for Civic Education to conduct two specific civic education programs. Under the International Education Exchange program, authorized under Part VI of Goals 2000, educational leaders from democratic countries are eligible to participate in a variety of activities aimed at improving education about democracies and free markets. S. 2 would reauthorize both programs together as Part F of Title V of ESEA. It would require the Secretary to continue the programs under contract with the Center for Civic Education and also would authorize additional contracts with other entities such as the National Council on Economic Education.

For 2001, S. 2 would authorize $10 million for the Civic Education program and $10 million for activities under the International Education Exchange program, currently funded at $10 million and $7 million, respectively. CBO estimates both programs will continue to spend funds at their current rates.

S. 2 would repeal the currently unfunded Instruction in Civics, Government, and Law program that authorizes competitive grants to LEAs for civic instruction.

Part G—Fund for the Improvement of Education (FIE). The Fund for the Improvement of Education, authorized under Part A of Title X of ESEA, authorizes over 25 activities or programs that have educational significance at the national level. S. 2 would reduce this list to include only the identification of exemplary schools, the creation of model professional development programs, and five specific programs. The five programs are the Character Education program, the Scholar Athlete Competition, the Elementary School Counseling Demonstration, the Smaller Learning Communities Initiative, and the National Student and Parent Mock Election. S. 2 would introduce modifications to some of these programs. The Comprehensive School Reform program, currently authorized under this fund, would be authorized as Part F of Title I.

S. 2 would authorize $100 million for 2001 for activities under this part. The 2000 funding level for the more broadly defined program was $244 million.[4] CBO assumes spending rates will remain consistent with current funding of this program.

Part H—Allen J. Ellender Fellowships. S. 2 would authorize $1.5 million for 2001 to continue the Allen J. Ellender Fellowships program. The funding level for 2000 was also $1.5 million.

Part I—Ready to Learn TV. S. 2 would authorize $50 million, a significant increase over the 2000 funding level of $16 million to continue the Ready to Learn TV program, currently authorized under Part C of Title III of ESEA. Despite the large funding increase, CBO assumes that spending would continue to reflect the historical pattern for this program.

Part J—Inexpensive Book Distribution. S. 2 would authorize $25 million for 2001 to continue the Inexpensive Book Distribution program. The 2000 funding level was $20 million.

Title VI—Innovative Education. Title VI would authorize a total of $975 million for 2001 for several new initiatives aimed at increasing the flexibility for spending Federal funds. CBO estimates the total cost of implementing this title would be $6.1 billion for the 2001–2006 period, with resulting outlays of $4.7 billion over that period.

Part A—Innovative Education Program Strategies. S. 2 would authorize 2001 funding of $850 million to continue the current block grant program under Title VI of ESEA. Comparable funding for the 2000–01 academic year was $366 million.

Part B—Rural Education Flexibility. Part J of Title X of ESEA authorizes the Urban and Rural Education Assistance program to provide additional funding to support the special needs of these populations. The program has received no funding for either rural or urban assistance.

Title VI of S. 2 would repeal the existing authorization and authorize a new rural education system in its place. The program would consist of two parts: a formula grant program for small rural

[4] This total includes $50 million for the non-Title I component of the Comprehensive School Reform.

LEAs, and a competitive grant program for larger rural schools that serve high-poverty populations.

Because Federal funds are generally allocated based on population, small rural LEAs often receive grants that are insufficient to cover the activities authorized under those programs. Subpart 1 of Part B of Title VI would provide supplemental grants to ensure that eligible LEAs receive a minimum total funding level under Titles II, IV, and the remainder of Title VI of ESEA. Grants under this program would be equal to the minimum level less any amounts received under these other titles in the same year. The guaranteed minimum level would be $20,000 plus an additional $100 for every student above a base enrollment of 50, not to exceed $60,000 for any LEA.

Subpart 2 would authorize competitive grants to rural LEAs that educate a significant number of low-income children. LEAs that qualify for grants under subpart 1 have the option to apply for a competitive grant under subpart 2 instead, but no LEA can receive grants under both parts.

S. 2 would authorize a total of $125 million for 2001 for subparts 1 and 2, and such sums as may be necessary thereafter. It would reserve $62.5 million for the formula grants under subpart 1. Assuming appropriation of the authorized amounts under titles II, IV, and VI, CBO estimates this amount would be sufficient to fully fund this subpart. Grants under both subparts could be used for any activities authorized under those three titles; therefore, CBO assumes a spending rate consistent with the block grant program under part A of title VI of this bill.

Part D—Administrative Flexibility Program. S. 2 would direct the Secretary to conduct an evaluation of the use of administrative funds to be completed no later than July 1, 2004. A similar evaluation was required under the previous authorization. CBO estimates the cost of the evaluation would be less than $500,000.

Title VII—Bilingual Education. S. 2 would authorize $500 million for 2001 for the Bilingual Education program, currently authorized under Title VII of ESEA. The funding level for 2000 was $406 million. CBO estimates the total cost of implementing this title would be $3.1 billion for the 2001–2006 period, with resulting outlays of $2.5 billion over that period.

S. 2 would authorize $300 million for 2001 to expand the Bilingual Grant program, authorized under Part A of Title VII of ESEA. The funding level for 2000 was $248 million.

S. 2 would repeal the implementation and development grant program and increase the award period for program enhancement grants from two to three years. It would increase the data collection and evaluation requirements for grant recipients and remove a restriction on the use of funds for alternative programs. It would also consolidate the existing school-wide and system-wide programs, requiring that at least one-third of grants under the consolidated program be awarded for system-wide initiatives. S. 2 would increase the minimum grant amount for Academic Excellence Awards to States from $100,000 to $200,000. CBO estimates that the increased scope of the program will result in a spending rate that is slower than under the current program.

The bill would not extend the authorization of the Foreign Language Assistance program. The funding level for 2000 was $8 million.

S. 2 also would authorize $200 million to continue the Emergency Immigrant Education program. The funding level for 2000 was $150 million.

Title VIII—Impact Aid. S. 2 would authorize about $1 billion for 2001 to continue the Impact Aid Program, currently authorized under Title VIII of ESEA. CBO estimates the total cost of implementing this title would be $6.5 billion for the 2001–2006 period, with resulting outlays of $6.3 billion over that period.

S. 2 would authorize $35 million for 2001 to continue the Payments for Acquisition of Federal Property program. The 2000 funding level for this program was $32 million.

S. 2 would also continue to authorize additional payments for certain LEAs under ESEA's subsection 8002(j), a previously unfunded provision. Payments under this section would support LEAs that qualify for payments under subsections 8002(b) and 8003(b) and have unique circumstances that increase the costs imposed by the existence of federally owned property. The bill would authorize $500,000 for 2001 and such sums as may be necessary for fiscal years 2001 through 2005.

S. 2 would authorize continued payments to compensate LEAs that educate children whose parents' residence or work location partially or fully exempts them from local taxes. These payments are currently authorized under ESEA's section 8003. It would alter the criteria for designating heavily impacted districts and set a maximum grant amount for those districts. It would revise the existing payment structure for heavily impacted districts, making a single payment instead of two. It would also authorize $875 million for both basic payments and payments for heavily impacted districts. Combined funding in 2001 for these programs was $809 million.

S. 2 would authorize $60 million for 2001 for payments to LEAs that educate a significant number of students with disabilities, payments that are currently authorized under subsection 8003(d), and additional payments for this purpose, under section 8003(g). The 2000 funding level for these payments was $50 million.

The bill would authorize $62.5 million for 2001 for school construction and renovation. It would permanently set aside 80 percent of appropriated funds for a new school modernization initiative. LEAs with significant repair needs would be eligible to compete for grants if they had no remaining capacity to issue bonds or their facilities posed health or safety threats to their students. Recipients would be required to use nonfederal funds to cover half of any project costs. Remaining funds would be allocated to continue the current formula construction program, currently authorized under subsection 8008. The 2000 funding level was $10 million.

CBO estimates the application and matching requirements of the school modernization component would cause spending to occur more slowly than for the current construction grants. The remaining money for construction would still be expected to spend at its current rate.

S. 2 would authorize $7 million in 2001 to continue the Facilities Maintenance program, currently authorized under section 8008. The funding level for 2000 was $5 million.

The bill would repeal section 8006, which was not funded in 2000. Section 8006 authorized payments to support sudden and substantial increases in the number of federally connected students.

Title IX—Indian, Native Hawaiian, and Alaska Native Education. S. 2 would authorize $109 million in 2001 to continue education programs for Native Indian, Native Hawaiian and Alaska Native students, currently authorized under Parts A, B, and C of Title IX of ESEA. Comparable funding for 2000 was $113 million. CBO estimates the total cost of implementing this title would be $682 million for the 2001–06 period, with resulting outlays of $543 million over that period.

Part A—Native Indian Education Programs. S. 2 would authorize $62 million to continue to provide grants to LEAs in 2001 under the Indian Education program, the same amount that was appropriated for 2000. It would authorize a separate $4 million to continue special programs and national activities, compared to 2000 funding of $15 million. In addition, it would authorize $3 million for a new grants administration and planning component.

Part B—Native Hawaiian Education Programs. S. 2 would authorize 2001 funding of $23 million to continue the Native Hawaiian Education program, the same amount that was appropriated for 2000.

Part C—Alaska Native Education Programs. S. 2 would authorize $17 million to continue the Alaska Native Education program in 2001, compared to 2000 funding of $13 million.

Title X—General Provisions. S. 2 would authorize a total of $73 million for 2001 for the American Education Goals Panel and to continue to fund regional centers that provide assistance for implementing programs under ESEA. CBO estimates the total cost of implementing this title would be $454 million for the 2001–06 period, with outlays of $352 million over that period.

Part D—American Education Goals Panel. S. 2 would authorize $2.5 million for 2001 for the activities of the American Education Goals Panel. This panel is responsible for reporting on national progress toward achieving America's education goals.

Part E—Comprehensive Regional Assistance Center. S. 2 also would authorize $70 million in 2001 to continue the Comprehensive Regional Assistance Center program, currently authorized under part A of Title XIII of ESEA. The funding level for 2000 was $28 million. Despite the increase in funds, CBO estimates spending consistent with the current program.

Title XI—Amendments to Other Laws. Title XI would repeal the Goals 2000: Education America Act and Part B of Title VIII of HEA. It would also authorize a total of $41 million to continue education programs in 20001 for homeless youth and to provide fellowships for distinguished educators. CBO estimates the total cost of implementing this title would be $255 million over the 2001–06 period, with resulting outlays of $197 million over that period.

Part B—McKinney Homeless Education Improvements Act of 1999. Title VII of S. 2 would reauthorize Part B of the McKinney

Act, authorizing $40 million for 2001. Comparable funding for 2000 was $29 million.

Part C—Albert Einstein Distinguished Educators. S. 2 would authorize 2001 funding of $700,000 to continue the Albert Einstein Distinguished Educators awards, currently funded through the Department of Energy.

Direct spending

CBO estimates that Title VI of S. 2 would increase direct spending by $2.6 billion in 2006, and by an additional $100 million over the following 2 years combined.

Title VI would introduce two new programs that offer states and LEAs flexibility in the use of federal funds in exchange for entering into performance agreements with the Secretary of Education. Under both the Education Flexibility program and the Academic Achievement for all Demonstration, participants would be able to consolidate funds from their choice of eligible programs without regard for most provisions of those programs. The list of eligible programs would be essentially the same under both programs and would include most of the formula grant programs authorized under S. 2. Both programs would maintain certain provisions, such as adherence to civil rights laws and allowing private school participation. Participants in both programs would be required to submit a plan for how they would use the consolidated funds to meet specific achievement goals within 5 years. Penalties for failure to comply under both programs include termination of the agreement and the withholding of administrative funds.

The two programs would differ in their scope, flexibility, and review process. Under the Education Flexibility program, all states and LEAs would be eligible to participate, whereas the Academic Achievement for All Demonstration would be limited to 15 States and an additional 22 LEAs. Unlike the Academic Achievement for All Demonstration, the Education Flexibility program would maintain the school-level targeting requirements for participants that include funds under Part A of Title I in their performance plans. The Education Flexibility program would establish a more rigorous review process.

In addition, both programs would establish separate achievement reward programs to make payments to States that demonstrate specific academic progress: the Closing the Achievement Gap Bonus Awards under the Education Flexibility program and the Achievement Gap Reduction Rewards under the Academic Achievement for All Demonstration.

The Closing the Achievement Gap Bonus Awards program would make payments to any State that reduces its achievement gap in three out of four assessments by a greater margin than the average national reduction over a 5-year period. The achievement gap refers to the 4th- and 8th-grade math and English test score differential between students on free and reduced lunch and those who are not, based on a national test. The rewards would be made at the end of the fifth academic year after the first State enters into a performance agreement under the flexibility program; however, eligibility for the award would not be contingent on participation in the flexibility program.

S. 2 would provide funding for this award by making a single-year direct appropriation of $2.5 billion dollars in the fifth full fiscal year after any State enters into a performance agreement. The funds would be distributed among eligible States based on their relative enrollment. CBO estimates that at least one State would participate in the program for the 2001–2002 academic year and that awards would be made at the end of the 2005–2006 academic year, presumably after May of 2006. Therefore, CBO estimates direct spending of $2.5 billion in 2006. Because the program would not restrict the use of payments by the recipients, CBO estimates that the total amount would be spent in the same year.

The Achievement Gap Reduction Rewards program would only apply to States that enter into performance plans under the Academic Achievement for All Demonstration. The achievement gap under this program would be based on the difference in the percentage of high versus low performing students who meet the State's proficient level. States would be eligible for an award if they reduce the achievement gap in any content area by 25 percent after five years. States could also qualify if two specific student populations demonstrate a 25-percent increase in the percentage meeting the proficient level in any content area. The specific student populations would be based on demographic factors such as race, ethnicity, or income level. A state would be entitled to a payment if they achieve either of these criteria in two content areas, one of which must be math or reading. The amount of the payment would be not less than 5 percent of the total amount of funds included in the State's performance plan. The Secretary would be directed to set aside funds appropriated for the Fund for the Improvement of Education in 2001 to cover the costs of these payments. However, neither the payment level nor the requirement to make such payments would be subject to such appropriations and the program would therefore constitute a new entitlement.

Although States would not be allowed to participate in both flexibility programs, participants in the Academic Achievement for All Demonstration are not precluded from receiving payments under the Closing the Achievement Gap Award program. CBO estimates most states would prefer the Academic Achievement for All Demonstration because of the added flexibility, the simpler application process, and the potential bonus. However, based on the experience of other flexibility programs, we do not assume that the maximum number of states would participate in 2001, but that the maximum would be reached by 2003. CBO assumes that States that do participate would choose to include all of the eligible programs in their plan. While most States might be eligible for payments, CBO estimates that only two-thirds would meet the entitlement criteria in each year. Based on these assumptions, CBO estimates direct spending of $100 million on 2006—the first year that States could be entitled to these payments, $60 million in 2007, and $40 million in 2008.

Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The estimated impact of S. 2 on direct spending is shown in Table 3. For the purposes

of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding 4 years are counted.

Table 3.—ESTIMATED IMPACT OF S. 2 ON DIRECT SPENDING AND RECEIPTS

	By fiscal year, in millions of dollars—										
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Changes in outlays	0	0	0	0	0	0	2,600	60	40	0	0
Changes in receipts	0	0	0	0	0	0	0	0	0	0	0

Estimated impact on State, local, and tribal governments: S. 2 would reauthorize certain sections of the Elementary and Secondary Education Act of 1965 which provide over $25 billion in grants to State and local education agencies and tribal governments to support their efforts to improve educational opportunities and performance for specific populations of students. The bill contains no intergovernmental mandates as defined in UMRA. In general, any costs to state, local, or tribal governments as a result of enactment of this bill would be incurred voluntarily, as conditions of aid.

Estimated impact on the private sector: The bill contains no private-sector mandates as defined in UMRA.

Previous CBO Estimates: CBO has prepared estimates of five related bills that have been ordered reported during the 106th Congress:

• H.R. 1995, as ordered reported by the House Committee on Education and the Workforce on June 30, 1999, would consolidate funding for teacher training initiatives, similar to part A of title II of S. 2. (See CBO estimate dated July 1, 1999.)

• H.R. 2300, as ordered reported by the House Committee on Education and the Workforce on October 13, 1999, would authorize the Straight A's program to consolidate funding under several education programs and is similar to the Academic Achievement for all Demonstration Program under title VI of S. 2. (See CBO estimate dated October 15, 1999.)

• H.R. 2, as reported by the House Committee on Education and the Workforce on October 18, 1999, addressed Education for the Disadvantaged, Rural Education, Education for the Homeless, Education for Indians, Native Hawaiians, and Alaska Natives, and the Magnet School and Charter School programs. S. 2 would also reauthorize these same programs with some significant variations. (See CBO estimate dated October 19, 1999.)

• H.R. 3616, as ordered reported by the House Committee on Education and the Workforce on February 16, 2000, would reauthorize the Impact Aid program with some significant differences from title VIII of S. 2. (See CBO estimate dated February 28, 2000.)

• H.R. 3222, as ordered reported by the House Committee on Education and the Workforce on February 16, 2000, would reauthorize the Even Start Family Literacy and Inexpensive Book Distribution programs, with few variations from the authorizations under S. 2. (See CBO estimate dated February 18, 2000.)

Estimate prepared by: Federal Costs: Audra Millen. Impact on State, Local, and Tribal Governments: Susan Sieg Tompkins. Impact on the Private Sector: Nabeel Alsalam.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

VI. Regulatory Impact Statement

The committee has determined there will be minimal increases in the regulatory burden as a result of this legislation.

VII. Application of Law to the Legislative Branch

S. 2 reauthorizes and amends the Elementary and Secondary Education Act of 1965 to continue programs primarily offering assistance to States and local educational agencies on behalf of teachers and elementary and secondary school students and, as such, has no application to the legislative branch.

VIII. Section-by-Section Analysis

Section 1—Short Title; Table of Contents. Section 1 specifies the title of the legislation as the Educational Opportunities Act and lists the table of contents.

Section 2—References. Section 2 notes that all amendments and repeals referenced in the act apply to the Elementary and Secondary Education Act of 1965.

Section 3—Short Title; Purpose; Definitions. Section 3 specifies the purpose of S. 2 which is to support programs and activities that will improve the Nation's schools and enable all children to achieve high standards. This section also lists the definitions used throughout S. 2.

Title I—Helping Disadvantaged Children Meet High Standards

Section 101—Policy and Purpose. Section 101 amends section 1001 of the act to modify the purpose. The purpose is to enable schools to provide opportunities for children served under title I to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State student performance standards developed for all children. The section also establishes various mechanisms for accomplishing the purpose.

Section 102—Authorization of Appropriations. Section 102 amends section 1002 of the act and specifies the authorized funding levels for all parts and certain provisions of title 1. The authorization level for part A of Title I is increased from $7.4 billion to $15 billion. The authorization level for Part B of Title I (Even Start) is increased from $118 million to $500 million. The authorization level for Part C (Migratory Children) of Title I is increased from $310 million to $400 million. The newly established Part D (Parental Assistance Program) is authorized at $50 million. Part E (Federal Evaluations) is authorized at $25 million. Funding for the Comprehensive School Reform program is authorized at $200 million.

Section 103—Reservation and allocation for school improvement. Section 103, in accordance with currant law, permits each state to

reserve ½ percent of the funds they receive under Parts A and C of Title I and Part B of Title III for school improvement activities. Section 103(a) specifies that in addition to these amounts the Secretary shall reserve 50 percent of the funds in excess of $8,076,000,000 (for fiscal year 2001 and each of the 4 succeeding fiscal years) for State assessment development, school improvement, and academic achievement awards. Funds from the Secretary's reservation shall be allocated in accordance with the Basic Grant formula except that no state may receive less than ½ percent of these funds.

Section 103(b) restates current law with regard to the ½-percent State reservation and allocation for school improvement except that the amount of funding from Title I to which the ½-percent reserve may be applied is capped at the amount that the state received in fiscal year 2000.

Part A—Basic Programs

Section 111—State Plans. Section 111 amends section 1111 of the act to make technical amendments to section 1111 of the act and by including several new provisions which are to be included as part of the State plan. One provision further defines adequate yearly progress. The adequate yearly progress definition specifies: that children must meet the State's levels of performance within 10 years; there must be continuous and substantial academic improvement for all students; that States must have in place specific State determined yearly progress requirements in subjects and grades included in the State assessments; and that performance on assessments and other academic indicators are important in determining adequate yearly progress. This section also specifies that student reports include information on the attainment of student performance standards. This section also includes several provisions regarding the impact of Federal and State laws on student performance and schoolwide programs. This section also requires the State educational agency to inform local educational agencies of the local educational agencies' ability to obtain waivers. This section requires each State plan to support effective parental involvement practices. This section redesignates subsections (d) through (g) as (e) through (h). Finally, this section requires that information collected under this section will protect individual privacy.

Section 112—Local Educational Agency Plans. Section 112(1) amends section 1112(a) of the act to specify that the local educational agency shall be coordinated with plans submitted under the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Head Start Act and other acts as appropriate.

Section 112(2) amends section 1112(b) of the act to specify that the local educational agency shall coordinate professional development planning provisions with similar provisions described under title II of this act. This section also includes a provision requiring the local educational agency, where appropriate, to describe how funds under part A will be used to support early childhood education programs.

Section 112(3) amends section 1112(c) of the act to require each local educational agency to plan to carry out several activities in-

cluding: providing information to the public regarding schoolwide authority; providing technical assistance; coordinating, to the extent possible, with other agencies providing services to children, youth, and families; providing services to eligible children attending private elementary and secondary schools in accordance with the act; examining model programs for the educationally disadvantaged; complying with professional development requirements as described under this part; and informing eligible schools about waiver authority. In addition, this section adds requirements for States to review a local educational agency plan to determine if such agency's parental involvement activities are in accordance with section 1118.

Section 113—Eligible School Attendance Areas. Section 113 includes technical amendments to section 1113(b) of the act. In addition, a provision is included that allows a local educational agency to designate and serve a school attendance area or school that is not an eligible school attendance area, but that was an eligible school attendance area and was served in the fiscal year preceding the fiscal year for which the determination is made for 1 additional year.

Section 114—Schoolwide Programs. Section 114 amends section 1114 of the act and allows a local educational agency to use part A funds with other Federal, State, and local funds to upgrade the entire educational program in a school that serves an eligible school attendance area where not less than 40 percent of the children are from low-income families. A provision is included which requires that assessment results be provided to parents in a language the family can understand. This section also includes technical amendments to section 1114 of the act.

Section 115—Targeted Assistance Schools. Section 115 includes technical amendments to section 1115 of the act and references professional development activities.

Section 116—Pupil Safety and Family School Choice. Section 116 amends part A of title I by inserting a new section after section 1115A of the act.

New Section 1115B(a) describes student eligibility as it pertains to the pupil safety and family school choice initiative. Eligibility criteria includes a student who is served by the title 1 program and becomes a victim of a violent criminal offense while on public school grounds. If a student meets the eligibility criteria, then the local educational agency shall allow the eligible student to transfer to another public school or public charter school in the same State as the school where the criminal offense occurred. The transfer must occur in accordance with State and local law.

New Section 1115B(b) describes State educational agency determinations. These include: deciding the actions that constitute a violent criminal offense; determining which schools in the State are unsafe public schools; and defining unsafe public schools.

New Section 1115(c) allows a local educational agency that serves the public school in which the violent criminal offense occurred to use funds from part A of title I to provide transportation services or to pay the reasonable costs of transportation for the student to attend another school.

New Section 1115(d) specifies that any school receiving assistance under this section shall comply with title VI of the Civil Rights Act of 1964 and not discriminate on the basis of race, color, or national origin.

New Section 1115(e) specifies that nothing under this section will affect the requirements of part B of the Individuals with Disabilities Education Act.

New Section 1115(f) stipulates that the amount of assistance provided under part A for a student who transfers shall not exceed the per pupil expenditures for students as provided by the local educational agency that serves the school involved in the transfer.

Section 117—Assessment and Local Educational Agency and School Improvement. Section 117(1) amends section 1116(a) of the act by specifying that a local educational agency receiving funds under part A of title 1 shall: use the State assessments described in the State plan; use any additional measures or indicators to review the progress of each school in meeting the State's student performance standards; and provide the results of the local annual review to schools. Following the annual review, each local educational agency shall prepare and disseminate an annual performance report.

Section 117(2) amends section 1116(c) of the act to describe school improvement criteria. A local educational agency shall identify for school improvement any school (served under part A of title I) that for 2 consecutive years failed to make adequate yearly progress as defined in section 111. In the case of a targeted assistance program, a local educational agency may review the progress of only those students served under part A of title I. Before identifying a school for school improvement, the local educational agency will provide the school with an opportunity to review the data. Each school that is identified must develop a plan that addresses the teaching and learning needs in the school. The plan must include: a description of the specific achievement problems; research-based strategies that are likely to improve student performance; activities for addressing the need for high-quality professional development; activities that will enable the school to meet adequate yearly progress; responsibilities of the school and the local educational agency; and strategies to promote effective parental involvement. Each school will notify the parents of the students regarding the status of the school as a school needing improvement. Each identified school will receive technical assistance. In addition to providing technical assistance, each local educational agency is required to implement a system of corrective action, which must occur when the identified school fails to make adequate yearly progress at the end of the second year of the school's identification. A local educational agency must take one of the following corrective actions (consistent with State and local law): instituting a new curriculum; restructuring the school; developing and implementing a joint plan between the local educational agency and the school that addresses specific student performance problems; reconstituting school staff; decreasing decision making authority at the school level. The section also references a list of permissible corrective actions that a local educational agency may implement. A local educational agency may delay corrective action for 1 year if the local

educational agency determines that the school is meeting the specific yearly progress requirements and the school will meet the State's criteria for adequate yearly progress within 1 year. A local educational agency shall be required to provide all students enrolled in an identified school with an option to transfer to any public school or public charter school within the local educational agency (schools not identified as needing improvement) or enter into a cooperative agreement for the purposes of transfer with other local educational agencies (only occurs if all schools within the original local education agency are identified as schools needing school improvement). The public school choice provision must be carried out in accordance with State and local law.

The local educational agency in which the schools have been identified may use part A of title 1 funds to provide transportation to students transferring to another school. The amount of transportation assistance shall not exceed the per pupil expenditure for elementary or secondary school students as provided by the local educational agency that serves the school involved in the transfer. Once a school is no longer identified for school improvement, the local educational agency shall continue to provide public school choice as an option to students in such school for a period of not less than 2 years. Schools that for at least 2 of the 3 years following identification make adequate progress toward meeting the State's performance levels shall no longer need to be identified for school improvement. The State educational agency shall review any waivers approved for an identified school and shall terminate any waiver approved waiver if the State determines that the waiver is not helping the identified school to make yearly progress.

Section 117(3) amends section 1116(d) of the act to specify that a State educational agency shall annually prepare an annual performance report. The performance report shall contain information regarding local educational agency performance in making adequate yearly progress and the progress of the local educational agency in enabling students to meet the State levels of performance. If a local educational agency is identified as an entity needing improvement, the local educational agency shall submit a plan that includes: specific yearly progress requirements; addresses the teaching and learning needs in the schools within the local educational agency; incorporates research-based strategies; addresses professional development needs of the instructional staff; identifies specific goals and objectives the local educational agency will undertake for making adequate yearly progress; identify how the local educational agency will provide written notification to parents; the responsibilities of the State educational agency and the local educational agency; and strategies for effective parental involvement. The local educational agencies needing improvement will be provided with technical assistance. After providing technical assistance, each State educational agency shall implement corrective action for any local educational agency that fails to make adequate yearly progress and shall continue to provide technical assistance while implementing any corrective action. Consistent with State and local law, the State educational agency shall not take less than 1 of the following corrective actions: instituting and implementing a new curriculum; restructuring the local educational agency; de-

veloping and implementing a joint plan between the State educational agency and the local educational agency that addresses student performance problems; reconstituting school district personnel or making alternative governance arrangements. This section also lists several permissible corrective actions that a State educational agency may implement. Prior to implementing any corrective action, the State educational agency shall provide a hearing to the affected local educational agency, if State law provides for a hearing process. A State educational agency may delay, for a period not to exceed one year, implementation of corrective action if the State educational agency determines that the local educational agency is meeting the State yearly progress requirements and the schools within the local educational agency will meet the State's criteria for improvement within 1 year. The State educational agency shall review any waivers granted to a local educational agency that has been designated for improvement or corrective action and shall terminate any waiver that is not helping the local educational agency meet the yearly progress requirements.

Section 118—Assistance for School Support and Improvement. Section 118(1) amends section 1117(a) of the act to list the priorities for a State educational agency for providing support to local educational agencies. First, the State educational agency must provide support and assistance to local educational agencies that have received corrective action. Second, the State educational agency must provide support and assistance to other local educational agencies and schools identified as in need of improvement. Third, the State educational agency must provide support and assistance to other local educational agencies and schools participating under part A of title I that need support and assistance to carry out the purpose of part A.

Section 118(2) amends section 1117(c)(1) of the act to specify that technical assistance shall be provided through several approaches such as: school support teams; the designation and use of distinguished teachers and principals; implementation of research-based comprehensive school reform models; and a review process designed to develop high quality school improvement plans. This section also enables a State, if the State chooses to do so, to recognize and provide financial rewards to teachers or principals in a school where the students have consistently made significant gains in academic achievement.

Section 119—Parental Involvement. Section 119(1) and (2) amends section 1118(a)(2)(B) and 1118(b)(1) of the act to make technical amendments to current law.

Section 119(3) amends section 1118(e) of the act to enable a school district, if the school district chooses to do so, to establish a school district parent advisory council. This section also provides for other support for parental involvement activities.

Section 119(4) amends section 1118(f) of the act to make technical amendments to current law.

Section 119(5) amends section 1118(g) of the act to specify that in a State where a parental information and resource center is established, such a center shall provide parents with a description of the services and programs provided the center.

Section 120—Professional Development. Section 120(1) amends section 1119(b) of the act to establish that professional development activities shall provide support to teachers, principals, administrators, paraprofessionals, pupil services personnel, and parents. Professional development initiatives shall be of sufficient intensity and duration to have a positive and lasting impact. This section also refers to providing training for teachers in the use of technology and includes strategies for identifying and eliminating racial and gender bias in instructional materials and practices.

Section 120A—Participation of Children Enrolled in Private Schools. Section 120A(2) amends section 1120(b) of the act to specify that the local educational agency shall make decisions about the delivery of services to eligible private school children, including an analysis of the views of private school officials regarding the delivery of services through potential third party providers. If the local educational agency disagrees with the views of the private school officials on the delivery of services, the local educational agency will provide a written document, to private school officials, with the reasons why the local educational agency has chosen not to provide the services. Each local educational agency will provide to the State educational agency a written affirmation that the consultation has occurred. If a private school declines to have eligible children in the private school participate in title I, part A services, the local educational agency is not required to further consult with the private school officials. Each year, the local educational agency shall inform the private school of the opportunity for eligible children to participate in title I, part A services. A private school official shall have the right to appeal the local educational agency decision to the State educational agency as to whether: the consultation was meaningful; timely; and the views were given due consideration.

Section 120A(3) amends section 1120 of current law to redesignate subsections (c), (d), and (e) as subsections (d), (e), and (f).

Section 120A(4) amends section 1120 of the act to add a provision to describe the allocation for equitable services to private school students.

Section 120B—Early Childhood Education. Section 120B(1) and (2) amends the heading of section 1120B and section 1120C to make technical changes to the act.

Section 120B(3) amends section 1120B to add 2 new subsections {1120(d) and (e)} to permit a local educational agency, if the local educational agency chooses to do so, to use part A of title I funds to provide preschool services. New subsection 1120(e) establishes that early childhood education programs that use part A of title I funds may do so jointly with Even Start programs, Head Start programs, or State funded preschool programs. Early childhood education programs shall: focus on the developmental needs of children; teach children to understand and use language; enable children to develop an appreciation of books; and for children with limited English proficiency, enable the children to make progress toward acquisition of the English language.

Subpart 2—Allocations

Section 1121—Grants for the Outlying Areas and the Secretary of the Interior. Section 1121(a) specifies the reservation of funds.

Section 1121(b)(2) is amended to authorize grants to the outlying areas through fiscal year 2001 in accordance with the latest action on the Compacts of Free Association.

Section 1121(c) specifies the allotment that is reserved for the Secretary of the Interior to meet the educational needs of Indian children.

Section 1122—Amounts for Basic Grants, Concentration Grants, and Targeted Grants. Section 1122(a) establishes the level of the appropriation of funds for each of 3 programs under part A of title I for fiscal years 2001 through 2005. The section specifies that funds for part A of title I shall be allocated in such a way that the Basic and Concentration Grant programs shall receive an amount equal to the amount received in fiscal year 2000 before funding is allocated to the Targeted Grant Program. Funding that is appropriated in excess of the fiscal year 2000 level shall be allocated to the Targeted Grant Program. In the event that funding for part A of title I is reduced in any fiscal year, funds shall first be reduced from the Targeted Grant Program. If additional reductions are necessitated, funding shall then be taken from the Concentration Grant program.

Section 1122(b) describes the adjustments to the allocations where necessitated by the appropriations process. The ratable reduction rule is utilized to determine the relative size of each State's allocation when full funding is not available.

Section 1122(c) establishes the hold harmless provisions that determine the amount of title I funding that a local education agency may receive as a result of changes in absolute and relative population and poverty. If the proportion of children counted is above 30 percent of the children served by the local education agency, it will receive not less than 95 percent of the amount it received in the previous year. If the proportion of children counted is between 15 percent and 30 percent of the children served by the local education agency, it will receive not less than 90 percent of the amount it received in the previous year. If the proportion of children counted falls below 15 percent of the children served by the local education agency, it will receive not less than 85 percent of the amount it received in the previous year. The section is amended to eliminate the "cliff" phenomenon whereby a local education agency that loses eligibility during one year as a result of a change in population or poverty loses all of its funds. A local education agency that received funding in the prior year is eligible to continue to receive funding in accordance with the hold harmless provisions. A local education agency that loses eligibility for 5 consecutive years may not continue receive funding.

Section 1122(d) describes ratable reductions.

Section 1123—Definitions. Section 1123 defines freely associated States, outlying areas, and State for the purposes of distributing the allocations.

Section 1124—Basic Grants to Local Educational Agencies. Section 1124(a) specifies the amounts of the local educational agencies basic grants. This section also describes and simplifies the formula by which grants are calculated. Section 1124(a) outlines the allocations to large and small local educational agencies. In addition, this section establishes the formula for Puerto Rico.

Section 1124(a) provides authority to calculate grants on the basis of county data in the event that the Department of Census fails to provide local education agency specific data.

Section 1124(b) specifies the minimum number of children a local educational agency must have to qualify for a basic grant.

Section 1124(c) describes the categories that are used for counting the number of children for basic grants.

Section 1124(d) establishes the State minimum for basic grants.

Section 1124A—Concentration Grants to Local Educational Agencies. Section 1124A(a) specifies the eligibility requirements and amount of grants.

Section 1124A(B) is amended to simplify the reference to the basic grant expenditure factor.

Section 1124A(B)(4) is amended to eliminate reference to the county suballocation formula in effect for fiscal years 1996–1998. Authority for the States to allocate funding on the basis of county data is retained for any year in which the Secretary relies upon county data in lieu of local education agency data. The section retains authority for a State to reserve 2% of its allocations (when county data is utilized) to make grants to eligible local educational agencies that reside in ineligible counties.

Section 1124A(b) establishes the ratable reduction rule utilized for making allocations when full funding is not available.

Section 1124A(c) is amended to allow a state that receives 0.25 percent or less of the available funds, but does not receive a grant in accordance with the formula used to determine the small grant minimum, to allocate these funds to local education agencies in accordance with the same rules applied to allocation by states that receive a grant in accordance with the small grant minimum.

Section 1125—Targeted Grants to Local Educational Agencies. Section 1125(a) specifies the eligibility requirements for local educational agencies.

Section 1125(b) establishes the amount of grants for local educational agencies, the District of Columbia, and Puerto Rico.

Section 1125(c) specifies the weights for allocations to counties and the weights for allocations to local educational agencies.

Section 1125(d) describes how targeted grants are calculated.

Section 1125(e) establishes the State minimum.

Section 1125A—Education Finance Incentive Program. Section 1125A(a) authorizes the Secretary to make grants to States.

Section 1125A(b) specifies the distribution of funds for this subsection which is based upon fiscal effort and equity.

Section 1125A(c) describes how funds awarded under this subsection will be utilized.

Section 1125(d) establishes maintenance of effort.

Section 1125(e) authorizes $200,000,000 for fiscal year 2001 and such sums for each of the 4 succeeding years.

Section 1126—Special Allocation Procedures. Section 1126(a) specifies the allocations for neglected children.

Section 1126(b) describes allocations for local educational agencies that have special circumstances.

Section 1126(c) specifies the reallocation process.

Section 1127—Carryover and Waiver. Section 1127(a) specifies the limitation on carryover funds.

Section 1127(b) establishes waiver authority for a State educational agency.

Section 1127(c) specifies that the limitation on carryover funds does not apply to any local educational agency that receives less than $50,000 under subpart 2.

Section 120D—Establishment of the Child Centered Program. Section 120D amends part A of title I by creating a new subpart 3.

Subpart 3—Child Centered Program

New Section 1131—Definitions. This section defines several terms that are mentioned in the Child Centered Program.

New Section 1132—Child Centered Program Funding. New section 1132(a) establishes that not more than 10 States and not more than 20 local educational agencies may participate in the Child Centered Program.

New Section 1132(b) permits local educational agency participation. If a State does not have a Child Centered Program, a local educational agency within the State may carry out such a program. In order for a local educational agency to participate, the local educational agency shall obtain approval from the State for submission of its application, but not the contents of the application.

New Section 1132(c) describes the grant specifications for the Child Centered Program. The Secretary shall award grants to each State or participating local educational agency that has an application approved. $500,000,000 is authorized for each year of implementation.

New Section 1133—Child Centered Program Requirements. New section 1133(a) requires the State or participating local educational agency to establish a per pupil amount based on the number of eligible children in the State or school district served by the local educational agency. The State of participating local educational agency may vary the per pupil amount by taking into account various factors. For a Child Centered Program at a public school, the State or the participating local educational agency shall make available the per pupil allocation which will be used for supplemental education services. The supplemental education services will be provided by the school directly or through supplemental services with a governmental or non-governmental agency, school, postsecondary educational institution, another entity; or if directed by the parent of an eligible child, the supplemental services may be provided through a school-based program or through a tutorial service provider. In the case of a tutorial assistance provider, the school or local educational agency shall ensure that the provider selected by the parent is reimbursed for their services following notification, by the parent, to the school or local educational agency that the services were satisfactory.

New Section 1133(b) describes the Child Centered Program as it applies to schoolwide programs. A public school, in which 50 percent of the students are eligible children, may use Child Centered Program funds in combination with other Federal, State, and local funds to carry out a schoolwide program. If the public school does not have a schoolwide plan approved under section 1114, the public school shall develop and adopt a comprehensive plan for reforming

the school's educational program. If a public school is operating a schoolwide initiative under a Child Centered Program, the Secretary may exempt the Child Centered Program from statutory or regulatory requirements of any other noncompetitive formula grant program or any discretionary program administered by the Secretary (other than those programs under the Individuals with Disabilities Education Act) to support the schoolwide initiative if the purposes of the other noncompetitive and discretionary programs are met.

New Section 1133(c) stipulates that a State or participating local educational agency that has a Child Centered Program shall ensure that eligible children who are enrolled in a private school shall receive supplemental education services as described under section 120A.

New Section 1133(d) requires that in order to be eligible to operate a Child Centered Program, a State or participating local educational agency must operate a statewide or school district wide open enrollment program that permits parents to enroll their child in any public school in the State or school district. The open enrollment requirement may be waived if the State or participating local educational agency demonstrates that the parents have sufficient options to enroll their child in multiple public schools or shall have sufficient options to use the per pupil amount made available to purchase supplemental education services from multiple assistance providers or schools.

New Section 1133(e) describes parental involvement as it pertains to the Child Centered Program. Any public school receiving Child Centered Program funds shall hold an annual meeting to explain the program, the curriculum in use at the school, the forms of assessment used to measure student progress, and the proficiency levels students are expected to meet.

New Section 1134—Application. New section 1134(a) describes the information that must be in the Child Centered Program application. The information shall include: a detailed description of the program to be assisted; an assurance that the State or participating local educational agency shall publish in a widely read medium an annual report card; in the case of an application from a participating local educational agency, an assurance that the local educational agency has notified the State regarding the submission of the application; a description of specific measurable objectives for improving student performance; a description of the process the State or participating local educational agency will use to measure progress; in the case of a State application, an assurance that the State or local educational agency meet the requirements of section 1111; and an assurance that each local educational agency meet the requirements of section 1116.

New Section 1135—Administrative Provisions. New section 1135(a) stipulates that a State or participating local educational agency shall carry out a child centered program for 5 years.

New Section 1135(b) permits a State to reserve 2 percent and a local educational agency to reserve 5 percent of the funds to pay the costs of administrative expenses of the Child Centered Program.

New Section 1135(c) requires the State educational agency and each participating local educational agency carrying out a Child Centered Program to submit an annual report to the Secretary.

New Section 1135(d) requires the Secretary to review each Child Centered Program during the third year of its existence.

New Section 1135(e) describes the treatment of the amounts received. The per pupil amount provided for under this subpart shall not be treated as income of the eligible child or the parent of the eligible child for purposes of Federal tax or for determining the eligibility for other Federal assistance.

New Section 1136—Evaluation. New section 1136(a) describes the annual evaluation process.

New Section 1136(b) stipulates that the Comptroller General in consultation with the Secretary shall establish minimum criteria for the Child Centered Program.

New Section 1137—Report. This section requires the Comptroller General to submit an interim report and a final report to Congress regarding the findings of the annual evaluations of the Child Centered Program.

New Section 1138—Limitation on Conditions; Preemption. This section stipulates that nothing under Subpart 3 shall be construed to authorize or permit a Federal Government officer or employee to control specific instructional content or student performance standards and assessments, curriculum, or instruction. In addition, nothing under Subpart 3 shall be construed to authorize or permit a Federal Government officer or employee to preempt any provision of a State constitution or State statute that pertains to the expenditure of State funds in or by religious institutions.

Part B—Even Start Family Literacy Programs

Section 121—Even Start Family Literacy Programs. Section 121(a) amends section 1202(a) of the act to authorize a reservation of funds for migrant programs, outlying areas, and Indian Tribes.

Section 121(b) amends section 1202(b) of the act to authorize a reservation for Federal activities which consists of an evaluation, technical assistance, program improvement, and research.

Section 121(c) amends part B of title I of the act. In addition to authorizing the grant program as described under current law, this section adds a new State plan section to the act.

New Section 1202A—State Plan. Section 1202A(a) describes the contents of the State plan. Each plan shall: include the State's indicators of program quality; describe how the State will use the indicators; describe how the State will fully implement the program; describe how the State will conduct competition for subgrants; and describe how the State will coordinate resources to improve family literacy services.

Section 1202A(b) describes the duration of the State plan.

Section 1202A(c) describes the use of funds for Family Literacy Services. A State shall give priority to programs that were of low quality as evaluated based on the indicators. Technical assistance shall also be provided.

Section 1202A(d) makes technical amendments to section 1204 of the act.

Section 1202A(e) amends section 1205 of the act. This section establishes that the program will provide high quality, intensive family literacy services using instructional approaches based on effective research. The program shall also use methods that ensures that participating families successfully complete the program.

Section 1202A(f) amends section 1206(b). The section is amended by adding a provision that allows an Even Start program to permit the participation of children 8 years of age or older if the Even Start program collaborates with a program funded under part A of title I.

Section 1202A(g) makes technical amendments to section 1207(c)(1)(F) of the act.

Section 1202A(h) amends section 1208 of the act. In awarding subgrant funds to continue a program after the first year, the State educational agency shall review and evaluate the progress of each eligible entity.

Section 1202(i) amends section 1210 of the act by describing the indicators program quality.

Section 1202(j) amends the following parts of section 1211.

Section 1211—Research. Section 1211(a) establishes that the Secretary, in consultation with the National Institute for Literacy may conduct research on family literacy services.

Section 1211(b) requires the Secretary to ensure that the results of the research are disseminated.

Part C—Education of Migratory Children

Section 131—Program Purpose. Section 131 amends section 1301 of the act to make technical amendments to add two new purposes. The new purposes ensure that: migratory children who move among the States are not penalized in any manner by disparities among the States in curriculum, graduation requirements, and State student performance and content standards and that migratory children receive full and appropriate opportunities to meet the same challenging State standards that all children are expected to meet.

Section 132—State Application. Section 132 amends section 1304 of the act to require new information for the State application. This information includes a description of joint planning efforts with respect to local, State, and Federal programs and bilingual programs under part A of title VII. In addition, States will also be required to consult with parent advisory councils for the purposes of planning and operating programs.

Section 133—Comprehensive Plan. Section 133 makes technical amendments to section 1306 of the act.

Section 134—Coordination. Section 134(1) amends section 1308(b) of the act to establish a national system for electronically exchanging, among the States, health and educational information regarding all students served under this program.

Section 134(2) amends section 1308(c) to authorize $10,000,000 to carry out this section.

Section 134(3) amends section 1308(d)(1) to authorize $3,000,000 to carry out incentive grants as described under current law.

Section 134(4) amends section 1308(e) to require the Secretary to direct the National Center for Education Statistics to collect data on migratory children.

Section 141—Parental Assistance. This section amends title I by adding the following:

Part D—Parental Assistance

New Section 1401—Parental Information and Resource Centers. This section states the purpose of this part which is to: (1) provide leadership, technical assistance, and financial support to nonprofit organizations and local educational agencies to help implement successful and effective parental involvement policies, programs, and activities; (2) strengthen partnerships among parents, teachers, principals, administrators, and other school personnel; (3) develop and strengthen the relationship between parents and the schools; and (4) further the developmental progress of children.

New Section 1401(b) authorizes the Secretary to award grants (while ensuring geographic distribution of grants) to nonprofit organizations, or consortia of nonprofits and local educational agencies, to establish school-linked or school-based parental information and resource centers to provide training, information, and support to parents of elementary and secondary school students, individuals who work with parents, and organizations that carry out parent education and family involvement programs.

New Section 1402—Applications. This section requires agencies and organizations seeking grants under this part to submit an application to the Secretary which must include a broad range of assurances. Each organization or consortium receiving a grant will be governed by a board of directors which includes parents or organizations that represent parents. At least ½ of the overall funding provided each fiscal year must serve areas with high concentrations of low-income families.

New Section 1403—Uses of Funds. This section states that grant funds shall be used to: (1) assist parents in participating effectively in their children's education; (2) obtain information about the range of options, programs, services, and resources available at all levels of the government to assist parents and school personnel who work with parents; (3) help parents learn and use the technology applied in their children's education; (4) plan, implement, and fund activities for parents that coordinate the education of their children with other Federal programs that serve their children; and (5) provide support for State or local educational personnel if the participation of such personnel will further the activities assisted under the grant.

New Section 1404—Technical Assistance. This section states that the Secretary shall provide technical assistance, by grant or contract, for the establishment, development, and coordination of parent training, information, and support programs and parental information and resource centers.

New Section 1405—Reports. This section requires agencies and organizations receiving assistance under this part to submit to the Secretary, on an annual basis, information concerning parental information and resource centers assisted under this part.

New Section 1405(b) requires the Secretary to annually disseminate to the public and the Congress, the information that each organization or consortium submits.

New Section 1406—General Provisions. This section states that no person shall be required to participate in a parent education or developmental screening program. In addition, no program or center assisted under this part shall take any action that infringes on the right of a parent to direct the education of their children.

Part E—Federal Evaluations, Demonstrations, and Transition Projects

Provisions of part E, title I remain the same as in current law.

Section 151—General Provisions; Comprehensive School Reform; Assistance to Address School Dropouts. This section amends part A of title I by redesignating part F as part H; sections 1601 through 1604 as sections 1901 through 1904, respectively; and by inserting 2 new parts to follow part E of title I, including: Part F (Comprehensive School Reform) and part G (Assistance to Address School Dropouts). Provisions of the new part H, title I (General Provisions) remain the same as current law.

Part F—Comprehensive School Reform

New Section 1601—Purpose. This section states the purpose of this part which is to provide financial incentives for schools to develop comprehensive school reforms based upon effective practices and research-based programs that emphasize basic academics and parental involvement so that all children can meet State content and student performance standards.

New Section 1602—Program Authorization. This section authorizes the Secretary to award grants to State educational agencies, by formula to enable them to provide subgrants to local educational agencies to carry out the purpose of this part.

New Section 1603—State Applications. This section requires State educational agencies seeking a grant to submit an application to the Secretary, describing such items as: process and selection criteria; how the State educational agency will ensure that reforms are research-based programs; how the State educational agency will evaluate the implementation of reforms and link the reforms to student achievement; and how the State educational agency will make available technical assistance to the local educational agencies or consortia.

New Section 1604—State Use of Funds. This section requires State educational agencies receiving grants to award competitive subgrants to local educational agencies. The subgrants must be of sufficient size and scope to support the initial costs for the plan selected or designed, in an amount of at least $50,000, and renewable for 2 additional one-year periods. The State educational agency must give priority consideration to local educational agencies that plan to use the funds for schools identified as being in need of improvement or corrective action and demonstrate a commitment to assist schools with budget, professional development, and other strategies to ensure reforms are properly implemented and sustained. The State educational agency shall distribute subgrants equitably to different geographic regions within the State, including

urban and rural areas. State educational agencies may not reserve more than 5 percent of the grant funds for administrative, evaluation, and technical assistance expenses.

New Section 1605—Local Applications. This section requires local educational agencies or consortia seeking subgrants under this part to submit an application to the State educational agencies for consideration.

New Section 1606—Local Use of Funds. This section requires local educational agencies or consortia receiving a subgrant to provide funds to schools eligible for assistance under part A to support a variety of reform activities.

New Section 1607—National Evaluation and Reports. This section requires the Secretary to develop a plan for a national evaluation of the programs assisted under this part. The evaluation shall examine the implementation and results achieved by schools after 3 years of implementing school reforms and the effectiveness of reforms in schools with diverse characteristics.

Part G—Assistance to School Dropouts

New Section 1701—Purpose. This section states the purpose of this part which is to provide school dropout prevention and to raise academic achievement levels.

Subpart 1—Coordinated National Strategy

New Section 1711—National Activities. This section authorizes the Secretary to: (1) conduct data regarding participation in Federal dropout prevention and school reentry programs; (2) establish an interagency working group to address dropout prevention and school reentry issues; and (3) create a national recognition program for schools that have made extraordinary progress in lowering dropout rates.

Subpart 2—National School Dropout Prevention Initiative

New Section 1721—Program Authorized. This section states that funds under this part will be allocated to States based on the title I formula.

New Section 1721(b) authorizes funds provided to states under this subpart be used by State educational agencies to award grants to public middle or secondary schools that have dropout rates that are in the highest one-third of dropout rates in the State for the purpose of supporting dropout prevention programs.

New Section 1721(c) specifies that first-year grants to schools may not be of an amount less than $50,000 and not more than $100,000, with grant amounts decreasing during each year of participation in the program. Schools which create smaller learning communities are eligible for a 10 percent increase in the amount of their grant.

New Section 1721(d) states that grants under this subpart may be awarded for a duration of 5 years.

New Section 1722—Strategies and Capacity Building. This section requires schools receiving grants under this subpart to use grant funds for research-based, sustainable, and widely replicated strategies for dropout prevention and school reentry programs serving the entire school population.

New Section 1722(b) authorizes the Secretary to award up to 5 contracts with non-Federal entities, for a capacity building and design initiative to increase the proven strategies.

New Section 1722(c) authorizes the Secretary to offer support to entities with experience in providing training and related assistance to offer such assistance to schools receiving grant funds.

New Section 1723—Selection of Schools. This section requires schools seeking a grant under this subpart to submit an application, containing specific information, to the State educational agency.

New Section 1723(b) requires State educational agencies to review applications and award grants to schools after a review by a panel of experts on school dropout prevention.

New Section 1723(c) specifies that to be eligible to receive a grant under this subpart, schools must serve at least 50 percent of students who are low-income or participate in a school-wide program.

New Section 1724—Dissemination Activities. This section requires schools receiving a grant under this subpart to provide information and technical assistance to other schools within the school district.

New Section 1725—Progress Incentives. This section states that local educational agencies shall use funding under this title to provide assistance to schools that have not made progress toward lowering school dropout rates after receiving assistance under this subpart for 2 fiscal years.

New Section 1726—School Dropout Rate Calculation. This section specifies that in order to calculate a school dropout rate, schools shall use: (1) "the annual event school dropout rate for students leaving a school in a single year determined in accordance with the National Center for Education Statistics' Common Core of Data," or (2) a standard method determined by the State educational agency.

New Section 1727—Reporting and Accountability. This section requires schools receiving funding under this subpart to provide, on an annual basis, a report to the Secretary regarding the status of the implementation of activities funded under this subpart.

New Section 1728—State Responsibilities. This section requires State educational agencies to report to the Secretary, 1 year after the enactment of the Educational Opportunities Act, all school district and school data regarding school dropout rates.

New Section 1728(b) requires State educational agencies receiving funds under this part to develop and implement education funding formula policies for public schools that provide appropriate incentives to retain students in school.

New Section 1728(c) requires State educational agencies receiving funds under this part to develop uniform, long-term suspension and expulsion policies for serious infractions resulting in more than 10 days of exclusion from school.

Subpart 3—Definitions; Authorization of Appropriations

New Section 1731—Definitions. This section provides the meanings of certain terms used in this part, including: "low-income" and "school dropout."

New Section 1732—Authorization of Appropriations. This section authorizes funding levels of $5 million for subpart 1 and $145 million for subpart 2 for fiscal year 2001 and "such sums as may be necessary for each of the 4 succeeding fiscal years." Within subpart 2, $125 million is available to carry out section 1721 and $20 million for section 1722.

Title II—Teacher Quality

Section 201—Teacher Quality. Section 201 amends Title II to strike all of Part A and insert new provisions, renaming Title II as "TEACHER QUALITY" and Part A as "Teacher Empowerment."

Part A—Teacher Empowerment

Provisions of the new Title II, Part A include:

Section 2001—Purpose. Section 2001 states the purpose of Part A is to provide grants to States and local educational agencies to help increase student achievement and performance by improving teacher quality.

Subpart 1—Grants to States

Section 2011—Formula Grants to States. Section 2011(a) includes general provisions dealing with formula grants to States, providing that States with applications approved by the Secretary will receive grants in order to make subgrants to local educational agencies and eligible partnerships as well as to carry out specified statewide activities.

Section 2011(b) establishes allotments, as follows:

½ of 1 percent is reserved for the outlying areas (United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands), provided that the amount reserved does not exceed the amount received for this purpose in fiscal year 2000;

½ of 1 percent is reserved for the Secretary of the Interior for professional development activities in schools operated or funded by the Bureau of Indian Affairs, provided that the amount reserved does not exceed the amount received for this purpose in fiscal year 2000;

The 50 states, the District of Columbia, and the Commonwealth of Puerto Rico will first receive an allotment equal to the amount received in fiscal year 2000 from the Eisenhower Professional Development Program and the Class Size Reduction program—subject to ratable reduction if appropriations are insufficient to fund the hold-harmless. Amounts above the FY 2000 level will be allocated based on the number of individuals age 5 through 17 in the State (50 percent) and on the number of individuals age 5 through 17 from families with incomes below the poverty line (50 percent). No State may receive less than ½ of 1 percent of the total amounts above the fiscal year 2000 level.

If a State does not apply for funds, the funding it would have received will be reallotted among the remaining States on the basis described above.

Section 2012—Allocations Within States. Section 2012(a) requires States to use grant funds to carry out activities for the improvement of teaching and learning as provided by this section.

Section 2012(b) requires that each State use at least 90 percent of funds to make subgrants to local educational agencies and eligible partnerships. The remaining funds may be used for authorized State activities. No more than 5 percent of the funds retained by the State may be used for planning and administration.

Section 2012(c) provides that:

> 95 percent of the funds available for subgrants be allocated to local educational agencies on the basis of enrollment in public and private nonprofit elementary schools and secondary schools in the State (25 percent) and of the number of individuals age 5 through 17 from families with incomes below the poverty line in the State (75 percent). Subgrants are to be used to carry out activities described in subpart 3;
>
> 5 percent of the funds available for subgrants be awarded by the State Agency for Higher Education through a competitive process open to eligible partnerships. Not more than 5 percent of the funds made available to eligible partnerships may be used for planning and administration.

Section 2013—State Use of Funds. Section 2013(a) specifies the activities a State may conduct with the funds reserved for statewide use. These activities include: (1) reforming teacher certification/recertification or licensing requirements to ensure that—teachers have teaching skills and academic content knowledge, requirements are aligned with State content standards, and teachers have the knowledge and skills necessary to help students meeting State student performance standards; (2) carrying out programs related to induction of new teachers and to alternative routes to State certification; (3) developing and implementing effective mechanisms for recruiting and retaining qualified teachers and principals; (4) developing or improving performance measures to evaluate the effectiveness of professional development programs; (5) developing or improving systems to evaluate the impact of teachers on student academic achievement and performance; (6) providing technical assistance to local educational agencies; (7) promoting reciprocity of teacher certification or licensure between or among States; (8) developing or assisting in the development of proven, innovative strategies to deliver intensive professional development programs; (9) supporting activities to encourage and support teachers seeking National Board for Professional Teaching Standards or other recognized entities; and (10) providing professional development activities involving training in advanced placement instruction.

Section 2013(b) requires States which receive a grant under this subpart as well as a grant under Title II of the Higher Education Act to coordinate the activities carried out under both grants.

Section 2014—Applications by States. Section 2104(a) provides that States must make application to the Secretary for funds under this subpart.

Section 2014(b) requires that State applications include: (1) a description of how the State will ensure that local educational agencies that receive subgrants will comply with the requirements of

subpart 3; (2) an assurance that the State will measure the annual progress of local educational agencies and schools with respect to improving student academic achievement and performance in accordance with part A of title I, closing achievement gaps, and increasing the percentage of classes in core academic subjects that are taught by highly qualified teachers and that the State will require each LEA and school to report to the public on its annual progress; (3) a description of how the State will hold LEAs and schools accountable for making annual progress; (4) a description of how the State will coordinate professional development activities provided under Federal, State, and local programs and how such coordination helps assure the effective use of technology by teachers, paraprofessionals, and principals; and (5) a description of how the State will encourage the development of proven, innovative strategies to deliver intensive professional development programs, (6) a description of how the activities to be carried out by the State under this part will be based on a review of relevant research and an explanation of why the activities are expected to improve student performance and outcomes.

Section 2014(c) provides that a State application will be approved unless the Secretary makes a written determination within 90 days of receipt that the application is in violation of the provisions of this act.

Subpart 2—Subgrants to Eligible Partnerships

Section 2021—Partnership Grants. Section 2021(a) provides that the State agency for higher education, in conjunction with the State educational agency, shall award subgrants on a competitive basis to eligible partnerships assuring equitable geographic distribution within the State.

Section 2021(b) sets out the use of funds by an eligible partnership, which include: (1) professional development activities in core academic subjects for teachers, paraprofessionals, and—if appropriate—principals; and (2) assistance to LEAs and individuals for professional development activities related to the use of State content standards, performance standards, and assessments—which may include programs for individuals who will provide such instruction to others within their schools.

Section 2021(c) provides that no single participant in an eligible partnership may use more than 50 percent of the funds made available to the partnership.

Section 2021(d) requires eligible partnerships which receive a grant under this subpart as well as a grant under Title II of the Higher Education Act to coordinate the activities carried out under both grants.

Section 2021(e) defines "eligible partnership" as an entity which includes a high-need local educational agency, a school of arts and sciences, and an institution of higher education's division that prepares teachers—and which may include other LEAs, a public charter school, a public or private elementary or secondary school, an educational service agency, a public or private nonprofit educational organization, other institutions of higher education, a school of arts and sciences within such an institution, the division of such an institution that prepares teachers, a nonprofit cultural

organization, an entity carrying out a pre-kindergarten program, a parent-teacher organization, a teacher organization, or a business.

Subpart 3—Subgrants to Local Educational Agencies

Section 2031—Local Use of Funds. Section 2031(a) sets out the professional development activities which LEAs receiving subgrants are required to conduct. These activities include: (1) professional development activities in mathematics and science—except that a LEA may retain a waiver granted previously; and (2) professional development activities that give teachers, paraprofessionals, and principals with the knowledge and skills to provide students with the opportunity to meet challenging State or local standards.

Section 2031(b) sets out the professional development activities which LEAs receiving subgrants may conduct. These activities include: (1) recruiting and hiring certified teachers to reduce class size or to teach special education; (2) improving recruitment efforts through financial incentives for teachers in academic shortage areas, recruitment of professionals from other fields and from underrepresented groups, and establishment of hiring policies that ensure comprehensive recruitment efforts; (3) improving retention of highly qualified teachers and principals through activities such as mentoring and incentive programs; (4) improving the quality of the teaching force, including professional development activities related to technology, different learning styles, and discipline; and (5) providing teacher opportunity payments.

Section 2032—Professional Development for Teachers. Section 2032(a) provides that all professional development activities must be directly related to the curriculum and academic subjects in which a teacher provides instruction or is designed to enhance the ability of a teacher, paraprofessional, or principal to understand and use State standards except in cases where the professional development deals with teaching children with different learning styles, disciplining children, or identifying early and appropriate interventions to assist children with different learning styles.

Section 2032(b) provides that all professional development activities must also: (1) be measured in terms of the annual progress criteria to be reported by LEAs and schools; (2) be tied to challenging State or local standards; (3) be tied to promising and effective practices and research-based programs; (4) be of sufficient intensity and duration to have a lasting impact, except in cases where short-term activities are part of a comprehensive professional development plan; and (5) be developed with extensive participation of teachers, paraprofessionals, and principals.

Section 2032(c) provides that any LEA which does not provide the required professional development activities (as determined by the State) may request technical assistance to come into compliance. Any LEA that does not comply for 2 consecutive fiscal years must make teacher opportunity payments in an amount proportional to the amount expended for professional development activities in the second fiscal year in which the agency failed to comply. A portion of funds must be used for teacher opportunity payments if a request for such payment is made by a group of teachers in a school served by the LEA. A LEA that makes progress in the next two subsequent years shall not be required to provide teacher

opportunity payments and a LEA that fails to make progress for the next two subsequent years shall request technical assistance from the State.

Section 2032(d) defines "professional development activity."

Section 2033—Teacher Opportunity Payments. Section 2033 authorizes Teacher Opportunity Payments. The section permits LEAs to provide payments directly to a teacher or a group of teachers to participate in professional development activities which meet the requirements applied to LEA subgrants. LEAs must establish procedures for notifying teachers of the availability of such payments and for principals to recommend teachers for participation based on lack of full certification or the need for additional assistance. If funding is inadequate to honor all requests for payments, priority shall be given to teachers recommended by principals for participation.

Section 2034—Local Application. Section 2034(a) provides that LEAs must apply to the State for a subgrant, with the application being coordinated with other programs carried out under ESEA.

Section 2034(b) provides that local applications shall include: (1) a description of how funds are to be used; (2) an assurance that the LEA will target funds to schools that have the lowest proportions of highly qualified teachers or are identified for school improvement by other measures of school quality as determined and documented by the LEA; (3) a description of how professional development activities under this subpart will be coordinated with such activities provided through other Federal, State, and local programs; (4) a description of how the LEA will integrate funds under this subpart with funds received under title V, part A for professional development; (5) a description of how the LEA has collaborated with teachers, paraprofessionals, principals, and parents in preparation of the application and (6) a description of how the activities to be carried out by the LEA will be based on a review of relevant research and an explanation of why the activities are expected to improve student performance and outcomes.

Subpart 4—National Activities

Section 2041—Alternative Routes to Teaching and Promoting Excellence in Teaching. Section 2041(a) authorizes competitive grants to eligible consortia for the establishment of teacher academies which promote alternative routes to certification or model professional development activities. Programs promoting alternative routes to certification must include highly qualified individuals, provide stipends, provide master teachers to mentor students, and include a service requirement. Model professional development activities may include innovate programs, model curricula, and the development of innovative techniques to evaluate the effectiveness of professional development programs. At least one grant must be made to an eligible consortium that includes a high-need local educational agency located in a rural area and makes extensive use of distance learning. No single participant in an eligible consortium may use more than 50 percent of the funds made available under the grant. An eligible consortium must include the State agency responsible for certifying or licensing teachers, at least one high-need local educational agency, a school of arts and sciences, and an insti-

tution that prepares teachers. It may also include LEAs, public charter schools, public or private elementary or secondary schools, educational service agencies, public or private nonprofit educational organizations, museums, or businesses.

Section 2041(b) authorizes the Secretary to award grants to the National Board for Professional Teaching Standards to enable the Board to complete a system of national board certification for fiscal year 2001 and allows the Secretary to support activities to encourage and support teachers seeking advanced certification or advanced credentialing through high quality professional teacher enhancement programs designed to improve teaching and learning.

Section 2041(c) authorizes competitive grants for teacher training programs relating to mathematics and science. Grants are to be used to encourage students, including young women to pursue math and science teaching and may include programs jointly developed by the grant recipient and by a business, industry, or institution of higher education.

Section 2041(d) authorizes the Secretary, in consultation with the Director of the National Science Foundation, to award a grant or contract to continue the Eisenhower National Clearinghouse for Mathematics and Science Education and provides the authority for the Clearinghouse to use funds to provide information and resources in the areas of language arts and social studies.

Section 2041(e) authorizes the Troops-to-Teachers Program allowing the Department of Education to fund the program and contract with the Department of Defense, Defense Activity for Non-Traditional Education Support (DANTES) for the administration of the program. The Secretary of Education would be permitted to retain a portion of the funds to identify LEAs with concentrations of low-income children and with teacher shortages and to identify States with alternative certification programs.

Subpart 5—Funding

Section 2051—Authorization of Appropriations. Section 2051 authorizes $2 billion for fiscal year 2001, of which $40 million will be used to carry out the national activities authorized under Subpart 4. "Such sums as may be necessary" are authorized for fiscal years 2002 through 2005.

Subpart 6—General Provisions

Section 2061—Definitions. Section 2061 includes definitions for the terms "arts and sciences," "core academic subjects," "highly qualified," "high-need local educational agency," "out-of-field teacher," "poverty line," and "State."

Section 202—Leadership Education and Development Program. Section 202 amends title II to strike all of part B and insert new provisions, renaming part B as "Leadership Education and Development Program."

Part B—Leadership Education and Development Program

Provisions of the new Title II, Part B include:

Section 2201—Leadership Programs. Section 2201(a) defines "school leader" as an elementary or secondary school superintendent, principal, assistant teacher or another individual in a

management or leadership position with a State or region of a State whose work directly impacts teaching and learning relating to elementary and secondary education.

Section 2201(b) authorizes the Secretary to award grants to State educational agencies, institutions of higher education, local educational agencies and nonprofit educational organizations (or consortia of such entities) to provide professional development to school leaders.

Section 2201(c) sets out the criteria to be used in awarding grants, including the quality of the proposal, the educational need of the area to be served, and equitable geographic distribution.

Section 2201(d) requires that application for funds be submitted to the Secretary.

Section 2201(e) sets out the uses of grant funds, which include providing school leaders with training in leadership, management, and instructional skills; enhancing and developing the school management and business skills of school leaders; improving understanding of educational technology and State standards; improving the knowledge of school leaders regarding challenging State content and performance standards; encouraging highly qualified individuals to become school leaders; and developing mentorships and a network of school leaders within the State.

Section 2201(f) provides that the Federal Government will assume 80 percent of the cost of the program. The 20 percent match may be paid in cash or in kind. The matching requirement may be waived by the Secretary for entities serving low-income areas.

Section 2201(g) authorizes $100 million for FY 2001 and "such sums" in the 4 subsequent fiscal years for Part B.

Part C—Reading Excellence Act

Section 203—Reading Excellence. Section 203(a) amends the part heading for Title II, Part C, as "Reading Excellence Act".

Section 203(b) authorizes $280 million in FY 2001 and "such sums" in the 4 subsequent fiscal years for Part C.

Section 203(c) provides that the short title for Part C will be "Reading Excellence Act".

Section 204—National Writing Project. Section 204 amends Title II to strike all of Part D and insert new provisions, renaming Part D as "National Writing Project."

Part D—National Writing Project

Provisions of the new Title II, Part D include:

Section 2301—Purpose. Section 2301 sets out the purpose of Part D as supporting the expansion of the National Writing Project network, ensure high quality programs, promote dissemination of information on effective practices, and coordinate activities with other ESEA activities.

Section 2302—National Writing Project. Section 2302(a) authorizes the Secretary to make a grant to the National Writing Project.

Section 2302(b) sets out grant requirements, providing that the National Writing Project will use grant funds to pay the Federal share of establishing and operating teacher training programs and will contract with nonprofit educational providers for the non-Federal share.

Section 2302(c) requires contractors to conduct the program during the school year and the summer months, train K–12 and college teachers, select members of a National Writing Project teacher network, and encourage teachers from all disciplines to participate.

Section 2302(d) defines "Federal share" as being 50 percent of the cost to the contractor of establishing and operating teacher training programs. Cost-sharing may be waived on a case-by-case basis on the recommendation of the National Advisory Board. The Federal share may not exceed $100,000 for any one contractor or $200,000 for a statewide program administered by any one contractor in at least 5 sites throughout the state.

Section 2302(e) requires the National Writing Project to establish a National Advisory Board, comprised of national educational leaders, leaders in the field of writing, and others determined to be necessary. The advisory board will advise on national issues related to writing, review activities and programs, and support the continued development of the National Writing Project.

Section 2302(f) requires the Secretary to conduct an independent evaluation of the teacher training programs supported under Part D. The evaluation is to include a determination of the administrative costs of the National Writing Project and its contractors. The results of the evaluation are to be provided to the appropriate committees of Congress. Up to $150,000 of Part D funds may reserved for the evaluation.

Section 2302(g) requires the National Writing Project to establish a National Review Board, comprised of leaders in the field of writing research and others determined to be necessary. The review board is to review and recommend applications for assistance.

Section 2302(h) authorizes $15 million for fiscal year 2001 and "such sums" for the 4 subsequent fiscal years for Part D.

Section 205—General Provisions. Section 205 redesignates title II, part E ("General Provisions") as part G and strikes all current provisions.

Part G—General Provisions

Provisions of the new title II, part G, include:

Section 2601—Prohibition on Mandatory National Certification or Licensing of Teachers. Section 2601 prohibits the mandatory national certification or licensing of teachers as well as mandatory national teacher testing.

Section 2602—Home Schools. Section 2602 prohibits Federal control of private, religious, or home school. Such schools may participate in title II programs.

Section 206—New Century Program and Digital Education Content Collaborative. Section 206 establishes a new title II, part E, entitled "New Century Program for Distributed Teacher Professional Development", and a new part F, entitled "Digital Education Content Collaborative."

Part E—New Century Program for Distributed Teacher Professional Development

Section 2401—Project Authorized. Section 2401 authorizes the Secretary to make a grant to a nonprofit telecommunications entity (or partnership of same) to carry out a national telecommuni-

cations-based program to improve teaching in core curriculum areas for the purpose of assisting students to meet State content standards.

Section 2402—Application. Section 2402 sets out the contents of grant applications, including a demonstration that video and data will be delivered in an integrated service, an assurance that the project will be conducted in cooperation with appropriate State and local agencies and others, and an assurance that a significant portion of the benefits will be made available to schools in LEAs with a high percentage of title I children. School sites in at least 15 States must be included.

Section 2403—Authorization of Appropriations. Section 2403 authorizes $20 million in fiscal year 2001 and "such sums" in the 4 succeeding fiscal years for part E.

Part F—Digital Education Content Collaborative

Section 2501—Digital Education Content Collaborative. Section 2501 authorizes the Secretary to make grants, contracts, or cooperative agreements for the development, production, and distribution of video programming for K–12 students. Fund recipients must enter into multi-year content development arrangements with SEAs, LEAs, IHEs, businesses, or others.

Section 2502—Educational Programming. Section 2502 provides that the Secretary must make awards on a competitive basis for a period of 3 years to local public telecommunications entities for the development of programming which includes student assessment tools and teacher support and which relate to State content standards and may be distributed through digital broadcasting and school digital networks.

Section 2503—Applications. Section 2503 requires the submission of an application to the Secretary.

Section 2504—Matching Requirement. Section 2504 requires a 100-percent match, which may include funds provided for the transition to digital broadcasting—as well as in-kind contributions.

Section 2505—Administrative Costs. Section 2505 provides that no more than 5 percent of Part F funds be used for administrative costs.

Section 2506—Authorization of Appropriations. Section 2506 authorizes $25 million for FY 2001 and "such sums" for the 4 subsequent fiscal years for Part F.

Title III—Enrichment Initiatives

Section 301—21st Century Community Learning Centers. This section amends title III and inserts the following new provisions, renaming title III as "ENRICHMENT INITIATIVES" and part A as "21st Century Community Learning Centers."

Part A—21st Century Community Learning Centers

The new part A retains current law with respect to "21st Century Community Learning Centers" (title X, part I), except for an increase in the authorized funding level to $500 million for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years.

Provisions of the new title III, part A include:

Section 3101—Short Title. This section specifies that this part may be cited as the "21st Century Community Learning Centers Act."

Section 3102—Purpose. This section repeals the congressional findings currently in the act and inserts the purpose of part A which is to provide local public schools with the opportunity to serve as centers for the delivery of education; to enable public schools, primarily in rural or inner-city communities, to collaborate with public and nonprofit agencies and organizations, local businesses, and educational institutions, to expand the opportunities available to the residents of the communities served by such schools; to use school facilities, equipment, and resources so that communities can promote a more efficient use of public education facilities; to enable schools to become centers of life-long learning; and to enable schools to provide educational opportunities for individuals of all ages.

Section 3103—Program Authorization. This section authorizes the Secretary to award grants to rural and inner-city public elementary or secondary schools to plan, implement, or expand projects that benefit the educational, health, social service, cultural, and recreational needs of a rural or inner-city community. The Secretary is required to ensure an equitable distribution of assistance among the States, among urban and rural areas of the United States, and among rural and urban areas of a State. The time period for the distribution of grants may not exceed 3 years, and the Secretary may not award grants in an amount less than $35,000.

Section 3104—Application Required. This section requires elementary or secondary schools seeking a grant under part A to submit an application with specific criteria. The Secretary shall give priority to applications describing projects that offer a broad selection of services which address the needs of the community.

Section 3105—Uses of Funds. This section specifies that grant funds shall be used to plan, implement, or expand community learning centers which include not less than 4 of the following activities: literacy education programs; senior citizen programs; children's day care services; integrated education, health, social service, recreational or cultural programs; summer and weekend school programs; nutrition and health programs; expanded library service hours; telecommunications and technology education programs; parenting skills education programs; support and training for child day care providers; employment counseling, training, and placement; services for individuals who leave school before graduating from secondary school; and services for individuals with disabilities.

Section 3106—Definition. This section provides the meaning of the term "community learning center" for the purposes of this part.

Section 3107—Authorization of Appropriations. This section authorizes $500 million to be appropriated for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years to carry out the purposes of this part.

Part B—Initiatives for Neglected, Delinquent, or At Risk Students

The new Part B retains current law with respect to "Prevention and Intervention Programs for Children and Youth Who are Neglected, Delinquent, or at Risk of Dropping Out" (title I, part D), renaming title III, part B as "Initiatives for Neglected, Delinquent, or At Risk Students."

Provisions of the new title III, part B include:

Subpart 1—Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent, or at Risk of Dropping Out

Section 3321—Purpose; Program Authorized. This section repeals the congressional findings currently in the act and states the purpose of subpart 1 which is to improve educational services in local and State institutions for neglected or delinquent children so that they have the opportunity to meet the same challenging State content and student performance standards that all children in the State are expected to meet; to provide such children with the services needed to make a successful transition from institutionalization to further schooling or employment; and to prevent at-risk youth from dropping out of school and to provide dropouts and youth returning from institutions with a support system to ensure their continued education.

Section 3321(b) requires the Secretary to provide grants to State educational agencies so that they can award subgrants to State agencies and local educational agencies to establish or improve programs of education for neglected or delinquent children at risk of dropping out of school before graduation.

Section 3322—Payments for Programs Under this Subpart. This section authorizes the Secretary to allocate to each State educational agency amounts necessary to make subgrants to State agencies under Chapter 1. Each State is required to retain funds generated throughout the State under title I, part A based on youth residing in local correctional facilities, or attending community day programs for delinquent children.

Chapter 1—State Agency Programs

Section 3331—Eligibility. This section states that a State agency may be eligible for assistance under Chapter 1 if the State agency is responsible for providing free public education for children in institutions for neglected or delinquent children; attending community day programs for neglected or delinquent children; or in adult correctional institutions.

Section 3332—Allocation of Funds. This section establishes the criteria by which a State agency, including those in Puerto Rico may be eligible to receive a subgrant under subpart 1. The Secretary is allowed to ratably reduce subgrants if the amount appropriated is insufficient to pay the full amount for which State agencies are eligible.

Section 3333—State Reallocation of Funds. This section allows State educational agencies to reallocate unneeded funds from one State agency to another in need of additional funds.

Section 3334—State Plan and State Agency Applications. This section requires each State educational agency seeking a grant under subpart 1 to submit for approval of the Secretary, a plan for meeting the needs of neglected and delinquent children at risk of dropping out of school. The Secretary is required to approve each State plan meeting the criteria detailed in this section. Each State agency seeking funds to carry out a program must submit an application with specific guidelines to the State educational agencies.

Section 3335—Use of Funds. This section states that funds under Chapter 1 only be used by State agencies for programs and projects that are consistent with the State plan under section 3334(a) and concentrate on providing participants with the knowledge and skills needed to make a successful transition to secondary school completion, further education, or employment. The number of hours of instruction students receive from State and local sources under Chapter 1 programs shall supplement and not supplant the requirements of section 1120A.

Section 3336—Institution-Wide Projects. This section allows State agencies that provide education to neglected or delinquent children to use funds received under subpart 1 to upgrade the educational effort of the institutions or programs these children are educated in, if the State agency has developed and approved a plan for that institution or program. This section establishes specific guidelines for the plan.

Section 3337—Three-Year Programs or Projects. This section authorizes State educational agencies to approve State agencies applications for subgrants if the State agency finds it likely that a child will participate in a program for more than 1 year. An application may not be approved for a period exceeding 3 years.

Section 3338—Transition Services. This section authorizes State agencies to reserve 10 percent of the funds received under Chapter 1 to support projects that facilitate the transition of children from State-operated institutions to local educational agencies. Projects are to be conducted either by the State agency or through a contract with 1 or more local educational agencies, public agencies, or private non-profit organizations. Reserved funds shall be used only to provide transitional educational services, which may include pupil services and mentoring, to neglected and delinquent children in schools other than State-operated institutions.

Chapter 2—Local Agency Programs

Section 3341—Purpose. This section states the purpose of Chapter 2 which is to support the operation of local educational agency programs that involve collaboration with locally operated correctional facilities to: (1) carry out high quality education programs to prepare youth for secondary school completion, training and employment, or further education; (2) provide activities to facilitate the transition of such youth from the correctional program to further education or employment; and (3) operate dropout prevention programs in local schools for youth at risk of dropping out of school and youth returning from correctional facilities.

Section 3342—Programs Operated by Local Educational Agencies. This section authorizes State educational agencies to award subgrants to local educational agencies with high numbers or per-

centages of youth residing in locally operated youth correctional facilities. In addition, a local educational agency which includes a correctional facility that operates a school is not required to operate a dropout prevention program if more than 30 percent of the youth attending reside outside of the local educational agency boundaries upon leaving the facility. State educational agencies are required to notify local educational agencies of subgrants.

Section 3343—Local Educational Agency Applications. This section provides detailed criteria for applications to be completed by those local educational agencies seeking assistance from State educational agencies under Chapter 2.

Section 3344—Uses of Funds. This section requires that funds provided to local educational agencies under Chapter 2 be used for dropout prevention programs which serve youth at educational risk; the coordination of health and social services for such individuals if there is a likelihood that the services will enable them to complete their education; and programs to meet the unique education needs of youth at risk of dropping out of school.

Section 3345—Program Requirements for Correctional Facilities Receiving Funds Under this Section. This section requires correctional facilities that have agreements with local educational agencies to: ensure educational programs in juvenile facilities are coordinated with the student's home school; notify local schools if a youth is identified in need of special education services; provide transition assistance to help youth stay in school; provide support programs to encourage youth who have dropped out to re-enter school; work to ensure facilities are staffed with teachers and other qualified staff who are trained to work with children with disabilities; ensure educational programs in correctional facilities are related to assisting students to meet high educational standards; use technology to assist in coordinating educational programs between the juvenile facility and the community school; involve parents in efforts to improve the educational achievement of their children; coordinate funds received under this program with other local, State, and Federal funds available to provide services to participating youth; and work with local businesses to develop training and mentoring programs for participating youth.

Section 3346—Accountability. This section authorizes a State educational agency to reduce or terminate funding for projects if a local educational agency doesn't reduce dropout rates or require juvenile facilities to demonstrate that there has been an increase in the number of youth returning to school or pursuing post-secondary opportunities.

Chapter 3—General Provisions

Section 3351—Program Evaluations. This section requires State agencies and local educational agencies that conduct programs under Chapters 1 and 2 to evaluate the programs. The results of the evaluations should be submitted to the State educational agencies in order to improve subsequent programs.

Section 3352—Definitions. This section provides the meanings of certain terms used in subpart 2, including "adult correctional institution," "at-risk youth," "community day program," and "institution for neglected or delinquent children and youth."

Part C—Gifted and Talented Children

The new Part C retains current law with respect to "Gifted and Talented Children" (title X, part B), renaming title III, part C as "Gifted and Talented Children."

Provisions of the new title III, part C include:

Section 3401—Short Title. This section specifies that part C may be cited as the "Jacob K. Javits Gifted and Talented Students Education Act."

Section 3402—Statement of Purpose. This section repeals the congressional findings in current law and states the purpose of part C which is to provide grants to State educational agencies and public schools for programs designed for gifted and talented students in elementary and secondary schools; to encourage the development of challenging curricula for all students; and to supplement and use State and local funding for gifted and talented students more effectively.

Section 3403—Construction. This section encourages States to educate gifted and talented students simultaneously with students of similar educational needs.

Section 3404—Authorization of Appropriations; Trigger. This section authorizes $155 million for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years. Once the appropriation for this program reaches $50 million, funding is to be distributed by formula to the States and competitively to local educational agencies and schools. If funding levels fall below $50 million, the current law provisions of the program will remain in effect.

Section 3405—Allotment to States. This section authorizes the Secretary to reserve up to 1 percent of the authorized funds for payments to outlying areas in accordance with their assistance needs. The Secretary will allot funds to each State based on a ratio of a State's school-age population of all States. A small State minimum of ½ percent is included. If more than $50 million is appropriated for this section in a fiscal year, the Secretary shall use the funding for grants or contract payments. All current grantees that have been awarded funds under this program will continue to receive funds under the original terms of the grant until the time period for that grant has expired.

Section 3406—State Applications. This section requires States seeking assistance under part C to submit an application which (1) designates the State educational agency as the agency responsible for the administration of the program, including public dissemination of data; (2) contains an assurance that the State educational agency will have the ability to provide matching funds (in cash or in-kind); (3) provides for a biennial submission of data regarding the use of gifted and talented funds; (4) provides an assurance that the SEA will keep records and provide such information as the Secretary requires; (5) contains an assurance that there is compliance with the requirements of this part; and (6) provides for timely public notice and public dissemination of data. The duration of the application is 3 years.

Section 3407—State Uses of Funds. This section allows State educational agencies to use up to 10 percent of funding for the following activities: (1) a peer review process for grant applications;

(2) supervision of the awarding of funds to elementary schools, secondary schools, or a consortia of these schools; (3) planning, supervision, and processing of funds made available under this part; (4) monitoring, evaluation, and dissemination of programs and activities assisted under this part; (5) providing technical assistance; and (6) supplementing, but not supplanting, State and local funds for the education of gifted and talented students. A State educational agency may use up to 2 percent of funding to provide education, information, and support to parents of gifted and talented students.

Section 3408—Distribution to Local Educational Agencies. This section requires a State educational agency to use at least 88 percent of the funds under part C to award grants, on a competitive basis, to local educational agencies for programs designed to meet the needs of gifted and talented students.

Section 3409—Local Application Requirements. This section requires a local educational agency seeking a grant to submit an application to the State educational agency, including: (1) an assurance that funds received under this program will be used to identify and support gifted and talented students from all economic, ethnic and racial backgrounds, such as students of limited English proficiency and students with disabilities; and (2) a description of how the school or consortium of schools will meet the educational needs of gifted and talented students, including the training of personnel.

Section 3410—Local Uses of Funds. This section requires a local educational agency receiving a grant under part C to carry out 1 or more of the following activities: professional development; identification of students; model projects; and emerging technologies.

Section 3411—Participation of Private School Children and Teachers. This section requires the Secretary to ensure that there is equitable participation of students and teachers in private, nonprofit elementary and secondary schools, including the participation of teachers and other personnel in professional development.

Section 3412—Establishment of National Center. This section requires the Secretary to establish a "National Center for Research and Development in the Education of Gifted and Talented Children and Youth" through grants or contracts with 1 or more institutions of higher education, State educational agencies, or a consortia of such institutions and agencies. The purpose of the National Center is to develop, devise, disseminate, and evaluate model projects and activities that serve gifted and talented students; to conduct research; and to provide technical assistance. The Secretary may not use more than 30 percent of the funds appropriated for the overall Javits Gifted and Talented Program for the National Center. A new provision allows the current grantee to continue to be the grantee for the duration of the current grant.

Part D—Arts in Education

The new Part D retains current law with respect to "Arts in Education" (title X, part D), renaming title III, part D as "Arts in Education."

Provisions of the new title III, part D include:

Subpart 1—Arts Education

Section 3511—Support for Arts Education. This section repeals the congressional findings in current law and specifies the purposes of this part which are to support systemic education reform by strengthening arts education; to help ensure that all students have the opportunity to learn to challenging State standards; to support the national effort to enable all students to demonstrate competence in the arts; to support model partnership programs between schools and nonprofit cultural organizations designed to increase overall student achievement; and to support projects and programs in the performing arts through arrangements with the Kennedy Center for the Performing Arts.

Section 3511(b) authorizes the Secretary to award grants to State educational agencies, local educational agencies, institutions of higher education, museums and other cultural institutions, and other public and private agencies, institutions and organizations.

Section 3511(c) authorizes funds under subpart 1 to be used for: (1) the development and dissemination of model arts education programs or assessments based on high standards; (2) the development and implementation of curriculum frameworks for arts education; (3) the development of model preservice and inservice professional development programs for arts educators and other instructional staff; (4) supporting collaborative activities with other Federal agencies or institutions involved in arts education, (5) supporting models and programs in the performing arts for children and youth through arrangements made with the Kennedy Center for the Performing Arts; (6) supporting model projects and programs by VSA Arts that assure the participation in mainstream settings in arts and education programs of individuals with disabilities; and (7) supporting collaborative projects between schools and nonprofit cultural organizations.

Section 3511(d) requires a recipient of funds under subpart 1 to coordinate projects with appropriate activities of public and private cultural agencies, institutions, and organizations, including museums, arts education associations, libraries and theaters.

Section 3511(e) authorizes a funding level of $25 million for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years. If the amount appropriated for any fiscal year is $10 million or less, then the amount shall be available to carry out only activities arranged with the Kennedy Center for the Performing Arts and VSA Arts.

Subpart 2—Cultural Partnerships for At-Risk Youth

Section 3521—Purpose. This section repeals the congressional findings and specifies the purposes of subpart 2 which are to award grants to improve the educational performance and potential of at-risk youth by providing educational and cultural services.

Section 3522—Program Authorized. This section authorizes the Secretary to award grants to pay the Federal share of the costs of the activities described in section 3523. Targeted groups and the objectives of programs receiving grants under subpart 2 are specified.

Section 3523—Authorized Activities. This section specifies the activities which grants awarded under subpart 2 may be used for, in-

cluding: (1) developing, acquiring, implementing, and expanding school-based coordinated educational and cultural programs; (2) providing at-risk youth with integrated cultural activities designed to improve academic achievement; (3) working with school personnel on staff development activities; (4) encouraging active participation of parents in the education of their children; and (5) assisting local artists to work with at-risk youth in schools. An application shall be submitted by entities seeking a grant under subpart 2.

Section 3524—Payments; Amounts of Award; Cost Share; Limitations. This section requires the Secretary to pay eligible recipients the Federal share of the costs of the activities described in the application. Grants awarded under part D are to be used to supplement and not supplant the funds made available from non-Federal sources. The Secretary may use up to 5 percent of the grant funds for evaluation and replication of programs.

Section 3525—Authorization of Appropriations. This section authorizes a funding level of $45 million for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years to carry out the activities of subpart 2.

Part E—Advanced Placement Programs

Section 3601—Short Title. This section specifies that part E may be cited as the "Access to High Standards Act."

Section 3602—Findings and Purposes. This section states the findings and purposes of this part. The purposes are to encourage more of the students who take advanced placement courses to take the exam; to build on the benefits of advanced placement programs for students; to support State and local efforts to raise academic standards through advanced placement programs; to increase the availability and broaden the range of schools that have advanced placement programs; to provide greater access to advanced placement courses; to provide access to advanced placement courses for students in schools that do not offer the courses; and to increase the participation of low-income individuals in taking advanced placement tests.

Section 3603—Funding Distribution Rule. This section authorizes the Secretary to give priority to funding activities under section 3606 and shall distribute 70 percent of remaining funds to carry out section 3604 and 30 percent to carry out section 3605.

Section 3604—Advanced Placement Program Grants. This section authorizes the Secretary to award grants for a period of 3 years to State educational agencies and local educational agencies in order to expand access for low-income individuals to advanced placement incentive programs that involve teacher training; pre-advanced placement course development; curriculum coordination and articulation between grade levels that prepare students for advanced placement courses; and curriculum development. All entities seeking a grant shall submit an application to the Secretary. Those entities receiving grants shall annually report to the Secretary: the number of students taking advanced placement courses; the number of advanced placement tests taken by students; the scores on the advanced placement tests; and demographic information regarding individuals taking the advanced placement courses.

Section 3605—On-Line Advanced Placement Courses. This section authorizes the Secretary to award grants, on a competitive basis, to State educational agencies to enable them to award grants to local educational agencies to provide students with on-line advanced placement courses. State educational agencies seeking a grant shall submit an application to the Secretary and in awarding grants, priority should be given to local educational agencies that: serve high concentrations of low-income students; serve rural areas; and would not have access to on-line advanced placement courses. Grant funds may be used to purchase on-line curriculum or course materials.

Section 3606—Advanced Placement Incentive Program. This section authorizes the Secretary to award grants to State educational agencies in order to reimburse low-income individuals to cover part or all of the costs of advanced placement test fees. If an excess of funds exists, State educational agencies may use the grant funds to increase the enrollment of low-income individuals in advanced placement courses; the participation of low-income individuals in advanced placement courses; and the availability of advanced placement courses in schools serving high-poverty areas. Grant funds shall supplement and not supplant other non-Federal funds that are available to assist low-income individuals in paying for the cost of advanced placement test fees.

Section 3607—Definitions. This section provides the meanings of certain terms used in this part, including: "advanced placement incentive program," "advanced placement test," "high concentration of low-income students," "low-income individual," "institution of higher education," and "State."

Section 3608—Authorization of Appropriations. This section authorizes $50 million for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years.

Section 302—Dissemination of Advanced Placement Information. This section requires each institution of higher education receiving Federal funds for research or for programs assisted under the Higher Education Act of 1965 to: (1) distribute "information" with respect to the amount and type of academic credit provided to students at the institution of higher education for advanced placement test scores; and (2) standardize the form and manner in which the "information" is disseminated by the various departments, offices, or other divisions of the institution of higher education.

Title IV—Safe and Drug-Free Schools and Communities

Section 401—Amendment to the Elementary and Secondary Education Act of 1965. This section amends title IV and inserts the following:

Part A—State Grants

The new part A retains current law with respect to "State Grants for Drug and Violence Prevention Programs," renaming title IV, part A as "State Grants."

Provisions of title IV, part A include:

Section 4001—Short Title. This section specifies that part A may be cited as the "Safe and Drug-Free Schools and Communities Act of 1994."

Section 4002—Findings. This section provides new congressional findings regarding this part, including: (1) every student should attend a school in a drug-and violence-free learning environment; (2) the widespread illegal use of alcohol and drugs among the Nation's secondary school students, and increasingly by students in elementary schools, constitutes a grave threat to such students' physical and mental well-being, and significantly impedes the learning process; (3) drug and violence prevention programs are essential components of a comprehensive strategy to promote school safety, youth development, positive school outcomes, and to reduce the demand for and illegal use of alcohol, tobacco and drugs throughout the Nation; (4) drug and violence prevention programs are most effective when implemented within a research-based, drug and violence prevention framework of proven effectiveness; (5) research clearly shows that community contexts contribute to substance abuse and violence; (6) substance abuse and violence are intricately related and must be dealt with in a holistic manner; and (7) research has documented that parental behavior and environment directly influence a child's inclination to use alcohol, tobacco or drugs.

Section 4003—Purpose. This section states the purpose of Part A which is to support programs that prevent violence in and around schools and prevent the illegal use of alcohol, tobacco, and drugs; involve parents; and are coordinated with related Federal, State, school, and community efforts and resources.

Section 4004—Funding. This section authorizes funding levels for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years for the following programs: $700 million for the State Grants program under subpart 1; $150 million for the National Programs under subpart 2; and $75 million for the National Coordinator Initiative under section 4122.

Subpart 1—State Grants for Drug and Violence Prevention Programs

Section 4111—Reservations and Allotments. This section requires the Secretary to: reserve 1 percent of the amount made available under section 4004(1) for Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands; reserve 1 percent of the same amount for the Secretary of the Interior to carry out programs under this part for Indian youth; reserve not more than $2 million for the National impact evaluation required by section 4117(a); and reserve 0.2 percent of above amount for programs for Native Hawaiians under section 4118.

Section 4112—State Applications. This section requires States seeking an allotment to submit an application to the Secretary including: a comprehensive plan for the use of funds under the Governor's program and the State Department of Education's program; a needs assessment and results of ongoing State evaluation activities; assurances that stakeholders were consulted; measurable goals; a description of how the funds will be spent; and a comprehensive plan for using and monitoring the funds received under title IV. The State plan shall also include a comprehensive plan for the Governor's program by the chief executive officer.

Section 4113—State and Local Educational Agency Programs. This section reserves 80 percent of the funds made available to

States to be used for State support and grants to local educational agencies for drug and violence prevention activities. State and local programs must implement activities that are research-based initiatives, and States are required to implement a uniform management and information reporting system so that expenditures of these funds can be clearly tracked. A State educational agency may use up to 5 percent of available funds for technical assistance and 5 percent for the administrative costs of carrying out responsibilities.

State educational agencies may choose between the following two options for allocating remaining funds to local educational agencies: (1) at least 70 percent to schools based on enrollment and up to 30 percent allocated at the State's discretion or to schools the State determines to have the greatest need; or (2) up to 70 percent on a competitive basis to those schools with the greatest need, and 30 percent to those schools the State determines require additional help to run a program but who might not meet the "greatest need" criteria. These options would allow States to choose and define a competitive or baseline minimum grant system and still allow them to help those schools that could not compete under that system.

Section 4114—Governor's Programs. This section reserves 20 percent of a State's allocation for Governors programs of which not less than 95 percent of the funds must be used for research-based substance abuse/violence reduction through a broad range of activities. Governors are authorized to add their money directly to the funds being sent to schools and communities to serve out of school youth and to undertake community mobilization activities related to substance abuse and violence.

Section 4115—Local Applications. This section states that in order to be eligible for a distribution under section 4113(d), a local educational agency must submit an application to the State educational agency. The application shall: include a needs assessment; set measurable goals and objectives; utilize effective research-based programs; ensure participation of community groups; and include a program evaluation.

Section 4116—Local Drug and Violence Prevention Programs. This section requires local educational agencies to use funds received under subpart 1 to adopt and carry out a comprehensive drug and violence prevention program. The program shall be designed for all students and school employees in order to prevent the use, possession, and distribution of tobacco, alcohol, and illegal drugs; prevent violence and promote school safety; and create a disciplined environment conducive to learning.

Section 4117—Evaluations and Reporting. This section requires the Secretary of Education to consult with the newly created National Advisory Committee to conduct an independent biennial evaluation of the impact of programs assisted under subpart 1 and on other recent and new initiatives to combat violence in schools. The evaluation shall determine whether funded programs conform to the principles of effectiveness; target research-based programs such as risk factors and/or protective factors/buffers or assets; and reduce drug use, school violence, and the presence of firearms at schools. The Department of Education, States, and the Governors are required to implement program and financial monitoring. Every 2 years, States shall provide the Secretary with a report de-

tailing the implementation and outcomes of the State's and local educational agencies programs and their effectiveness, the State's progress toward attaining its goals for drug and violence prevention, and the State's efforts to inform parents of, and include parents in, violence and drug prevention efforts. In addition, local educational agencies are required to provide State educational agencies with the information they may need to complete the State reports.

Section 4118—Programs for Native Hawaiians. This section authorizes the Secretary to provide grants to or enter into cooperative agreements with organizations that serve and represent Native Hawaiians in order to plan, conduct, and administer programs that are authorized by and consistent with the provisions of title IV for the benefit of Native Hawaiians. For the purposes of this section, Native Hawaiians are those individuals whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

Subpart 2—National Programs

Section 4121—Federal Activities. This section authorizes the Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, to carry out programs to prevent the illegal use of drugs and violence among students, and to promote safety and discipline for students. The Secretary may carry out programs directly or award grants to local educational agencies for the hiring and training of drug prevention and school safety program coordinators.

Section 4122—National Coordinator Program. This section states that the Secretary shall provide for the establishment of a National Coordinator Program under which grants are awarded to local educational agencies for the hiring of drug prevention and school safety program coordinators. Coordinators shall be responsible for developing, conducting, and analyzing assessments of drug and crime problems at their schools, and administering the safe and drug free grant program.

Section 4123—Safe and Drug Free Schools and Communities Advisory Committee. This section creates a Safe and Drug Free Schools and Communities Advisory Committee. The Advisory Committee shall: coordinate Federal drug and violence prevention programs; develop core data sets and evaluation programs; provide technical assistance and training; provide for the diffusion of research-based programs; and review other regulations and standards developed under this title. The committee will include representatives from the Department of Education, the Centers for Disease Control and Prevention, the National Institute on Drug Abuse, the National Institute on Alcoholism and Alcohol Abuse, the Center for Substance Abuse Prevention, the Center for Mental Health Services, the Office of Juvenile Justice and Delinquency Prevention, the Office of National Drug Control Policy, and the State and local government education agency representatives. The Advisory Committee shall annually consult with State and local coordinators of school and community-based substance abuse and violence prevention programs and other interested groups.

Section 4124—Hate Crime Prevention. This section authorizes the Secretary to make grants to local educational agencies and community-based organizations for the purpose of providing assistance to localities most directly affected by hate crimes. Grants may be used to: (1) develop education and training programs designed to prevent and reduce the incidences of crimes motivated by hate; (2) develop curriculum to improve conflict or dispute resolution skills of students, teachers and administrators; (3) develop equipment and instructional materials to meet the needs of hate crime or conflict programs; and (4) provide professional training and development for teachers and administrators on the causes, effects, and resolutions of hate crimes.

Section 4124(b)(2) requires local educational agencies seeking a grant under this section to submit an application to the Secretary that includes a request for funds, a description of the schools and communities to be served by the grants, and an assurance that the Federal funds will be used to supplement and not supplant non-Federal funds. Applications shall also include a comprehensive plan describing the hate crime problems within the school or community and a description of the program to be developed or augmented by Federal funds.

Section 4124(c) requires the Secretary, in awarding grants, to consider the incidence of crimes in the community and should attempt to achieve an equitable geographic distribution. If possible, the Secretary shall make available information regarding successful hate crime prevention programs. Every 2 years, the Secretary shall submit a report to Congress describing the grants and awards, the activities of grant recipients, and an evaluation of programs established by this section.

Subpart 3—General Provisions

Section 4131—Definitions. This section provides the meanings of certain terms used in this subpart, including, "community-based organization," "drug and violence prevention," "hate crime," "nonprofit," "objectively measurable goals," "protective factor, buffer, or asset," "risk factor," "school-aged population," and "school personnel."

Section 4132—Materials. This section states that drug prevention programs supported under part A should convey a message that the use of drugs and alcohol is illegal and harmful. In addition, the Secretary may not prescribe the use of specific curriculum for programs supported under this part, but may evaluate the effectiveness of the curriculum.

Section 4133—Prohibited Uses of Funds. This section prohibits the use of funds under part A for construction and medical services, drug treatment or rehabilitation, except for pupil services or referral to treatment for students who are victims or witnesses to crime or who use alcohol or drugs.

Section 4134—Quality Rating. This section encourages States to establish a standard of quality for drug and alcohol prevention programs implemented in elementary and secondary schools and to identify and designate a school that achieves such standard as a quality program school. The standard shall address: a comparison of the rate of illegal use of drugs and alcohol by students; the rate

of suspensions or expulsions of students for offenses; the effectiveness of the prevention programs; the involvement of parents and community members in the design of prevention programs; and the extent of review of existing community prevention programs before implementation of the public school program. Schools wishing to receive a quality school program designation shall submit a request to the State and the State shall create a list of the designated schools for the public.

Section 402—Gun-Free Requirements. This section amends title IV by adding the following:

Part B—Gun Possession

Part B retains current law with respect to "Gun Possession" (title XIV, part F), but moves the provisions to title IV, part B.

Section 4201—Gun-Free Requirements. This section specifies that this part may be cited as the "Gun-Free Schools Act of 1994." Part B requires States receiving Federal funds under this act to have a State law requiring local educational agencies to expel from school for at least 1 year any student who brings a weapon to school. This part should not prevent a local educational agency that has expelled a student from the student's regular school setting from providing educational services to the student in an alternative setting. Local educational agencies seeking assistance from State educational agencies, shall provide to the State an assurance that such local educational agency is in compliance with the State law and a description of the circumstances surrounding any expulsions imposed under the State law. States shall report this information to the Secretary on an annual basis.

Section 4202—Policy Regarding Criminal Justice System Referral. This section states that no funds under part B shall be made available to a local educational agency unless the agency has a policy requiring referral to the criminal justice or juvenile delinquency system of any student who brings a firearm or weapon to a school served by the agency.

Section 4203—School Safety and Violence Prevention. This section amends title IV by adding the following new provisions:

Part C—School Safety and Violence Prevention

Section 4301—School Safety and Violence Prevention. This section states that Federal funds under title IV and VI of this act may be used for training school personnel to identify potential threats; to identify troubled youth; to make comprehensive school security assessments; to purchase metal detectors, locks, and surveillance cameras; to engage in collaborative efforts with community-based organizations to reduce violence; to establish school uniform policies; and to utilize other innovative programs to reduce school violence.

Section 4302—School Uniforms. This section states that nothing in this act should be construed to prohibit schools from establishing a school uniform policy. Funds under title IV and title VI may be used to establish a school uniform policy.

Section 4303—Transfer of School Disciplinary Records. This section requires States receiving Federal funds under this act to assure the Secretary that the State has a procedure in place by which

local educational agencies must transfer the suspension and expulsion records of any student to any private or public elementary or secondary school in which that student seeks enrollment. This requirement does not apply to private schools.

Section 4304—Disclaimer on Materials Produced, Procured or Distributed from Funding Authorized by this Act. This section requires that all materials produced, procured or distributed, as a result of Federal funding authorized under this act, contain a statement indicating that it has been made available at the expense of the Federal Government. The statement must also indicate that any individual who objects to the material or to representations made in it is encouraged to contact the Department of Education. The address of the office at the Department assigned to receive comments must also be listed. Every six months, the Secretary is to summarize the comments received and provide them to appropriate congressional committees and to the House and Senate leadership.

Section 404—Background Checks. This section amends the National Child Protection Act of 1993 to specify that individuals who are employed, or seek employment, with schools are included in the provisions of that act relating to background checks.

Section 405—Constitutionality of Memorial Services and Memorials at Public Schools. This section provides congressional findings stating that the saying of a prayer, the reading of a scripture, the performance of religious music, and the design or construction of any memorial which includes religious symbols and which is placed on school grounds does not violate the First Amendment of the Constitution. In addition, this section ensures that anyone seeking to challenge such memorials as unconstitutional must pay its own attorney's fees. The Attorney General of the United States is authorized to provide assistance to any school district defending the legality of the memorial service.

Section 406—Environmental Tobacco Smoke. This section amends title IV by adding the following provision:

Part D—Environmental Tobacco Smoke

The "environmental tobacco smoke" provisions currently contained in title X, part C of the Goals 2000: Educate America Act have been transferred to this act and are described below.

Section 4401—Short Title. This section specifies that this part may be cited as the "Pro-Children Act of 2000."

Section 4402—Definitions. This section provides the meanings of certain terms used in Part D, including: "children," "children's services," "indoor facility," "person," and "secretary."

Section 4403—Nonsmoking Policy for Children's Services. This section prohibits smoking within any indoor facility owned or leased or contracted for, and utilized for the provision of regular or routine kindergarten, elementary or secondary education or library services to children; or regular or routine health care or day care or early childhood development (Head Start services). Any portion of a facility that is used for inpatient hospital treatment of individuals dependent on, or addicted to drugs or alcohol and private residences are exempt from the provision. The prohibitions shall be published in the Federal Register by the Secretary. Such prohibi-

tions shall be effective 90 days after such notice is published or 270 days after the enactment of this act, whichever occurs first. Failure to comply with a prohibition shall be considered a violation of this act and a civil penalty in an amount not to exceed $1,000 shall be charged. A civil penalty may be assessed in a written notice, or an administrative compliance order may be issued.

Section 4404—Preemption. This section states that nothing in this part is intended to preempt a provision of a State law or a political subdivision of a State that is more restrictive than a provision in this part.

Title V—Educational Opportunity Initiatives

Section 501—Educational Opportunity Initiatives. This section amends title V and inserts the following new provisions, renaming title V as "Educational Opportunity Initiatives" and part A as "Technology Education."

Section 511—Technology Education. This section amends "Technology for Education of All Students," which is currently authorized as part A of title III of the act, and transfers it to part A of title V.

Part A—Technology Education

Section 5111—Statement of Purpose. This section repeals the congressional findings in current law and states the new purpose of part A, which is to: provide all classrooms with educational technology including access to the Internet; ensure effective use of educational technology through professional development; improve capability of teachers to implement new learning experiences using technology; support efforts by State and local educational agencies to create learning environments designed to prepare students to achieve State performance standards; support technical assistance to all relevant educational agencies; support partnerships among business, industry, and the education community; support research on the effective use of classroom technology; encourage collaborative relationships among State agencies in the area of technology support in order to ensure that technology is accessible to all students; ensure that every child is computer-literate by the end of 8th grade; and support the use of educational technology to facilitate parental involvement.

Section 5112—Definitions. This section provides the meanings of certain terms used in this part, including: "adult education," "all students," "information infrastructure," "instructional programming," "interoperable and interoperability," "office," "public telecommunications entity," "regional educational laboratory," "State educational agency," "State library administrative agency," and "technology."

Section 5113—Authorization of Appropriations. This section authorizes an increase in funding to $815 million for fiscal year 2001 and "such sums as necessary" for the 4 succeeding fiscal years to carry out subparts 1, 2, and 3. Of that amount, $5 million is available for Federal leadership activities (subpart 1) and $10 million for the Regional Technology in Education Consortia (subpart 3) in fiscal year 2001, not to exceed 0.5 percent of total appropriations in the remaining fiscal years. For any remaining funds, 70 percent

shall be available for the Technology Literacy Fund (formula program to States) and 30 percent for Technology Innovation Grants (competitive grant). This new section ensures that the formula grant programs to States will not receive less than it did in fiscal year 2000.

Section 5114—Limitation on Costs. This section restricts the use of funds for administrative costs to less than 5 percent of total funding.

Subpart 1—National Programs for Technology in Education

Section 5121—National Long-Range Technology Plan. This section amends section 3121 of the act to require the Secretary to update, publish, and disseminate not later than 12 months after the date of enactment of the Educational Opportunities Act, the national long-range plan that supports the overall national technology policy.

Section 5121(c) amends section 3121(c) of the act by adding two new activities for the Secretary to undertake in order to promote the purposes of title V. The new activities include: (1) how the Secretary will promote the full integration of technology into learning, including the creation of new instructional opportunities through access to challenging courses and information that would otherwise not have been available, and independent learning opportunities for students through technology; and (2) how the Secretary will encourage the creation of opportunities for teachers to develop through the use of technology, their own networks and resources for sustained and intensive, high quality professional development.

Section 5122—Federal Leadership. This section amends section 3122 of the act by requiring the Secretary to consult with the White House Office of Science and Technology, instead of the United States National Commission on Libraries and Information Sciences, in order to provide Federal leadership in promoting the use of technology in education.

Section 5122(b) amends section 3122(b) of the act by deleting the language which requires the Secretary to provide assistance to States in effectively using technology in the classroom in accordance with the purpose and requirements of the Goals 2000: Educate American Act. The new language simply requires the Secretary to provide assistance to the States to enable such States to plan effectively for the use of technology in all schools throughout the State.

Subpart 2—State and Local Programs for School Technology Resources

Section 5131—Allotment and Reallotment. This section amends section 3131 of the act by adding a provision to require the Secretary to reserve an amount equal to one-half of 1 percent of the amount available to carry out section 5132 for each fiscal year to provide grants to outlying areas in amounts that are based on the relative needs of such areas in accordance with the purposes of section 5132.

Section 5132—Technology Literacy Fund. This section authorizes the Secretary, through the Office of Educational Technology, to award grants to State educational agencies with approved applica-

tions. Grant funds shall be used to award grants to local educational agencies to enable them to carry out various education technology activities. Grants shall be targeted toward local educational agencies with the highest rates of poverty and the greatest need for technical assistance.

Section 5133—State Application. This section requires State educational agencies seeking funds under Subpart 2 to submit a statewide educational technology plan to the Secretary. The criteria for the statewide plan remains the same as current law, except for a new provision requesting the submission of the State educational agency's specific goals for using advanced technologies to improve student achievement and performance to challenging State academic content and performance standards.

Section 5134—Local Uses of Funds. This section describes the various initiatives in which funds provided through grants from State educational agencies shall be used by local educational agencies. The initiatives remain the same except for a few additions, including: (1) adapting or expanding existing and new applications of technology to enable teachers to help students achieve to challenging State academic content and student performance standards through the use of research-based teaching practices and advanced technologies; (2) carrying out programs that prepare prospective teachers to use advanced technology to foster learning environments conducive to preparing all students to achieve challenging State and local content and student performance standards through the use of various models including school-based professional development; (3) supporting in-school and school-community collaboration to make more effective and efficient use of existing investments in technology; (4) utilizing technology to develop or expand efforts to connect schools and teachers with parents to promote parental involvement and increase communication about curriculum, assignments, and assessments; (5) providing support to help parents understand the technology being applied in their children's education so that parents will reinforce their children's learning; (6) using web-based learning resources; and (7) providing education technology for advanced placement instruction.

Section 5135—Local Applications. This section requires local educational agencies seeking assistance from a State educational agency to submit an application consistent with the objectives of the systemic statewide plan. The requirements of the application are the same as those in current law, except for an update to current references and a few additions to the list of application requirements. The additional requirements include: a description of how parents will be informed of the use of technologies so that parents can reinforce at home the instruction their children receive in school; a description of how the local educational agency will improve parental involvement in schools; a description of how the consortia of schools will develop or redesign teacher preparation programs to enable prospective teachers to use technology effectively in their classroom; and a description of how the local educational agency will effectively use technology to promote parental involvement and increase communication with parents.

Section 5136—National Technology Innovation Grants. This section authorizes the Secretary to award grants to a consortia con-

taining 1 local educational agency with a high number of children living below the poverty line. This new section amends section 3136 of the act by allowing the Secretary to award "continuation" grants to entities receiving grants under the Preparing Tomorrow's Teachers to Use Technology Program. This section also amends current law to enhance parental involvement and use education technology for advanced placement instruction. In addition, this new section allows members of the consortium of schools to serve as fiscal agents for the consortium.

Section 5137—Federal Administration. This section requires the Secretary to develop procedures for State and local evaluations of the programs under Subpart 2. This new section amends section 3137 of the act by requiring the Secretary to submit to Congress an evaluation of the State and local outcomes of the technology literacy challenge funds program and of the technology innovations challenge grant program, no later than 3 years after the enactment of this title; and to submit to Congress a summary of the State evaluations of programs under Subpart 2, no later than 2 years after the enactment of this title.

Subpart 3—Regional Technical Support and Professional Development

Section 5141—Regional Technical Support and Professional Development. This section authorizes the Secretary, through the Office of Educational Technology, to make grants to regional entities, ensuring that each geographic region of the United States is served by a consortium. Each consortium receiving a grant shall provide technical assistance and professional development to local educational agencies and schools to increase and improve education technology information. This new section also requires entities receiving grants under this section to prepare and submit to the Secretary a report concerning activities undertaken with grant funds, no later than 3 months after the enactment of this title.

Unfunded programs including "Product Development," currently Subpart 4 of title III, part A and "Elementary Mathematics and Science Equipment Program," currently title III, part E are eliminated.

Section 522—Star Schools. This section amends "Star Schools Program," which is currently authorized as part B of title III of the act, and transfers it to part B of title V.

Part B—Star Schools

Section 5201—Short Title. This section states that the short title of part B is the "Star Schools Act."

Section 5202—Purpose. This section states that the purpose is to encourage improved instruction in mathematics, science, and foreign languages and challenging and advanced courses to serve underserved populations, through a Star Schools program under which grants are made to eligible telecommunications partnerships, to enable partnerships to develop telecommunications facilities, and equipment in order to promote educational instructional programming.

Section 5203—Grants Authorized. This section authorizes the Secretary, through the Office of Educational Technology, to make

grants to eligible entities to pay the Federal share of the cost of the development of interactive instructional programming and web-based teacher training. The section authorizes a funding level of $50 million for fiscal year 2001 and "such sums as necessary" for the 4 succeeding fiscal years.

Section 5203(i) authorizes the Advanced Placement Instruction program, to encourage entities receiving funds under part B to provide advanced placement instruction to underserved communities.

Section 5204—Eligible Entities. This section authorizes the Secretary to make grants to any eligible entity, if at least one local educational agency is participating in the project. This section defines an eligible entity for the purposes of this section and amends provisions of current law to update references. Other provisions of current law are maintained.

Section 5205—Applications. This section requires eligible entities seeking a grant under this section to submit an application to the Secretary. Requirements of the application and those projects receiving priority are described. Other provisions of current law are maintained.

Section 5206—Definitions. This section provides the meanings for certain terms used in this part, including "educational institution," "instructional programming," and "public broadcasting entity." Other provisions of current law are maintained.

Section 5207—Administrative Provisions. This section provides guidelines for entities to apply for a second grant and provides that the Secretary may assist grant recipients in acquiring transmissions technologies. Other provisions of current law are maintained.

Section 5208—Other Assistance. This section provides that the Secretary may make grants to State and local telecommunication networks. The new section authorizes the Secretary to provide grants to eligible entities for continuing education. Other provisions of current law are maintained.

Section 531—Magnet Schools Assistance. This section amends "Magnet Schools Assistance," which is currently authorized as part A of title V of the act, and transfers it to part C of title V.

Part C—Magnet Schools Assistance

Section 5301—Findings and Statement of Purpose. This section provides congressional findings and the purpose of this part which is to assist in the desegregation of schools served by local educational agencies by providing financial assistance to: (1) eliminate, reduce, or prevent minority group isolation; (2) promote systemic reform efforts; (3) develop innovative educational methods and practices; (4) develop courses of instruction which strengthen knowledge of academic subjects and marketable skills; (5) improve capacity of magnet schools to operate after Federal funding is terminated; and (6) ensure that magnet schools students have equitable access to the education necessary to succeed.

Section 5302—Program Authorized. This section authorizes the Secretary to make grants to local educational agencies for magnet schools.

Section 5303—Definition. This section defines the term "magnet school."

Section 5304—Eligibility. This section defines eligibility standards for the receipt of magnet school grants.

Section 5305—Applications and Requirements. This section requires a local educational agency seeking assistance under this part to submit an application to the Secretary. This section also includes a description of the requirements of the application.

Section 5305(b)(2)(E) amends current law to provide equitable consideration for students in the local attendance area, consistent with desegregation guidelines and the capacity of the program to accommodate these students. Other provisions of current law are maintained.

Section 5306—Priority. This section provides guidelines for the prioritization of applicants by the Secretary. This section amends current law by giving priority to applicants that propose activities to build local capacity to operate the program once Federal assistance has ended. Other provisions of current law are maintained.

Section 5307—Use of Funds. This section specifies the allowable uses of grant funds. This new section amends current law to: allow grant recipients to use funds for professional development in order to facilitate self-sufficiency after Federal assistance has ended; offer the flexibility of a magnet school program in order to serve local students not enrolled in a magnet school program; and enable the local educational agency to have flexibility in designing magnet schools for students of all grades. Other provisions of current law are maintained.

Section 5308—Prohibition. This section prohibits the use of funds for transportation or any activity that does not augment academic improvement.

Section 5309—Limitations. This section provides for the duration of awards, limits on planning funds, and amount and timing of awards. This section increases the percentage of funds which may be expended for planning in the second and third years to 25 and 15 percent respectively. This section also clarifies that professional development is not planning.

Section 5310—Innovative Programs. This section authorizes the Secretary to award grants to local educational agencies to conduct innovative programs that involve strategies other than magnet schools to achieve desegregation goals and assist students in meeting State and local standards. This section amends provisions of current law to update references. Other provisions of current law are maintained.

Section 5311—Evaluations. This section provides guidelines for evaluations of projects under this part and for technical assistance for grant recipients. This new section amends current law to provide that evaluations shall address how magnet school programs will continue once assistance under this part has ended. This section also amends current law to require the Secretary to collect and disseminate information to the public on successful magnet school programs. Finally, this section amends provisions of current law to update references. Other provisions of current law are maintained.

Section 5312—Authorization of Appropriations; Reservation. This section authorizes a funding level of $125 million for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years. Other provisions of current law are maintained.

Part D Public—Charter Schools

Section 541—Public Charter Schools. This section amends "Public Charter Schools," which is currently authorized as part C of title X of the act, and transfers it to part D of title V. This section amends "Public Charter Schools" to: (1) eliminate the congressional findings and the purposes of this part; (2) increase the funding level to $175 million for fiscal year 2001; and (3) make minor drafting changes for purposes of clarification and consistency. Other provisions of current law are maintained.

Part E—Women's Educational Equity

Section 521 of the bill amends the Women's Educational Equity Act (WEEA), which is currently authorized as Part B of title V of the act, and transfers it to part E of title V. Section 521 amends WEEA to: (1) eliminate the statement of findings; (2) make minor drafting changes for purposes of clarification and consistency; (3) change the reference to "the National Education Goals" to "America's Education Goals"; (4) delete an obsolete reference to the School-to-Work Opportunities Act of 1994; (5) update deadlines for issuance of reports by the Secretary dealing with the status of educational equity for girls and women (due January 1, 2004) and with evaluation materials and programs (due January 1, 2004); (6) authorize $5 million for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years to carry out this part; and (7) delete provisions providing that two-thirds of the funds are to be used to support the development and implementation of equity programs.

Section 551 of the bill amends title V of the act to add 5 additional parts to the title. Each of these additional parts includes amended versions of programs authorized under current law. Part F (Civic Education) includes programs currently authorized under part F of title X (Civic Education) and under title VI of Goals 2000: Educate America Act (International Education Exchange Program). Part G (Fund for the Improvement of Education) is currently authorized under part A of title X of the act. Part H (Allen J. Ellender Fellowship Program) is currently authorized under part G of title X of the act. Part I (Ready-to-Learn Television) is currently authorized under part C of title III of the act. Part J (Inexpensive Book Distribution) is currently authorized under part E of title X of the act.

Part F—Civic Education

New Section 5601—Short Title. This section provides that the short title of part F is the "Education for Democracy Act".

New Section 5602—The Study of the Declaration of Independence, United States Constitution, and the Federalist Papers. This section includes sense-of-the-Congress language that students should be encouraged to study the Declaration of Independence, the Constitution, and the Federalist Papers.

New Section 5603—Purpose. This section states that the purpose of the part is to: improve the quality of civics and government education; foster civic competence and responsibility; and improve the quality of civic and economic education through cooperative exchanges with other democracies.

New Section 5604—General Authority. This section provides that the Secretary is authorized to award grants or contracts to the Center for Civic Education, the National Council on Economic Education, or other nonprofit educational organizations to carry out this part.

New Section 5605—We The People Program. This section provides authority for 2 domestic programs: (1) The Citizen and the Constitution and (2) Project Citizen. Both programs are to be made available to public and private schools in all 435 congressional districts, all 50 States, Bureau of Indian Affairs schools, the District of Columbia, Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

New section 5605(a) authorizes the Citizen and the Constitution program, which is to provide: a course of instruction on the principles of our Nation's constitutional democracy and on the history of the United States Constitution and the Bill of Rights; simulated Congressional hearings; an annual national competition for secondary schools students wishing to participate in such a program; advanced teacher training; and civic education materials and services to address specific problems such as school violence and the abuse of drugs and alcohol.

New section 5605(b) authorizes the Project Citizen program, which is to provide: a course of instruction at the middle school level on the roles of State and local governments in the Federal system; optional simulated State legislative hearings; an annual showcase or competition; advanced teacher training; materials and services to address problems such as school violence and the abuse of drugs and alcohol.

New Section 5606—Civic Education and Economic Education Exchange Programs. This section updates and makes minor changes to the existing cooperative education exchange programs in civics and government education and economics education authorized under title VI of Goals 2000: Educate America Act. The purpose of these programs is to provide to eligible countries cooperative education exchange programs in both civics and government education and economics education. Program activities include: (1) seminars on the major governmental and economic institutions and systems in the United States, including visits to such institutions; (2) visits to schools systems, institutions of higher education, and organizations conducting exemplary programs; (3) development of relevant materials on eligible countries for use in U.S. classrooms; (4) translations and adaptations of materials; and (5) research and evaluation. In administering the program, the Secretary of Education is to consult with the Secretary of State to ensure that the activities do not duplicate other efforts in the eligible countries and to ensure that partner institutions in the eligible countries are creditable. Eligible countries include any Central or Eastern European country, Lithuania, Latvia, Estonia, any independent State of the former Soviet Union, and may include Northern Ireland, the Republic of Ireland, and any developing country as so defined in the Education of the Deaf Act.

New Section 5607—Authorization of Appropriations. This section authorizes $10 million for fiscal year 2001 for each component (do-

mestic and international) and "such sums as may be necessary" for the 4 succeeding fiscal years.

Part G—Fund for the Improvement of Education

The new part G of the bill reauthorizes and makes substantial revision in the Fund for the Improvement of Education (FIE), which is currently authorized as part A of title X. The Comprehensive School Reform Program currently funded under FIE is transferred to title I, and the lengthy list of permissive uses of funds included in current law is deleted.

New Section 5701—Fund for the Improvement of Education. This section authorizes the Secretary to award competitive grants to support nationally significant programs to improve the quality of elementary and secondary education. Funds may be used for the character education, scholar-athlete competitions, school counseling, smaller learning communities, and mock election programs specifically authorized in part G—as well as for the identification and recognition of exemplary schools and programs and for the development and evaluation of model strategies for professional development for teachers and administrators. A funding level of $100 million is authorized for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years.

New Section 5702—Partnerships in Character Education Program. This section authorizes the Secretary to award grants to implement character education programs incorporating the elements of caring, civic virtue and citizenship, justice and fairness, respect, responsibility, and trustworthiness. The new section amends provisions of current law to: (1) expand the pool of eligible applicants (which are currently limited to State educational agencies in partnership with local educational agencies); (2) strike language restricting a State educational agency to no more than $1 million in character education grants; (3) reduce the grant duration period from 5 years to 3 years; (4) revise the application provisions to reflect the expanded array of eligible applicants and to place greater emphasis on program objectives, evaluation, community outreach, and links to student performance; (5) revise the evaluation and program development provisions to reflect the expanded array of eligible applications; (6) include new provisions regarding national research, evaluation, and dissemination—for which up to 5 percent of the funds available for character education may be used and for which the Secretary may enter into partnerships with national, nonprofit character education organizations with expertise in implementing local programs; (7) revise the use of funds provisions to reflect the addition of eligible applicants; (8) provide that State educational agency recipients may use up to 10 percent of funds for administrative purposes and specify the activities for which the remaining 90 percent of funds may be used; (9) revise the selection of grantees provisions to reflect the expanded array of eligible applicants and to place greater emphasis on community outreach and links to student performance; and (10) add new provisions dealing with the participation of private school students and teachers.

New Section 5703—Promoting Scholar-Athlete Competitions. This section authorizes the Secretary to award a grant to a nonprofit organization for the purpose of conducting scholar-athlete

games. The new section amends provisions of current law to update references. Other provisions of current law are maintained.

New Section 5704—Elementary School Counseling Demonstration. This section authorizes the Secretary to award grants to establish or expand elementary school counseling programs. The new section amends provisions of current law to update the definitions of "school psychologist" and "school social worker". Other provisions of current law are maintained.

New Section 5705—Smaller Learning Communities. This section authorizes the Secretary to award grants to local educational agencies to assist in the establishment of smaller learning communities. The new section amends provisions of current law to: (1) expand the pool of eligible applicants to include not only local educational agencies but also an elementary or secondary school, a Bureau funded school, or any of these entities in partnership with other public agencies or private nonprofit organizations; (2) make technical and conforming changes; and (3) add new provisions requiring recipients to submit an annual report to the Secretary which describes the use of grant funds and evidence of the impact of the grant on student performance and school safety. Other provisions of current law are maintained.

New Section 5706—National Student and Parent Mock Election. This section authorizes the Secretary to award grants to national nonprofit, nonpartisan organizations that work to promote voter participation in elections. The new section amends provisions of current law to: (1) expand participation by including students and parents from the Territories, Department of Defense Dependent schools, and other international locales where Americans are based; and (2) require that all votes be recorded at least 5 days prior to the date of the general election. Other provisions of current law are maintained.

Part H—Allen J. Ellender Fellowship Program

The new part H of the bill reauthorizes the Allen J. Ellender Fellowship Program currently authorized under part G of title X of the act. The program is amended to delete the findings and substitute a statement of purpose for the program and to authorize funds for fiscal years 2001 through 2005. Other provisions of current law are maintained.

New Section 5801—Purpose. This section provides that the purpose of the program is to provide fellowships to low-income students, recent immigrants, students of migrant parents and the teachers who work with them, as well as older Americans, to participate in Close Up Foundation programs.

Subpart 1—Programs for Middle and Secondary School Students

New section 5811—Establishment. This section authorizes the Secretary to make grants to the Close Up Foundation to make financial aid available to low-income middle and secondary school students to allow them to participate in programs to increase their understanding of the Federal Government.

New section 5812—Applications. This section provides that applications for grants under subpart 1 contain assurances that funds

will be used to assist economically disadvantaged middle and secondary school students, to assure the participation of students from both rural and urban areas, and to give special consideration to students with special educational needs.

Subpart 2—Program for Middle and Secondary School Teachers

New Section 5821—Establishment. This section authorizes the Secretary to make grants to the Close Up Foundation to make financial aid available to middle and secondary school teachers for enhancement of teaching skills.

New section 5812—Applications. This section provides that applications for grants under subpart 2 contain assurances that funds will be used to assist teachers who work with a student or students participating in the programs authorized under subpart 1 and that no more than 1 teacher in each participating school receives a fellowship in any fiscal year.

Subpart 3—Programs for Recent Immigrants, Students of Migrant Parents and Older Americans

New Section 5831—Establishment. This section authorizes the Secretary to make grants to the Close Up Foundation to make financial aid available to low-income older Americans, recent immigrants, and students of migrant parents to allow them to participate in programs to increase their understanding of the Federal Government.

New section 5832—Applications. This section provides that applications for grants under subpart 3 contain assurances that funds will be used to assist economically disadvantaged older Americans, recent immigrants, and students of migrant parents; to assure the participation of these individuals from both rural and urban areas; and to give special consideration to those with special needs.

Subpart 4—General Provisions

New section 5841—Administrative Provisions. This section provides for audits by the Comptroller General.

New section 5842—Authorization of Appropriations. This section authorizes $1.5 million for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years. No more than 30 percent of the funds may be used for financial aid to teachers.

Part I—Ready-To-Learn Television

Section 5901—Ready-To-Learn. This section authorizes the Secretary to award grants to eligible entities to develop, produce and distribute educational and instructional video programming for preschool and elementary school children and their parents, and to make them available to as wide an audience as possible. This section amends provisions of current law to update references.

Section 5902—Educational Programming. This section authorizes the Secretary to award grants to eligible entities to facilitate the development of educational programming for preschool and elementary school children, and defines an eligible entity. This section amends current law by awarding grants to entities to develop programming for distribution over the Internet.

Section 5902(b)(1) removes the provision that an entity shall be a nonprofit organization.

Section 5903—Duties of Secretary. This section authorizes the Secretary to award grants to: address the learning needs of young children in limited English proficient households; develop materials to increase family literacy skills; support programs that promote school readiness; develop training materials adaptable to distance learning technologies; and establish a clearinghouse of information, reference materials, and programming.

Section 5904—Applications. This section requires each entity seeking a grant under this part to submit an application to the Secretary. The application shall include such information as the Secretary may require.

Section 5905—Reports and Evaluation. This section requires eligible entities to submit an annual report to the Secretary and details minimum content of the report. This section also instructs the Secretary to submit a biannual report to Congress. In addition, this section amends provisions of current law to update references.

Section 5906—Administrative Costs. This section limits to 5 percent the use of grant funding for administrative costs.

Section 5907—Definition. This section defines the term "distance learning" for the purposes of this part.

Section 5908—Authorization of Appropriations. This section authorizes an increase in funding from the current $16 million to $50 million for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years. This section repeals the requirement in current law that 10 percent of the funds be allocated for innovative programs that promote school readiness.

Part J—Inexpensive Book Distribution Program

Section 5951—Inexpensive Book Distribution Program for Reading Motivation. This section authorizes the Secretary to enter into a contract with the "Reading is Fundamental" program designed to enhance distribution of inexpensive books in order to motivate children to read. This section details requirements of "Reading is Fundamental" program contracts. In addition, a funding level of $25 million is appropriated for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years.

Title VI—Innovative Education

Section 601 of the bill rewrites title VI of the act. Under the bill, title VI contains 8 parts. Part A (Innovative Education Program Strategies) includes the programs and activities authorized under title VI of the current law. Part B (Rural Flexibility) is a new initiative which is designed to provide adequate funding to rural school districts for improving student performance. Part C (Education Flexibility Partnerships) incorporates the Education Flexibility Partnership Act, which was signed into law in 1999 as a freestanding bill, into the Elementary and Secondary Education Act. Part D (Flexibility in the Use of Administrative and Other Funds) includes the provisions of part B of title XIV of the current law. Part E (Coordination of Programs; Consolidated State and Local Plans and Applications) includes the provisions of part C of title XIV of the current law. Part F (Waivers) includes the provisions of

part D of title XIV of the current law. Part G (Education Performance Partnerships) is a new initiative which is designed to give States the opportunity to combine federal education formula grant funds in ways which will increase the academic achievement of their students. Part H (Academic Achievement for All Demonstration) is another new State flexibility initiative which will provide up to 15 States with broad authority to combine federal education formula grant funds in exchange for improving the performance of all students.

Part A—Innovative Education Program Strategies

Title VI, part A makes modifications to the current law and includes the following provisions:

Section 6101—Purpose; State and Local Responsibility. Section 6101(a) lists the purposes for title VI which are: to support local and state education reform efforts; to provide a continuing source of innovation and educational improvement, including support for library services and instructional and media materials; and to develop education programs to improve school, student, and teacher performance including professional development and class size reduction programs.

Section 6101(b) specifies that the administration of these funds are the responsibility of the State educational agencies and the responsibility for design and implementation of the programs rests primarily with local educational agencies.

Section 6102—Authorization of Appropriations; Duration of Assistance. Section 6102(a) authorizes $850 million for fiscal year 2001 and such sums for fiscal years 2002 through 2005.

Section 6102(b) authorizes the Secretary to make payments to State educational agencies in accordance with the purposes described under section 6101(a).

Section 6103—Definition of Effective Schools Program. Section 6103 describes an effective schools program as: promoting school-level planning; instructional improvement; and staff development for all personnel; and increasing academic performance for all children.

Subpart 1—State and Local Programs

Section 6111—Allotment to States. Section 6111(a) specifies the percentage of funds reserved for the outlying areas for title VI activities.

Section 6111(b) establishes the State allotment formula.

Section 6111(c) defines school-age population and State as they apply to State allotment.

Section 6112—Allocation to Local educational agencies. Section 6112(a) describes the allocation of funds to local educational agencies.

Section 6112(b) describes the calculation of enrollments.

Section 6112(c) specifies the distribution of funds from the State educational agency to the local educational agency.

Subpart 2—State Programs

Section 6121—State Use of Funds. Section 6121(a) authorizes the State educational agency activities which include: State adminis-

tration; support for planning and implementing charter schools; support for designing and implementing student assessments; support for State and local standards implementation; and technical assistance.

Section 6121(b) specifies the amount of funds available for State administration.

Section 6122—State Applications. Section 6122(a) specifies the State application requirements.

Section 6122(b) specifies that the State application is for a period of 3 years and may be amended annually.

Section 6122(c) specifies that a local educational agency that receives less than an average of $10,000 under this part, for 3 years will not be audited more than once every 5 years.

Subpart 3—Local Innovative Education Programs

Section 6131—Targeted Use of Funds. Section 6131(a) establishes that local educational agencies shall use the funds awarded under title VI, part A, for innovative assistance.

Section 6131(b) describes an array of activities, programs, and initiatives that may be used for innovative assistance. These include: programs for the acquisition of instructional and educational materials (such as library services, media materials, and assessments); professional development programs; activities designed to advance student performance; parental involvement initiatives; programs to reduce class size; programs to improve academic performance of educationally disadvantaged students; expansion of best practice models; literacy programs; technology activities; school improvement programs; activities for gifted and talented students; programs to provide same gender schools or classrooms; service learning programs; and school safety programs. All activities shall be: tied to promoting high academic standards; used to improve student performance; and part of an overall education reform strategy.

Section 6132—Administrative Authority. Section 6132 allows a State educational agency or a local educational agency to enter into grants or contracts with higher education institutions, libraries, museums, and public and private nonprofit entities.

Section 6133—Local Application. Section 6133(a) specifies the contents of a local educational agency application.

Section 6133(b) specifies that the local educational agency application shall be for a period of 3 years and may be amended annually.

Section 6133(c) gives the local educational agency complete discretion in determining how funds are expended at the local level.

Subpart 4—General Administrative Provisions

Section 6141—Maintenance of Effort; Federal Funds Supplementary. Section 6141(a) describes maintenance of effort requirements.

Section 6141(b) specifies that a State or local educational agency may only use funds received under title VI, part A, to supplement (not supplant) other funding sources.

Section 6142—Participation of Children Enrolled in Private Schools. Section 6142(a) specifies that State education agencies

shall provide benefit for children enrolled in private schools with the title VI, part A program.

Section 6142(b) describes expenditures of title VI, part A, funds for children enrolled in private schools.

Section 6142(c) requires that the funds provided under this part must be controlled by a public agency and that public agency employees must provide the services.

Sections 6142(d) through (i) describes the arrangement for provision of services to private school children if a State or local educational agency, through either State or local law, is prohibited from providing title VI, part A, services.

Section 6143—Federal Administration. Section 6143(a) requires the Secretary, upon request, to provide technical assistance to State and local educational agencies.

Section 6143(b) gives the Secretary authority to issue regulations.

Section 6143(c) requires that funds become available on July 1 of each fiscal year.

Part B—Rural Education Initiative

Part B of title VI establishes a new rural education initiative known as the "Rural Education Achievement Program."

New section 6202 of title VI states the purpose of the part is to address the unique needs of rural school districts which frequently lack the personnel and resources needed to compete for Federal competitive grants and frequently receive formula allocations in amounts too small to be effective in meeting their intended purposes.

New section 6203 authorizes $125 million for fiscal year 2001 and such sums as may be necessary for each of the four succeeding years. $62.5 million of this amount is targeted during fiscal year 2001 toward subpart 1.

New section 6211 authorizes rural educational agencies with an average daily attendance of 600 students or fewer to consolidate the funds they receive under Titles II, IV, and VI of the Elementary and Secondary Education Act. These funds may be used to improve student achievement in accordance with the provisions of part A of title VI.

New section 6212 authorizes the Secretary to award grants to small rural educational agencies to carry out innovative assistance activities. The grant will be equal to $100 multiplied by the total number of students in excess of 50 students that are in average daily attendance. No grant may be less than $20,000 or more than $60,000.

New section 6213 requires that each participating educational agency must administer an assessment, consistent with the assessment used pursuant to section 1111(b) of the Elementary and Secondary Education Act, to assess the academic achievement of students in schools served by the local educational agency. At the end of 5 years of participation in this program, the state educational agency shall determine whether students served by the participating local educational agency have improved their performance on the assessments. If student achievement has not improved, the local educational agency may no longer participate in the program.

New section 6214 provides for ratable reductions in case of insufficient appropriations.

New section 6221 provides definitions for use in Subpart 2 of Part B of Title VI which provides funding for the Low-Income and Rural School Program.

New section 6222 authorizes the Secretary of Education to make grants to state educational agencies that are located in rural communities and that have student populations of which 20 percent or more come from families with incomes below the poverty line.

New section 6223 describes the authorized uses of funds and provides that the state educational agency may distribute funds to local educational agencies on a competitive basis or on the basis of a formula based on the number of students in average daily attendance at the eligible local educational agency.

New section 6224 requires each state educational agency or local educational agency in a non-participating state to submit an application to the Secretary of Education. The application shall, at a minimum, include measurable goals and objectives, including specific goals and objectives relating to increased student academic achievement, decreased student drop out rates.

New section 6225 requires each state educational agency to prepare and submit to the Secretary an annual report that describes the method that funds were distributed to local educational agencies, how the funds were used by these agencies, and the degree to which the State made progress toward meeting the goals and objectives described in the application. The section also provides that a participating local educational agency that receives a grant under this subpart may not continue to participate if after five years it has not improved student academic achievement.

New section 6226 provides that funds shall be used to supplement and not supplant other Federal, State, or local education funds.

New section 6227 provides that no local educational agency may concurrently participate in both subpart I and subpart II.

Part C—Education Flexibility Partnerships

Section 6301—Short Title. Section 6301 cites part C as the Education Flexibility Partnership Act of 2000.

Section 6302—Definitions. Section 6302 defines eligible school attendance area, school attendance area, and State. These definitions apply to title VI, part C.

Section 6303—Education Flexibility Partnership. Section 6303(a) establishes the Educational Flexibility (Ed-Flex) Program.

Section 6303(b) describes the programs that are included under Ed-Flex.

Section 6303(c) describes waivers that are not authorized under Ed-Flex.

Section 6303(d) describes the treatment of existing Ed-Flex Partnership States.

Section 6303(e) requires the Secretary to publish a notice in the Federal Register which describes the Secretary's decision to authorize State educational agencies to issue waivers.

Part D—Flexibility in the Use of Administrative and Other Funds

Section 6401—Consolidation of State Administrative Funds for Elementary and Secondary Education Programs. Section 6401(a) establishes the process for a State educational agency to consolidate administrative funds if the State educational agency chooses the consolidation process.

Section 6401(b) establishes that a State educational agency may use consolidated administrative funds for activities that: strengthen coordination of programs; disseminate model programs and practices; and provide technical assistance.

Section 6401(c) provides for consolidated recordkeeping for State educational agencies that consolidate administrative funds.

Section 6401(d) requires the Secretary to review State educational agencies that consolidate administrative funds.

Section 6401(e) enables a State educational agency that does not use all of its administrative funds to use those remaining funds for program activities.

Section 6401(f) gives a State educational agency the ability to consolidate funds for standards and assessment development as described under title I of this Act.

Section 6402—Single Local Educational Agency States. Section 6402 requires a State educational agency that also serves as a local educational agency to describe how duplication of administrative functions will be eliminated.

Section 6403—Consolidation of Funds for Local Administration. Section 6403(a) establishes that a local educational agency may consolidate administrative funds.

Section 6403(b) requires the State educational agency to establish procedures for responding to requests from local educational agencies to consolidate administrative funds.

Section 6403(c) specifies the conditions for a local educational agency to consolidate administrative funds.

Section 6403(d) describes the use of administrative funds for a local educational agency that chooses to consolidate administrative funds.

Section 6403(e) provides for consolidated recordkeeping for local educational agencies that consolidate administrative funds.

Section 6404—Administrative Funds Evaluation. Section 6404(a) requires the Secretary to conduct an evaluation of State and local uses of administrative funds for programs covered under this act.

Section 6405—Consolidated Set-Aside for Department of the Interior Funds. Section 6405 establishes a transfer of funds mechanism to the Department of Interior for those consolidated funds pertaining to part A of title 9 and to subtitle B of title 7 of the Stewart B. McKinney Homeless Assistance Act.

Section 6406—Availability of Unneeded Program Funds. Section 6406(a) allows a local educational agency to transfer not more than 5 percent of a program's unused funds to another program.

Section 6406(b) enables a local educational agency, school, or consortium of schools to use not more than 5 percent of total funds for a coordinated services project.

Part E—Coordination of Programs; Consolidated State and Local Plans and Applications

Section 6501—Purpose. Section 6501 describes the purpose for coordinating and consolidating State and local plans and applications.

Section 6502—Optional Consolidated State Plans or Applications. Section 6502(a) establishes the authority for compiling consolidated State plans or applications.

Section 6502(b) requires the Secretary to collaborate with State educational agencies, local educational agencies, public and private entities, parents, students, and teachers to establish criteria and procedures for consolidated planning.

Section 6503 General Applicability of State Educational Agency Assurances. Section 6503(a) requires a State educational agency that submits a consolidated plan to have on file with the Secretary a single set of assurances that are applicable to each programs.

Section 6503(b) establishes that section 441 of the General Education Provisions Act does not apply to part E of title VI.

Section 6504—Additional Coordination. Section 6504(a) directs the Secretary to seek coordination of programs with other members of the Cabinet for the purpose of enhancing coordination and reducing administrative burdens.

Section 6505—Consolidated Local Plans or Applications. Section 6505(a) enables a local educational agency to submit a consolidated plan or application to a State educational agency.

Section 6505(b) specifies that a State educational agency that has submitted and had approved a consolidated State plan or application may require local educational agencies in the State to submit consolidated local plans.

Section 6505(c) requires a State educational agency to collaborate with local educational agencies in establishing procedures for the submission of consolidated plans and applications.

Section 6505(d) specifies that a State educational agency will require a local educational agency to submit only necessary material as part of its plan or application.

Section 6506—Other General Assurances. Section 6506(a) requires any applicant that submits a plan under this Act to have on file, with the State educational agency, a set of assurances for each program for which a plan or application has been submitted.

Section 6506(b) specifies that section 442 of the General Education Provisions Act does not apply to part E of title VI.

Section 6507—Relationship of State and Local Plans to Other Plans. Section 6507(a) specifies that each State plan submitted for part A of title I, part C of title I, title II, title IV, part A of title VI, and subpart 4 of part A of title IX shall be integrated with one another and the State's improvement plan.

Section 6507(b) specifies that each local educational agency plan submitted for part A of title I, title II, title IV, part A of title VI, subpart I of part A of title VII, part C of title VII, and subpart 4 of part A of title IX shall be integrated with one another.

Part F—Waivers

Section 6601—Waivers of Statutory and Regulatory Requirements. Section 6601(a) gives the Secretary waiver authority.

Section 6601(b) describes the waiver process. A State educational agency, local educational agency, or Indian tribe seeking a waiver will submit a waiver request to the Secretary that identifies the Federal programs affected by the waiver, describes which Federal requirements are to be waived and how the waiving will improve quality of instruction or improve student academic performance, (if applicable) describes which similar State and local requirements will be waived, describes specific outcomes for all students, and describes how schools will continue to provide assistance to the same populations served by programs for which waivers are requested.

Section 6601(c) specifies that the Secretary shall not waive certain statutory or regulatory requirements that pertain to the following: allocation of funds to States, local educational agencies, or other recipients; maintenance of effort; comparability of services; use of Federal funds to supplement (not supplant) non-Federal funds; equitable participation of private school students and teachers; parental participation and involvement; applicable civil rights requirements; charter school requirements; prohibitions regarding State aid or use of funds for religious worship or instruction; or the selection of a school attendance area or school under subsections (a) and (b) of section 1113 (except that the Secretary may grant a waiver to allow a school attendance area or school to participate in activities under part A of title I if the percentage of children from low-income families in the school attendance area of such school or who attend such school is not less than 10 percentage points below the lowest percentage of such children for any school attendance area or school within the local educational agency that meets the requirements of subsections (a) and (b) of title 1).

Section 6601(d) establishes that an approved waiver under this section may be for 3 years. The Secretary may extend the period of time for the waiver if the Secretary determines that the waiver has been effective and the waiver is in the public interest.

Section 6601(e) requires a local educational agency that receives a waiver under this section to submit a report to the State educational agency at the end of the second year and each subsequent year for which a waiver is received. This section also requires a State educational agency that receives local educational reports to submit a report to the Secretary . In addition, the Secretary is also required to submit a report to the House and Senate Education Committees summarizing the use of waivers and whether the waivers increased the quality of instruction or student academic performance.

Section 6601(f) authorizes the Secretary to terminate a waiver if the Secretary determines that the waiver has been inadequate or if the waiver is no longer necessary to achieve its original purposes.

Section 6601(g) requires that a notice of the Secretary's decision to grant each waiver will be published in the Federal Register.

Part G—Education Performance Partnerships

New section 6701—Short Title. This section provides that the short title of part G is the "Education Performance Partnerships Act."

New section 6702—Purpose. This section states that the purpose of the part is to improve the academic achievement of all students

by providing States and localities with maximum flexibility in exchange for accountability for increasing academic achievement and narrowing achievement gaps between the lowest and highest performing groups of students.

New section 6703—Performance Partnership Agreements. New section 6703(a) provides each State with the option to execute a performance partnership agreement with the Secretary.

New section 6703(b) provides that the State Governor, in consultation with the individual or body responsible under State law for education programs, will determine whether or not the State participates.

New section 6703(c) provides that the Secretary will approve a performance partnership agreement unless the Secretary provides written notification within 60 days that portion of the agreement do not comply with the provisions of part G. The section provides for negotiation in the event that such notification is provided, with the negotiation to be completed within 4 months. This period may be extended for 30 days if both the Secretary and the State agree to the extension. If negotiations are not completed within this time frame, the partnership agreement will be subject to peer review. A State may also request peer review in cases where the agreement is rejected by the Secretary. The peer review committee is to be composed of 7 members: 2 appointed by the State, 2 appointed by the Secretary, and 3 appointed by the National Academy of Sciences. The committee is to make advisory recommendations within 60 days. The Secretary is to make a decision within 30 days of receiving the recommendations, although negotiations may continue for as long as the Secretary and State agree.

New section 6703(d) provides that: (1) the term of the partnership agreement may not exceed 5 years; (2) no program requirement of any program included in the agreement will apply unless specifically provided for in part G; (3) the State must provide a list of the programs it wishes to include in the agreement; (4) the State must provide a 5-year plan (which is aligned with the State's reform plan) for using funds from the programs included in the agreement to advance the education priorities of the State, to improve student achievement, and to narrow achievement gaps; (5) the State must provide the opportunity for public review and comment prior to submission of the agreement to the Secretary; (6) if part A of title I programs are included in the agreement, the State must have: (A) implemented the State standards and assessments described in title I or a system to measure the degree of change from 1 school year to the next on aligned assessments, (B) provided for disaggregation of assessment data at the State, local educational agency, and school levels by race, ethnicity, English proficiency status, and socioeconomic status, (C) established specific and measurable student performance objectives, and (D) implemented a statewide system for holding local educational agencies and schools accountable for student performance which includes provisions related to school improvement, technical assistance, and corrective action; (7) the State must establish student performance goals which meet specified minimum requirements, including a requirement that all students participating in a program included in the partnership agreement make substantial gains in achievement,

and must maintain the same performance standards and aligned assessments throughout the term of the agreement; (8) the State must issue a report no later than 2 years after entering into the partnership agreement and annually thereafter which includes disaggregated student performance data and a description of how funds have been used to improve student performance and reduce achievement gaps; (9) the State must have been in compliance with the requirements of the Elementary and Secondary Education Act as they existed prior to the enactment of the Educational Opportunities Act; and (10) the State must provide assurances of fiscal control and fund accounting, an implementation schedule, and a timeline for reporting student performance data.

New section 6703(e) provides that a State may modify its performance partnership agreement. The requirement that the State maintain the same performance standards and aligned assessments throughout the term of the agreement may not be amended. Modifications to withdraw or include programs or to add a new performance objective must be approved by the Secretary. Any other term of the agreement may be modified by the State at its discretion.

New section 6704—Treatment of Eligible Programs under Agreements. New section 6704(a) provides that the following programs may be included in the performance partnership agreement: (1) Improving Basic Programs Operated by Local Educational Agencies (part A of title I); (2) Even Start (part B of title I); (3) Education of Migratory Children (part C of title I); (4) Demonstrations of Innovative Practices (section 1502); (5) Teacher Empowerment Grants to States, Subgrants to Eligible Partnerships, and Subgrants to Local Educational Agencies (subparts 1, 2, and 3 of part A of title II); (6) Initiatives for Neglected, Delinquent, or At Risk Students (part B of title III); (7) Technology Literacy Fund (section 5132); (8) Innovative Education (title VI); (9) Emergency Immigrant Education (part C of title VII); (10) any other State formula grant program authorized under the Elementary and Secondary Education Act which was not in effect prior to the date of enactment of the Educational Opportunities Act; (11) Class-Size Reduction (section 310 of the Department of Education Appropriations Act, 2000); (12) State and Local Education Systemic Improvement (title III of the Goals 2000: Educate America Act); and (13) Education for Homeless Children and Youth (subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act).

New section 6704(b) provides that States must comply with any statutory or regulatory requirement applicable to a program included in the partnership agreement relating to maintenance of effort, comparability of services, equitable participation of private school students and professional staff, parental participation and involvement, the serving of eligible school attendance areas in rank order under section 1113(a)(3), the selection of a school attendance area or school under section 1113 except in cases where the percentage of low-income children in the area or school is at least 10 percentage points below the percentage of such children served by the local educational agency, supplement-not-supplant, and applicable civil rights requirements.

New section 6704(c) provides that a State may combine funds from any or all of the programs listed in subsection (a) without re-

gard to program requirements unless otherwise provided in part G. In addition, formulas for the distribution of Federal funds to the States will remain the same.

New section 6704(d) provides an illustrative list of educational activities for which funds may be used under a performance partnership agreement.

New section 6705—Local Participation in Agreements. New section 6705 provides that any local educational agency located in a State which does not enter into a performance partnership agreement may submit its own agreement. The State must agree to the local educational agency's proposal. The local educational agency is to meet the same requirements as a State applicant, with the exception of provisions relating to the intra-state distribution of funds and the use of funds for State administrative activities.

New section 6706—Within State Distribution of Funds. With the exception of part A of title I funds, a State may distribute funds from programs included in the agreement to local educational agencies in any way provided by the State law or constitution. Part A of title I funds are to be distributed within the State in accordance with the requirements of Federal law.

New section 6707—State Administrative Expenditures. New section 6707 provides that a State may retain 1 percent of title I funds (if applicable) for administrative purposes. For non-title I programs included in the agreement, the State may retain for administrative purposes the same amount provided in the preceding school year, with gradual annual reductions in that amount leading to a limit of 5 percent in the fifth year of the program and any subsequent renewal of the program. A State may use up to 7 percent of non-title I funds for administrative and nonadministrative expenses associated with state- or district-wide initiatives directly affecting classroom learning. A local educational agency may not use more than 5 percent of funds for administration.

New section 6708—Performance Review. The Secretary is to prepare a written performance review at the end of the third year of a State's performance partnership agreement. The review is to include recommendations for improvement in cases where the State has failed to carry out requirements of the agreement, to implement an accountability system, or to make adequate progress in improving student performance. In these cases, the Secretary is to conduct a second performance review the following year. If the problems persist, the Secretary may either withhold a percentage of State administrative funds or terminate the agreement. If student achievement in the State has declined significantly, the Secretary is to terminate the agreement unless the State can demonstrate that the decline was based on exceptional or uncontrollable circumstances.

New section 6709—Renewal of Performance Partnership Agreement. A State which wishes to renew a partnership agreement must notify the Secretary at least 6 months prior to the end of the agreement. The Secretary is to renew the agreement for another 5–year term if the State submits required data showing that the State has made substantial progress toward meeting its performance goals.

New section 6710—Closing the Achievement Gap Bonus Awards. New section 6710(a) requires the Secretary to provide bonus awards to States which make significant progress in eliminating achievement gaps by raising the achievement levels of the lowest performing student groups. A State is eligible for a bonus award whether or not it participates in a performance partnership agreement.

New section 6710(b) establishes State eligibility requirements, which include the use of the National Assessment of Educational Progress tests for the 4th and 8th grade levels or another non-State auditing device to measure student academic progress. A State which reduces the achievement gap between its lowest and highest performing students in at least 3 of the 4 measured categories (math and English at the 4th and 8th grade levels) by a percentage that exceeds the national average will receive a bonus award.

New section 6710(c) establishes procedures for determining the national average and individual State reductions in the achievement gap. In both cases, the Secretary is to compare the baseline and final levels of achievement of students eligible for free and reduced-price school lunches with that of all other students in each of the 4 categories. The baseline is set by test scores during the 2001–2002 academic year, and the final level is set by test scores during the fifth academic year in which performance partnerships are formed. A reduction in the achievement gap resulting from a reduction in the achievement levels of the highest performing students will not qualify a State to receive a bonus award.

New section 6710(d) provides that the Secretary is to review the improvement a State has made in closing the achievement gap as measured by State assessments.

New section 6710(e) provides that bonus award amounts will be based on the number of individuals in a State between the ages of 5 and 17 with family incomes below the poverty line relative to the total number of such individuals in all States.

New section 6710(f) provides for a directed appropriations of $2.5 billion for the fifth full fiscal year for which performance partnership agreements are made under this part.

New section 6711—Performance Report. This section provides that the Secretary will submit to the appropriate congressional committees each annual State report within 60 days of receipt of the report.

Part H—Academic Achievement for All Demonstration

New section 6801—Short Title. This section provides that the short title of part H is "Academic Achievement for All Demonstration Act (Straight A's Act)".

New section 6802—Purpose. This section states that the purpose of the part is to improve the academic achievement of all students, improve teacher quality, and empower parents by giving States and localities maximum freedom and holding them accountable for boosting achievement and narrowing the achievement gap.

New section 6803—Performance Agreement. New section 6803(a) provides that up to 15 States may execute a performance agreement with the Secretary. The first 15 States with approvable agreements will participate.

New section 6803(b) requires States to provide notice and opportunity for comment on any proposed performance agreement as provided under State law.

New section 6803(c) provides that the performance agreement will be considered approved 60 days after its receipt by the Secretary unless the Secretary provides a written determination within that time that the agreement does not meet the requirements of part H.

New section 6803(d) provides that: (1) the term of the partnership agreement will be 5 years; (2) no program requirement of any program included in the agreement will apply unless specifically provided for in part H; (3) the State must provide a list of the programs it wishes to include in the agreement; (4) the State must provide a 5-year plan for using funds from the programs included in the agreement to advance the education priorities of the State, to improve student achievement, and to narrow achievement gaps; (5) if any title I programs are included in the agreement, the State must have: (A) implemented the State standards and assessments described in title I or a system to measure the degree of change from 1 school year to the next, (B) developed and implemented a statewide accountability system, (C) provided for disaggregation of assessment data at the State, local educational agency, and school levels by race, ethnicity, gender, English proficiency status, migrant status, and economically disadvantaged students compared to other students, (D) established specific, measurable, numerical student performance objectives—including a definition of the proficient level, and (E) implemented a statewide system for holding local educational agencies and schools accountable for student performance which includes provisions related to school improvement, technical assistance, and corrective action; (6) if part A of title I is included in the performance agreement, the State must establish annual student performance goals which: (A) establish a single high standard for all students, (B) take into account the progress of students in all local educational agencies and schools in the State, (C) are based on State standards and assessments, (D) include specific annual improvement goals in each subject and grade included in the State assessment, (E) compare the proportions of students at levels of performance with those in the same grade level during the previous school year, (F) include annual numerical goals for improving the performance of each group for which disaggregated data is collected and for narrowing the achievement gap, and (G) require all students to make substantial gains in achievement; (7) the State must maintain the same performance standards and aligned assessments throughout the term of the agreement; (8) the State must provide assurances of fiscal control and fund accounting; (9) the State must meet the requirements of applicable civil rights laws; (10) the State must assure the equitable participation of private school students and staff; (11) the State must not reduce State funding for elementary and secondary education during the term of the agreement; (12) the State must issue and widely disseminate a report no later than 1 year after entering into the performance agreement and annually thereafter which includes disaggregated student performance data and a description of how

funds have been used to improve student performance and reduce achievement gaps.

New section 6803(e) provides that, if a State does not include part A of title I funds in its performance agreement, it must develop a system to measure the academic performance of all students and establish academic performance goals which: (A) establish a single high standard for all students, (B) take into account the progress of students in all local educational agencies and schools in the State, (C) are based on State standards and assessments, (D) include specific annual improvement goals in each subject and grade included in the State assessment, (E) compare the proportions of students at levels of performance with those in the same grade level during the previous school year, and (F) require all students to make substantial gains in achievement. The performance goals do not have to include annual numerical goals for improving the performance of each group for which disaggregated data is collected or for narrowing the achievement gap.

New section 6803(f) provides that a State may amend its performance agreement to withdraw or add programs or to add a new performance objective if the amendment is approved by the Secretary. The amendment will be considered approved 60 days after its receipt by the Secretary unless the Secretary provides a written determination within that time that the amendment does not meet the requirements of part H.

New section 6803(g) provides that a State or local educational agency may not enter into agreements under both parts G and H. A local educational agency may not enter into an agreement under either part if the agency is located in a State which has agreement under either part G or H.

New section 6804—Eligible Programs. New section 6804(a) provides that the following programs may be included in a performance agreement: (1) Improving Basic Programs Operated by Local Educational Agencies (part A of title I); (2) Even Start (part B of title I); (3) Education of Migratory Children (part C of title I); (4) Teacher Empowerment Grants to States, Subgrants to Eligible Partnerships, and Subgrants to Local Educational Agencies (subparts 1, 2, and 3 of part A of title II); (5) Initiatives for Neglected, Delinquent, or At Risk Students (part B of title III); (6) Technology Literacy Fund (section 5132); (7) Innovative Education (title VI); (8) Emergency Immigrant Education (part C of title VII); (9) Class-Size Reduction (section 307 of the Department of Education Appropriations Act of 1999); (10) Demonstrations of Innovative Practices (section 1502 as described on pages 96–99 of House Report 105–390); (11) Vocational Education Assistance for the Outlying Areas, Native American Program, State Provisions, and Local Provisions (sections 115 and 116, and parts B and C of title I of the Carl D. Perkins Vocational Technical Education Act); and (12) Education for Homeless Children and Youth (subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act).

New section 6804(b) provides that a State may combine funds from any or all of the programs listed in subsection (a) without regard to program requirements except that the proportion of funds made available for national programs and formulas for the distribution of Federal funds to the States will remain the same.

New section 6704(c) provides that funds may be used under a performance partnership agreement for any elementary and secondary educational purposes permitted by State law.

New section 6805—Within-State Distribution of Funds. The Governor and State legislature or, if applicable, the individual or entity responsible for education under the State constitution or law will determine how funds from programs included in the agreement will be distributed to local educational agencies. The State must provide for notice and opportunity to comment on the proposed allocation of funds. If part A of title I funds are included in the agreement, the State must provide each local educational agency an amount at least equal to the part A funds the agency received in the fiscal year preceding the one in which the performance agreement took effect.

New section 6806—Local Participation. New section 6806 provides that any local educational agency located in a State which does not enter into a performance agreement may submit its own agreement. The State must agree to the local educational agency's proposal. The local educational agency is to meet the same requirements as a State applicant, with the exception of provisions relating to the intra-state distribution of funds and the use of funds for State administrative activities.

New section 6807—Limitations on State and Local Educational Agency Administrative Expenditures. New section 6807 provides that a State may retain for administrative purposes 1 percent the funds for programs included in the agreement if part A of title I funds are included. If part A of title I funds are not included in the agreement, the State may retain 3 percent of funds for administrative purposes. A local educational agency may use 4 percent of funds for administration.

New section 6808—Performance Review and Penalties. This section provides that the Secretary may terminate the agreement if student achievement in a State declines for 3 consecutive years. The Secretary must terminate the agreement if the State has not substantially met its performance goals at the end of the 5-year term. In cases where a State has made no progress at all by the end of the term, the Secretary may reduce up to half of State administrative funds for the programs included in the agreement in each of the 2 years following termination of the agreement.

New section 6809—Renewal of Performance Agreement. A State which wishes to renew a performance agreement must notify the Secretary at least 6 months prior to the end of the agreement. The Secretary is to renew the agreement for another 5-year term if the State submits required data showing that the State has made, met or made substantial progress toward meeting its performance goals.

New section 6810—Achievement Gap Reduction Rewards. New section 6810(a) mandates the Secretary to set aside sufficient funds under the Fund for the Improvement of Education to reward States that make significant progress in eliminating achievement gaps by the end of the term of their performance agreement. The reward amount is not less than 5 percent of the funds received by the State for programs included in the agreement during the first year the agreement was in place.

New Section 6810(b) provides that a State is entitled to the reward if, over the 5-year term of the agreement, the State either: (1) reduces by at least 25 percent the difference between the percentage of the highest and lowest performing groups of students for which data is disaggregated that meet the State's proficient level of performance in at least two content areas and at least two grade levels or (2) increases by 25 percent the proportion of two or more groups of students for which data is disaggregated that meet the proficient level. One of the two content areas must be math or reading.

New section 6810(c) provides that a reduction in the achievement gap resulting from a decrease in the average performance of the highest performing quintile of students will not qualify a State to receive a reward.

New section 6811—Straight A's Performance Report. This section provides that the Secretary will submit to the appropriate congressional committees each annual State report within 60 days of receipt of the report.

New section 6812—Applicability of Title X. This section states that the provisions of part H are to be construed to supersede the provisions of Title X of the Elementary and Secondary Education Act (General Provisions).

New section 6813—Applicability of General Education Provisions Act. This section states that the provisions of part H are to be construed to supersede the provisions of the General Education Provisions Act—with the exception of provisions dealing with civil rights, the withholding of funds and enforcement authority, and family educational and privacy rights.

New section 6814—Applicability to Home Schools. This section states that nothing in part H shall be construed to affect home schools whether or not a home school is treated as a private school or home school under State law.

New section 6815—General Provisions Regarding Non-Recipient, Nonpublic Schools. This section states that nothing in part H shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school.

New section 6816—Definitions. This section provides definitions for the terms "all students" and "State."

New section 6817—Effective date. This section provides an effective date of October 1, 2000.

Title VIII—Bilingual Education

Section 701—Purpose. Section 701 amends section 7102 of the act to strike the heading and inserting a new purpose which is to promote systemic improvement for educational programs serving limited English proficient students.

Section 702—Authorization of Appropriations. Section 702 amends section 7103(a) of the act to authorize a funding level of $300 million for fiscal year 2001.

Section 703—Repeal of Program Development and Implementation Grants. Section 703 repeals section 7112 of the act.

Section 704—Program Enhancement Projects. Section 704(a) amends section 7113 of the act to establish a new purpose for the Program Enhancement Projects, which: provide grants to entities

for locally designed, high quality instruction to children and youth of limited English proficiency; help children and youth develop English language proficiency; and help children and youth in attaining the standards established under section 1111(b) of this act.

Section 704(b) amends section 7113(b) of the act to authorize the activities for Program Enhancement projects which shall include: developing comprehensive preschool, elementary, or secondary education programs for limited English proficient children and youth; providing high quality professional development; and annually assessing the English proficiency of all limited English proficient students. Other activities may include: upgrading reading and other academic skills; developing accountability systems to monitor academic progress of limited English proficient and formerly limited English proficient students; implementing family education programs; acquiring and applying effective instructional materials; providing intensified instruction; adapting best practice models; assisting limited English proficient students with disabilities; and implementing applied learning activities.

Section 704(c) amends section 7113 of the act to authorize the Secretary, if the Secretary so chooses, to give priority in awarding grants to an entity that serves a school district with a total enrollment of less than 10,000 students or has a large percentage or number of limited English proficient students; and has limited or no experience in serving limited English proficient students.

Section 705—Comprehensive School and Systemwide Improvement Grants. Section 705 amends section 7114 of the act to list the purposes of the Comprehensive School and Systemwide Improvement Grants. The purposes are to: provide financial assistance to schools and local educational agencies for implementing bilingual education programs; assist limited English proficient students in meeting the standards established under section 1111(b); and improve instructional programs in schools and local educational agencies that serve significant percentages of students with limited English proficiency or significant numbers of students.

New Section 7114(b) specifies that grants awarded under this section shall be used for: improving instructional programs for limited English proficient students; aligning activities with State and local school reform efforts; providing training to improve instruction and assessment of limited English proficient students; implementing culturally and linguistically appropriate family education programs; coordinate training activities with title II of the Higher Education Act; coordinate activities with other programs; providing services to meet the full range of the educational needs of limited English proficient students; annually assessing the English proficiency of limited English proficient students; and developing accountability systems. This section also lists several permissible activities.

New Section 7114(c) specifies the reservation of funds for payments.

Section 706—Repeal of Systemwide Improvement Grants. Section 706 repeals section 7115 of the act.

Section 707—Applications. Section 707(a) amends section 7116(b) of the act to make technical changes.

Section 707(b) amends section 7116(f) of the act to require that an application includes a documentation that qualified personnel will administer the program proposed in the application.

Section 707(c) amends section 7116(g) of the act to require that a grant application include data on the number and the characteristics of the limited English proficient students to be served under the proposed grant.

Section 707(d) amends section 7116(i) of the act to include a priority provision. Under this provision, the Secretary shall give priority to a grant applicant who: experiences a dramatic increase in the number or percentage of limited English proficient students enrolled in the applicant's programs and has limited or no experience in serving limited English proficient students; is a local educational agency that serves a school district that has a total district enrollment of less than 10,000 students; demonstrates that the applicant has a proven record of success in helping limited English proficient children and youth learn English and meet high academic standards; proposes programs that provide for the development of bilingual proficiency in English and another language; or serves a school district with a large percentage or number of limited English proficient students.

Section 708—Repeal of Intensified Instruction. Section 708 repeals section 7117 of the act.

Section 709—Repeal of Subgrants, Priority, and Coordination Provisions. Section 709 repeals sections 7119 through 7121 of the act.

Section 710—Evaluation. Section 710 amends section 7123 of the act to require each grant recipient to conduct an evaluation which will review the progress of the recipient in achieving the objectives of the program and determine whether the students being served by the program are meeting the State's student performance standards.

Section 711—Research. Section 711 amends section 7132(c)(1) of the act to make technical changes.

Section 712—Academic Excellence Awards. Section 712 amends section 7133 to authorize the Secretary to make grants to State educational agencies to assist in recognizing local educational agencies and other public and nonprofit entities whose programs have demonstrated significant progress in assisting limited English proficient students to learn English and achieving the content standards. Each State seeking a grant shall submit an application.

Section 713—State Grant Program. Section 713(a) amends section 7134(b) of the act to increase the funding level to $200,000.

Section 713(b) makes technical amendments to section 7134(c) and adds a new use of funds which specifies that a State educational agency will assist local educational agencies with program design and data collection.

Section 714—National Clearinghouse. Section 714 amends section 7135(b) of the act to make technical amendments.

Section 715—Instructional Materials Development. Section 715 amends section 7136 of the act to add other low-incidence languages to this section.

Section 716—Training for All Teachers Program. Section 716 amends section 7142(b) and (c) of the Act to add a list of activities

which grantees may use to conduct high-quality professional development activities. These activities include: developing induction programs; implementing school-based collaborative efforts; coordinating activities with other programs; implementing education technologies to improve instruction; establishing professional networks; and developing curricular materials.

Section 717—Graduate Fellowships. Section 717 amends section 7145(a) to make technical amendments.

Section 718—Repeal of Program Requirements. Section 718 repeals section 7147 of the act.

Section 719—Program Evaluations. Section 719 amends section 7149 of the act to specify that the evaluation shall provide information regarding the number of participants, the effectiveness of the program, and the teaching effectiveness of graduates of the program.

Section 720—Special Rule. Section 720 amends section 7161 of the act to make technical changes.

Section 721—Repeal of Finding Relating to Foreign Language Assistance. Section 721 repeals section 7202 of the act.

Section 722—Foreign Language Assistance Applications. Section 722 amends section 7204(b) of the act to add references to technology, foreign language immersion and encouraging the formation of a consortium.

Section 723—Emergency Immigrant Education Purpose. Section 723 amends section 7301 of the act to make technical amendments.

Section 724—Emergency Immigrant Education State Administrative Costs. Section 724 amends section 7302 of the act to change the percentage to 2 percent if the State educational agency distributes funds to local educational agencies competitively.

Section 725—Conforming Amendment. Section 725 amends section 7304(a) of the act to make a conforming amendment.

Section 726—Emergency Immigrant Education Authorization of Appropriations. Section 726 amends section 7309 of the act to increase the authorization to $200 million for fiscal year 2001.

Section 727—Coordination and Reporting Requirements. Section 727 amends section 7405(d) of the act make a technical change.

Title VIII—Impact Aid

Section 801—Short Title. Section 801 of the bill designates the short title of title VIII as the "Impact Aid Act".

Section 802—Purpose. Section 802 of the bill amends section 8001 of the act to delete the reference in the purpose to sudden and substantial increases or decreases in enrollments because of military realignments, as authority for such payments is repealed in the bill.

Section 803—Payments Relating to Federal Acquisition of Real Property. Section 803(1) of the bill amends section 8002(a) of the act to change the fiscal year reference from October 1, 1999, to October 1, 2005.

Section 803(2) of the bill amends section 8002(b) of the act to: strike the provision providing for a ratable reduction in payments to local educational agencies in the event that appropriations are insufficient to make full payment and replace it with a reference to the calculations specified in subsection (h); and to provide that

a local educational agency may not receive in combined payments under sections 8002 and 8003(b) an amount which exceeds the maximum amount for which the agency is eligible under either section individually—with the payment cap set at the greater of the two amounts.

Section 803(3) of the bill amends section 8002(h) of the act to repeal the current hold-harmless provisions and replace them with provisions dealing with the distribution of funds if appropriations are insufficient. These new provisions include the establishment of a "foundation payment" equal to 37 percent of the full entitlement of local educational agencies eligible to receive funds between 1989 and 1994. The funds remaining between the fiscal year 1995 appropriations level ($16.3 million) and the amount needed for the foundation payment is to be prorated among eligible districts based on each district's percentage of the total assessed value of all section 8002 districts, in accordance with the "highest and best" formula included in the 1994 amendments. Funding is then to be provided for the "special needs" districts described in subsection (i), in an amount not to exceed $1.2 million. Seventy-five percent of the funds in excess of $17.5 million are to be allocated under the "highest and best" formula, and the remaining 25 percent to increase funding above the foundation payment.

Section 803(4) of the bill amends section 8002(i) of the act to provide that the special needs districts described in the subsection may receive an increased payment under section 8002 in fiscal years where appropriations exceed the fiscal year 1996 level. Total payments to special needs districts may not exceed $1.2 million.

Section 803(5) of the bill amends section 8002(j) of the act to update the reference to the authorization of appropriations, to correct drafting errors, and to delete language relating to the distribution of funds in the event that appropriations for subsection (j) fall below or exceed the maximum amount a local educational agency is eligible to receive under the subsection.

Section 803(6) of the bill amends section 8002 of the act by adding new subsections (l) and (m). New subsection (l) requires any local educational agency applying for a payment under section 8002(b) to submit expeditiously the data required to compute the payment and requires the Secretary to make a preliminary payment of 60 percent of the amount received by a local educational agency in the previous year no later than 60 days following enactment of appropriations (provided that the local educational agency has submitted to the Secretary all data necessary for computation of its payment). In addition, that the Secretary is to make every effort to provide final payments no later than 12 months following the application deadline. New subsection (m) establishes a 5–year time frame following Federal acquisition of property in which districts may apply for section 8002 payments.

Section 804—Payments for Eligible Federally Connected Children. Section 804(a)(1)(A) of the bill amends section 8003(a)(2) of the act to increase from .10 to .25 the weight assigned to children who have a parent who is on active duty in the uniformed services or is an official of a foreign government and is a foreign military officer, but do not reside on Federal property.

Section 804(a)(1)(B) of the bill amends section 8003(a)(4) of the act to institute a maximum 3-year time limit for current law provisions which permit military dependents living off-base to be counted as on-base students in situations where their base housing is being renovated and to clarify that the rebuilding of on-base housing will be treated in the same manner as renovation.

Section 804(a)(1)(C) of the bill amends section 8003(a) of the act by adding a new paragraph (5) which permits military dependents to be counted as on-base students if they reside in housing initially acquired or constructed under the "Build to Lease" program if the property is within the fenced security perimeter of the military facility. If the property is subject to taxation, the impact aid payment to the local educational agency will be reduced by the amount of revenues received from the property taxes.

Section 804(a)(2) of the bill amends section 8003(b)(1) of the act by adding a new subparagraph (D) which provides that, in calculating a local educational agency's maximum payment amount, the Secretary shall use data from the most recent fiscal year for which satisfactory data is available in instances where data from the third preceding fiscal year are not available for State or national average per-pupil expenditures.

Section 804(a)(3) of the bill amends section 8003(d) of the act to indicate that a local educational agency receiving funds under subsection (d) is to use those funds to provide services in accordance with the Individuals with Disabilities Education Act.

Section 804(a)(4) of the bill amends section 8003(e) of the act to replace the current hold-harmless provisions with a hold-harmless based on based on a per-weighted-student-unit basis. Under the hold-harmless, each local educational agency will receive the same amount per weighted student as it did in the prior year. Amounts to a local educational agency could decrease if its weighted student count drops, if it has a reduced Learning Opportunity Threshold, if its local contribution rate drops, or if a decrease in appropriations leads to proration.

Section 804(a)(5) and (6) of the bill amends section 8003 of the act to strike subsections (f) and (g) and to redesignate subsections (h) and (i) as (f) and (g), respectively. Current-law subsection (f) deals with additional assistance for heavily impacted local educational agencies. Under the bill, payments to these local educational agencies will be made through section 8003(b)(2). Current-law subsection (g) deals with additional payments for local educational agencies with high concentrations of children with severe disabilities.

Section 804(b) of the bill amends section 8003(b) of the act by redesignating paragraphs (2) and (3) as (3) and (4), respectively, and creating a new paragraph (2) which folds into the basic payment structure the payments for heavily impacted local educational agencies currently authorized under subsection (f), consistent with the provisions of a pilot program which has been in operation for the past 2 years.

New section 8003(b)(2)(A) provides that heavily impacted districts will receive payments under section 8003(b)(2), in lieu of basic support payments under section 8003(b)(1).

New section 8003(b)(2)(B) describes heavily impacted local educational agencies as those which received assistance under the current subsection (f) and which meet one of the following criteria: (1) are coterminous; (2) have an enrollment of at least 35 percent federally connected children, have a tax rate at least 95 percent of the State average, and (if student enrollment exceeds 350) have a per-pupil expenditure below State average; (3) have an enrollment of at least 30 percent federally connected children and have a tax rate at least 125 percent of the State average; (4) have a student enrollment of at least 25,000, at least 50 percent of whom are federally connected, and at least 6,000 of whom are military or civilian on-post students; or (5) meet the requirements of current-law subsection (f)(2). In order to avoid delays in the issuance of payments to eligible local educational agencies, the bill provides for a 1–year delay in instances where a local educational agency either loses or resumes eligibility for payment as a heavily impacted district.

New section 8003(b)(2)(C) provides that local educational agencies which have not received assistance under the current subsection (f) authority may receive payments under section 8003(b)(2) in fiscal year 2002 or subsequent fiscal years if they meet one of the following criteria: (1) are coterminous; or (2) have an enrollment of at least 50 percent federally connected children if the district receives payment for children who have a parent who is on active duty in the uniformed services or is an official of a foreign government and is a foreign military officer but do not reside on Federal property or an enrollment of at least 40 percent federally connected children if the district does not receive payment for such children, have a tax rate at least 95 percent of the State average, and (if student enrollment exceeds 350) have a per-pupil expenditure below State average or (if student enrollment is below 350) have a per-pupil expenditure below comparable local educational agencies. A 1–year delay is provided in instances where a local educational agency loses, gains, or resumes eligibility for payment as a heavily impacted district.

New section 8003(b)(2)(D) provides for the calculation of maximum payment amounts for regular heavily impacted local educational agencies. (Regular heavily impacted local educational agencies are those described in subparagraphs (B) and (C), with the exception of those with a student enrollment of at least 25,000, at least 50 percent of whom are federally connected, and at least 6,000 of whom are military or civilian on-post students.) The local contribution rate for these agencies is to be calculated on the basis of the greater of four-fifths of average State per-pupil expenditures or four-fifths of average national per-pupil expenditures. The determination of weighted student units is the same as that provided for subsection (b)(1) payment calculations, with the following special provisions: (1) districts with an enrollment of at least 35 percent of children who have a parent who is on active duty in the uniformed services or is an official of a foreign government and is a foreign military officer but do not reside on Federal property or who live in low-income housing may assign a weight of .55 to those students; (2) districts with a total enrollment 100 or fewer federally connected students may assign a weight of 1.75 to such students; and (3) districts with total enrollment of more than 100 but less

than 750 federally connected students may assign a weight of 1.25 to such students. Finally, regular heavily impacted local educational agencies may count all federally connected students in the calculation of the maximum payment amount.

New section 8003(b)(2)(E) provides for the calculation of maximum payment amounts for large heavily impacted local educational agencies. Large heavily impacted local educational agencies are those with a student enrollment of at least 25,000, at least 50 percent of whom are federally connected, and at least 6,000 of whom are military or civilian on-post students. The maximum payment amounts for these agencies will be calculated on the same basis as basic payments under section 8003(b)(1), except that a weight of 1.35 will be assigned to children who are military or civilian on-post students.

New section 8003(b)(2)(F) provides that the Secretary shall use student, revenue, expenditure, and tax data from the third preceding fiscal year in providing payments to heavily impacted local educational agencies.

Section 804(c) of the bill amends section 8003(b)(3) [as redesignated] of the act to provide that the Learning Opportunity Threshold of all heavily impacted local educational agencies will be 100.

Section 804(d) of the bill amends section 8003 of the act to make conforming changes.

Section 804(e) of the bill provides that the new time limits included in the section 8003(a)(4) provisions relating to the renovation or rebuilding of base housing will apply to payments made beginning on or after the date of enactment of the Educational Opportunities Act.

Section 805—Sudden and Substantial Increases in Attendance of Military Dependents. Section 805 of the bill repeals section 8006 of the act.

Section 806—School Construction and Facility Modernization. Section 806 of the bill amends section 8007 of the act to expand the authority for construction and facility modernization assistance, focusing on schools serving large proportions of federally connected students in districts which have no bonding authority or are at their limit for bonded indebtedness. Twenty percent of funds are reserved for the current-law construction authority, and the remaining funds are made available for the new school modernization provisions contained in section 8007A.

Section 806(a) of the bill amends section 8007 of the act to provide that 20 percent of the funds appropriated for school construction and facility modernization be made available to current recipients on the same basis provided in current law. The current-law exclusion of children attending a school assisted or provided by the Secretary under section 8008 from being counted in the calculation of payments under section 8007 is revised to permit such children to be counted in fiscal years in which the Secretary does not provide assistance to the schools they attend.

Section 806(b) of the bill establishes a new section 8007A to provide assistance for school facility modernization.

New section 8007A(a) provides that 80 percent of the funds appropriated for school construction and facility modernization be

made available for activities authorized under the section. Of that amount:

Forty-five percent is to be made available to local educational agencies which receive Federal property payments under section 8002 and have assessed taxable property values below the State average or which have an enrollment of at least 25 percent of children who reside on Indian lands.

Forty-five percent is to be made available to local educational agencies which have an enrollment of at least 25 percent of children whose parents both work and live on Federal property or whose parents are active-duty military but do not live on Federal property. Modernization funds may be used only for schools within the local educational agency which enrol at least 50 percent federally connected children.

Ten percent is to be made available to local educational agencies which have an enrollment of at least 50 percent of children who reside on Indian lands and which have a facility emergency that poses a health or safety hazard.

New section 8007A(b) establishes eligibility requirements. In addition to meeting one of the criteria described above, a local educational agency must have no capacity to issues bonds or be at its limit in bonded indebtedness for the purpose of generating funds for capital expenditures. Heavily impacted local educational agencies are deemed to have met this requirement.

New section 8007A(c) sets out the criteria the Secretary is to use in awarding facility modernization grants. The Secretary is to consider 1 or more of the following factors: lack of fiscal capacity; extent to which property is nontaxable; extent to which federally connected children are served; need for modernization to address safety concerns, overcrowding, or needs resulting from actions of the Federal Government; and age of the facility.

New section 8007A(d) provides that, in determining the amount of the grant award, the Secretary must consider the cost of modernization and the ability of the local educational agency to carry it out. Subsection (d) also requires a local match of 50 percent (in cash or in-kind) and caps at $3 million the amount a local educational agency can receive during any 5-year period.

New section 8007A(e) sets out local application requirements. The application for grant support must include: documentation of the lack of bonding capacity; descriptions of the facilities to be modernized, the number of federally connected children in those facilities, the ownership of the property, any health or safety hazard, and the planned modernization activities; and a cost estimate of the project.

New section 8007A(f) includes special provisions related to the emergency grants for which 10 percent of Section 8007A funds are reserved. In addition to the application requirements included in subsection (e), an applicant must provide certification of a health or safety deficiency. Emergency grants are not subject to local-match requirements or to the $3 million cap. Priority will be given to grants based on when an application was received and the severity of the emergency. The application of a local educational agency which does not receive assistance will be carried over for consideration in the following fiscal year.

New section 8007A(g) establishes general limitations regarding grant funds, which include a prohibition on use of funds for real property or for athletic and similar school facilities. All projects must comply with environmental laws and regulations.

New section 8007A(h) provides that Federal funds will supplement, not supplant, non-Federal resources for school facility modernization.

Section 807—State Consideration of Payments in Providing State Aid. Section 807 of the bill amends section 8009 of the act to delete obsolete references.

Section 808—Federal Administration. Section 808 of the bill amends section 8010 of the act to delete a special rule which applied only to fiscal year 1995.

Section 809—Administrative Hearings and Judicial Review. Section 809 of the bill amends section 8011 of the act to add a provision requiring a State or local educational agency to file a request for an administrative hearing within 60 days of notice that an action adversely affecting the State or local educational agency has been taken. No time limit is currently specified.

Section 810—Forgiveness of Overpayments. Section 810 of the bill amends section 8012 of the act to update obsolete references.

Section 811—Definitions. Section 811 of the bill amends section 8013 of the act to: update references to low-income and affordable housing under the definition of "Federal property"; clarify that average "local contribution percentage" is to be based on data from the 50 States and the District of Columbia; add a definition of "modernization"; and revise the definition of "school facilities" to specifically mention laboratories, libraries, and media centers and to state that their primary purpose is the instruction of public elementary or secondary school students.

Section 812—Authorization of Appropriations. Section 812 of the bill amends section 8014 of the act to authorize funds for title VIII programs for the fiscal years 2001 through 2005. For each of the program authorities, a dollar figure is specified for fiscal year 2001 and "such sums as may be necessary" are provided for the 4 succeeding fiscal years. Funding levels authorized for fiscal year 2001 include:

Payments for Federal Acquisition of Real Property	$35,000,000
Basic Payments	$875,000,000
Payments for Children with Disabilities	$60,000,000
Construction and Facilities Modernization	$62,500,000
Facilities Maintenance	$7,000,000
Additional Assistance for Certain Federal Property LEAs	$500,000

Title IX—Indian, Native Hawaiian, and Alaska Native Education

These sections restate current law except where noted. Section 901 amends parts A, B, and C of Title IX to read as follows:

Part A—Indian Education

Subpart 1—Formula grants to Local Educational Agencies

New section 9113—Amount of Grants. This section sets out grant awards. The order of the subsections has changed in that the subsection related to schools operated or supported by the Bureau of Indian Affairs is now subsection (b).

New section 9115—Authorized Services and Activities. This section adds four new kinds of services and activities to the 7 services and activities in current law. These activities include: activities that promote the incorporation culturally responsive teaching and learning strategies; activities that incorporate American Indian and Alaska Native specific curriculum content; activities that promote coordination and collaboration between tribal, Federal, and State public schools; and family literacy services; and limits the amount of funds spent on administrative costs to not more than 5 percent.

New section 9116—Integration of Services Authorized. This section allows local educational agencies which receive formula grants under part A the ability to commingle all of the Federal funding they receive for educating Indian children, regardless of which agency provides it, into one coordinate comprehensive program to meet the specific needs of Indian children. Local educational agencies that choose to do this will submit a single plan describing how they intend to consolidate funding and specifying the student achievement goals that they will meet.

New section 9117—Student Eligibility Forms. This section allows the Secretary to use either the count certified by the Bureau of Indian Affairs, or the count of the number of students for whom the school has eligibility forms when awarding grants to tribal schools. It also allows each local educational agency to select either a particular date or period (up to 31 days) to count the number of children it will claim for purposes of receiving a grant. The choice of the child counts allows the schools to avoid the burden of 2 separate counts.

New section 9119—State Educational Agency Review. This section modifies the current requirements for application review by the Secretary (as the requirement that a local educational agency must submit an application to the Secretary is already in section 9114(a)) while maintaining the requirement that the local educational agency must submit the application to State educational agency for its possible comments.

Subpart 2—Special Programs and Projects to Improve Educational Opportunities for Indian Children

New section 9121—Improvement of Educational Opportunities for Indian Children. This section maintains the 11 types of grants authorized under this section while adding a provision for family literacy service and adds two new provisions as requirements for applications for dissemination grants: that the application must include information demonstrating that the proposed program is a research-based program, and that the application must contain a description of how the applicant will incorporate the proposed activities into the ongoing school program involved once the grant period is over. New section 9121 limits the amount of funds spent on administrative costs to not more than 5 percent.

New section 9122—Professional Development. This section modifies the preference for programs that train Indian students. The obligation of service has been modified to include only those persons who receive pre-service training.

(Current law provisions are restated for *Subpart 3—Special Programs Relating to Adult Education for Indians, Subpart 4–National Research Activities,* and *Subpart 5—Federal Administration.*)

Subpart 6—Definitions; Authorizations of Appropriations

New section 9162—Authorization of Appropriations. This section authorizes a funding level of $62 million for fiscal year 2001 and such sums as may be necessary for each of the succeeding fiscal years to carry out subpart 1; $4 million for fiscal year 2001 and such sums as may be necessary for each of the succeeding fiscal years to carry out subparts 2 through 4; and deletes the appropriation for carrying out subpart 5.

Part B—Native Hawaiians

New section 9202—Findings. This section sets forth Congressional findings regarding Native Hawaiians and education and includes new findings that reflect the new legal position of the United States relative to the status of Native Hawaiians as set forth in the brief filed by the United States in the U.S. Supreme Court on July 28, 1999.

New section 9204—Native Hawaiian Education Council and Island Councils. This section authorizes the Secretary to make direct grants to Native Hawaiian educational organizations; provides that the Native Hawaiian Education Council will be reduced to 21 members; changes the composition, appointment, terms of Council members; and authorizes seven Island councils, so that each island will now have its own council.

New section 9205—Program Authorized. This section consolidates the following programs: the Family-Based Education Centers program; the Higher Education program; the Gifted and Talented; Curriculum Development, Teacher Training and Recruitment program; and Community-Based Education Learning Center into a single authority and adds three new permissible activities: family literacy services; activities which enhance beginning reading and literacy among K–3rd grade; and early education and care services for children pre-natal to age 5. New section 9205 also establishes priorities for the award of contracts or grants; includes special rules and conditions; provides that qualified Native Hawaiian student attending a post-secondary institution outside the State of Hawaii shall not be prevented from receiving a fellowship; that individuals who receive a fellowship are required to serve the Native Hawaiian community either during their fellowship period or upon completion of the program of post-secondary education. New section 9205 also limits the amount of funds spent on administrative costs to not more than 5 percent and authorizes $23 million for fiscal year 2001 and such sums as may be necessary for the 4 succeeding fiscal years for these activities.

Part C—Alaska Native Education

New section 9304—Program Authorized. This section consolidates the following programs serving Alaska Native children and adults: The Educational Planning, Curriculum, Development, Teacher Training, and Recruitment program; Home-Based Education for Preschool Children program; and Student Enrichment

Programs into a single authority and adds family literacy services as an additional activity. New section 9304 also limits the amount of funds spent on administrative costs to not more than 5 percent and authorizes $17 million for fiscal year 2001 and such sums as may be necessary for the 4 succeeding fiscal years for these activities.

Title X—General Provisions

Part A—Uniform Provisions

Section 10001—Uniform Provisions. This section amends title X of the act by: transferring the "Fund for the Improvement of Education," currently part A of title X to part G of title V; transferring "Uniform Provisions," currently Part E of title XIV to part A of title X; making minor drafting changes to update references for consistency and clarification; and renaming title X as "General Provisions" and part A as "Uniform Provisions."

Section 10115—Construction. This section amends current law by inserting a provision stating that nothing in this act shall be construed to prohibit recruiters for the Armed Forces of the United States from receiving the same access to and information concerning secondary school students, as is provided to postsecondary educational institutions or prospective employers of such students.

Section 10002—Evaluations. This section of the bill amends "Evaluations" which is currently authorized as part G of title XIV of the act, and transfers it to part B of title X.

Part B—Evaluations

Section 10201—Evaluations. This section requires the Secretary to: carry out comprehensive evaluations of all programs and demonstration projects; evaluate the cost-efficiencies of Federal elementary and secondary education programs; assess the impact of programs in relation to student and school performance; and disseminate broadly the results of these evaluations.

Section 10201(b)(1)(D) amends current law by requiring the Secretary to provide for a study conducted by the National Academy of Sciences regarding the relationship between time and learning which shall include an analysis on the impact of increasing education time on student learning; an analysis of how schools, teachers and students use time and the quality of instructional activities; an analysis of how time outside of school may be used to enhance student learning; and cost estimates for increasing time in school.

Section 10003—America's Education Goals. This section of the bill amends "National Education Goals" which is currently authorized as title I of the Goals 2000: Educate America Act, and transfers it to part C of title X of this act.

Part C—America's Education Goals

Section 10301—America's Education Goals. This section reauthorizes and retains current law with respect to the National Education Goals, renaming the provision as "America's Education Goals" and deleting references to completing the goals by the year 2000.

Section 10004—America's Education Goals Panel. This section of the bill amends the "National Education Goals Panel" which is currently authorized as part A, title II of the Goals 2000: Educate America Act, and transfers it to part D of title X of this act.

Part D—America's Education Goals Panel

Section 10401—America's Education Goals Panel. This section reauthorizes the National Education Goals Panel, renaming the panel as "America's Education Goals Panel." The Goals Panel shall work with the Secretary to disseminate information regarding best practices. A funding level of $2.5 million is authorized for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years to carry out this part. In addition, each individual who is a member or an employee of the Goals Panel on the date of enactment of this title, shall continue to be a member or employee without interruption or loss of service or status.

Section 10005—Comprehensive Regional Assistance Centers. This section of the bill amends title V by adding the following:

Part E—Comprehensive Regional Assistance Centers

Section 10501—Program Authorized. This section authorizes the Secretary to award grants to public or private nonprofit entities in order to establish a networked system of 15 comprehensive regional assistance centers to provide comprehensive training and technical assistance, related to administration and implementation of programs under this act, to States, local educational agencies, schools, tribes, community-based organizations, and other recipients of funds under this act.

Section 10501(a)(2) specifies that in establishing the Centers, the Secretary shall consider the geographic distribution of students assisted under title I, students of limited-English proficiency, and Indian students; and the special needs of students living in urban and rural areas, and States and outlying areas in geographic isolation.

Section 10501(a)(3) states that one Center shall be established in Hawaii.

Section 10501(b) requires the Secretary to ensure that each Center serving a region with a significant population of Indian or Alaska Native students shall be awarded to a consortium which includes a tribally controlled community college or other Indian organization and assist in the development and implementation of instructional strategies, methods and materials which address the specific cultural and other needs of Indian or Alaska Native students.

Section 10501(c) requires the Secretary to ensure the quality and effectiveness of the networked system of comprehensive regional assistance centers supported under this part.

Section 10501(d) states that grants under this section shall be awarded for a period of 5 years.

Section 10502—Requirements of Comprehensive Regional Assistance Centers. This section requires Centers established under this part to: (1) maintain appropriate staff expertise and provide support, training, and assistance to State educational agencies, tribal divisions of education, local educational agencies, schools, and

other grant recipients to meet the needs of children served under this act; (2) ensure that technical assistance staff have sufficient training, knowledge, and expertise in how to integrate and coordinate programs under this act; (3) provide technical assistance using the highest quality and most cost-effective strategies possible; (4) coordinate services, work cooperatively, and share information with the regional educational laboratories, research and development centers, State literacy centers, and other entities; (5) work collaboratively with the Department's regional offices; (6) consult with representatives of State educational agencies and local educational agencies; (7) provide services to States, local educational agencies, tribes, and schools in order to better implement the purposes of this part; and (8) provide professional development services to State educational agencies and local educational agencies to increase the capacity of such entities to provide high-quality technical assistance in support of programs under this act.

Section 10503—Maintenance of Service and Application Requirements. This section requires the Secretary to ensure that the Centers provide technical assistance services that address the needs of educationally disadvantaged students.

Section 10503(b) requires entities seeking assistance under this part to submit an application to the Secretary demonstrating how the Center will provide expertise and services in the areas described in section 10502, and work to conduct outreach to local educational agencies. The application shall also demonstrate support from States, local educational agencies and tribes, and demonstrate how such centers will ensure a fair distribution of services to urban and rural areas.

Section 10504—Transition. This section authorizes the Secretary to use funds appropriated under this part to extend or continue contracts and grants for existing Centers and to take necessary steps to ensure a smooth transition of services provided under this part so that services are not interrupted, curtailed, or diminished.

Section 10505—Authorization of Appropriations. This section authorizes a funding level of $70 million for fiscal year 2001 and "such sums as may be necessary" for the 4 succeeding fiscal years in order to carry out this part.

Section 10506—Repeals. This section repeals parts F through K of title X, and titles XI, XII, XIII, and XIV of current law.

Title XI—Amendments to Other Laws

Part A—Repeals

Section 11101—Goals 2000: Educate America Act. Section 11101 of the bill repeals the Goals 2000: Educate America Act.

Section 11102—Higher Education Amendments of 1998. Section 11102 of the bill repeals the Advanced Placement Incentive Program currently authorized as Part B of title VIII of the Higher Education Amendments of 1998. The program is replaced by new provisions included as a new part E of title III of the Elementary and Secondary Education Act.

Part B—Education for Homeless Children and Youth

Part B of the bill amends the Education for Homeless Children and Youth authorized as Subtitle B of Title VII of the Stewart D. McKinney Homeless Assistance Act.

Section 11201—Statement of Policy. Section 11201 of the bill amends section 721 of the act to state that homelessness alone is not sufficient reason to separate students from the mainstream school environment.

Section 11202—Grants for State and Local Activities. Section 11202(1) of the bill amends section 722(c) of the act to eliminate Palau as part of those receiving reserved funds and to drop the reference to Palau in the definitions.

Section 11202(2) amends section 722(e) of the act to add a new paragraph (3) to prohibit the segregation of homeless students. A State is required to provide a free public education to a homeless child or youth, and it may not segregate such child or youth, either in separate school, or in a separate program within a school, based on such child or youth's status as homeless, except as provided in cases of health or safety emergency or to provide special or supplementary services to those children.

Section 11202(3) amends section 722(f) of the act, which deals with the functions of the Coordinator of Education of Homeless Children and Youth in each State, to: (1) strike the provision that the coordinator estimate the number of homeless children in the state, and/or the number of youth served under this subtitle; (2) permit the Secretary to set reporting dates for the collection and transmittal of data the coordinator gathers; (3) clarify the coordination of services provisions, emphasizing not only "coordination" but also "collaboration" of services; and (4) add local educational agency liaisons for homeless children and youth and community organizations representing such children and their families among those in the coordination/ collaboration effort.

Section 11202(4)(A) amends section 722(g)(1) of the act, which deals with State plans, to strengthen assurances that homeless children will not be isolated or stigmatized and to provide that local educational agencies serving homeless children and youth designate an appropriate staff person (who may also be in charge of administering other Federal programs) to serve as liaison for homeless children and youth and post public notice of the educational rights of such children and youth in locations such as family shelters, and soup kitchens.

Section 11202(4)(B) amends section 722(g)(3) of the act, which deals with local educational agency requirements, to expand provisions related to school of origin and to provide for prompt enrollment. A child who becomes homeless is to be served in the school of origin for the duration of the child's homelessness, rather than for the remainder of the academic year. A child who becomes permanently housed is to be served in the school of origin for the remainder of the school year. (The current option of enrolling the child in the attendance area where he or she is actually living is retained.) To the extent feasible, a local educational agency must keep a student in the school of origin except when that is contrary to the wishes of the parent or guardian. The bill includes a new requirement that a written explanation be provided to the parent

or guardian if the child is sent to a school other than the school of origin or the school requested by the parent or guardian. In addition, the bill adds a new provision stipulating that a school must immediately enroll homeless youth, even if they are unable to produce required records. The new school must also contact the old school for the records and refer the child to proper place for immunization if he or she lacks needed shots.

Section 11202(4)(C) amends section 722(g)(6) of the act, which deals with coordination of services, to consolidate current law provisions regarding coordination of agencies and programs and to add language stating the purpose of coordination, which is to ensure that homeless children and youth have access to available education and related support services and to raise the awareness of school personnel and service providers of the effects of short-term stays in a shelter and other challenges associated with homeless children and youth.

Section 11202(4)(D) amends section 722(g)(7) of the act, which deals with the local educational agency liaison, to add provisions that the liaison ensure that: (1) homeless youth have full and equal opportunity to succeed; (2) parents are informed of the education and related opportunities available to their children and are provided with the opportunity to participate in the education of their children; and (3) public notice of the educational rights of homeless children and youth is posted at places such as family shelters and soup kitchens. The bill also includes new provisions requiring local liaisons to coordinate and collaborate with state coordinators and community/school personnel responsible for the education of homeless children and youth and to assist in the resolution of disputes.

Section 11203—Local Educational Agency Grants. Section 11203(1) of the bill amends section 723(a) of the act, which deals with the services provided by local educational agencies, to clarify current law provisions and to prohibit the segregation of homeless children and youth from the general education population except as is necessary for health and safety emergencies or to provide temporary, special, supplementary services.

Section 11203(2) of the bill amends section 723(b) of the act, which deals with local applications, to add a requirement that the application include an assessment of the educational and related needs of homeless youth (which can be undertaken as a part of needs assessment for other disadvantaged groups).

Section 11203(3) of the bill amends section 723(c) of the act, which deals with grant awards to local educational agencies, to provide that grants be awarded on a competitive basis and that grant awards be based on both need and on the quality of the application. Factors to be considered in determining quality include: (1) needs assessment and the likelihood the program will meet those needs; (2) the types, intensity, and coordination of services; (3) involvement of parents; (4) integration of homeless students; (4) quality of evaluation plans; (5) how services under this title will be coordinated with other services; and (6) other indicators as established by the State educational agency.

Section 11204—Secretarial Responsibilities. Section 11204 of the bill amends section 724 of the act to add new provisions requiring the Secretary to issue guidelines regarding the immediate enroll-

ment of homeless children and youth and to collect data regarding homeless education. In addition, the reporting requirement is updated, and not later than 4 years after enactment, the Secretary is to prepare and submit to the President and appropriate congressional committees a report on the status of education of homeless youth, which includes information on the actions of the Department and the effectiveness of programs supported under this subtitle. Specifically, the Secretary is to publish in the Federal Register, not later than 60 days after date of enactment, guidelines to States describing ways in which a State may assist local educational agencies in immediately enrolling homeless students and how States can review their immunization and medical or school records to make such revisions as appropriate and necessary in order to more quickly enroll homeless students. Under the new information provisions, the Secretary to periodically collect and disseminate data regarding the number and locale of homeless youth, the education and services provided, the extent to which needs are being met, and other data needed to carry out homeless education programs. The Secretary is to coordinate such collection and dissemination with all entities that receive and administer programs for the education of homeless children and youth.

Section 11205—Definitions. Section 11205 of the bill amends section 725 of the act to include definitions of "local educational agency" and "State educational agency."

Section 11206—Authorization of Appropriations. Section 11206 of the bill amends section 726 of the act to authorize a funding level of $40 million for fiscal year 2001 and "such sums as may be necessary" for each of the 4 succeeding fiscal years.

Part C—Albert Einstein Distinguished Educator Fellowship Act

Section 11301 of the bill amends the Albert Einstein Distinguished Educator Act of 1994, which is part A of title V of the Improving America's Schools Act of 1994. This program is administered by the Secretary of Energy and supports fellowships for 12 elementary or secondary school mathematics or science teachers each fiscal year in the Senate, House, and specified Federal agencies. Two revisions are made to the current provisions of the act: (1) The order of priority provisions, which provide for the order of placement of fellows in fiscal years where funding is not sufficient to support 12 fellows, are amended to specify that first priority will be given to the placement of 2—rather than 3—fellows in the Department of Energy; and (2) a funding level of $700,000 is authorized for fiscal year 2001 and "such sums as may be necessary" for each of the 4 succeeding fiscal years.

IX. ADDITIONAL VIEWS

ADDITIONAL VIEWS OF SENATOR COLLINS

I strongly support many of the provisions of S. 2, especially the opportunity for greater flexibility in the use of Federal education grants and the stronger emphasis on State and local accountability for student performance. The bill approved by the committee gives States and local school districts options and flexibility in the use of Federal funding which will allow them to meet local needs.

Specifically, the committee decided to allow States to select one of three alternatives to receive federal funds. They can either: (1) continue under the traditional ESEA approach of receiving formula grants for specific Federal programs for specific purposes and applying for competitive grants; (2) apply to the Secretary of Education to enter into a "Performance Partnership," which gives them somewhat more flexibility than under current law; or (3) apply to be 1 of 15 States to have much more flexibility in spending Federal funds in return for strict accountability focused on student achievement. This is called the "Academic Achievement for All"or "Straight A's" program.

No matter how a State decides to receive its funding, the State, all local education agencies, and all schools are held accountable for student performance. The committee's bill requires that all students must achieve adequate progress each year in order to meet the State's definition of proficiency within 10 years. Furthermore, the legislation clearly outlines the corrective actions that must be taken when schools or education agencies fail to meet this goal, and it gives States greater resources to help struggling schools.

The Straight A's program offers the most promise of innovative local efforts to improve public education for all children. I am concerned, however, that its language could be interpreted to authorize states to use federal funds for vouchers for private schools. Although the language does not explicitly allow this use, the committee debate suggested that it could be interpreted as allowing for vouchers. I am opposed to the use of Federal funds for private school vouchers, and I believe that the language of the Academic Achievement for All program must be modified to prevent this potential diversion of Federal funds to private schools. I intend to offer or support a floor amendment to make certain that language in S. 2 clearly prohibits Federal funding of private school vouchers.

SUSAN M. COLLINS.

ADDITIONAL VIEWS OF SENATORS GREGG, FRIST, HUTCHINSON, BROWNBACK, HAGEL, AND SESSIONS

ACADEMIC ACHIEVEMENT FOR ALL ACT (STRAIGHT A'S)

Straight A's, permits 15 interested States and school districts to enter into an agreement with the Secretary of Education in which the States agree to specific academic improvements for their lowest performing students in return for the ability to consolidate their share of Federal funds to better serve their neediest students. This flexibility in return for accountability model is based on the successful charter school model.

Straight A's is a voluntary demonstration program. No State would be forced into Straight A's, rather only those States with an interest in this innovative education reform and a willingness to be held accountable for reducing the achievement gap between the most disadvantaged and advantaged students would participate.

Under current law, States are not held accountable for increasing student performance, nor are they required to increase student achievement for their most disadvantaged students. In fact, under current law, States and school districts may use aggregate scores to mask achievement gaps between disadvantaged and nondisadvantaged children. Current law merely requires States to have some accountability system in place, it doesn't require States to improve student achievement or to demonstrate any measurable gains from Federal programs.

Straight A's is modeled after the most highly touted accountability system in the Nation—Texas. Harvard University's Civil Rights Project cited research that found Texas' accountability measures led to greater achievement by poor and minority students. In fact, Texas has seen the most significant gains in student achievement and reducing the achievement gap in the Nation.

Unlike current law, the 15 States who choose to participate in Straight A's would be required to establish specific, numeric goals for improving student performance for all children. For the first time, States would be required to set specific academic goals for every major race and ethnic group, for economically disadvantaged students, for students with limited English proficiency and for migrant students and then be held accountable for meeting those goals. Establishing specific goals for the neediest students was the foundation of Texas's accountability system and is carried over to the Straight A's accountability system.

Under Straight A's, States are required to establish specific goals for increased student performance of their most disadvantaged students and to also stipulate exactly how much they will reduce the achievement gap between their highest and lowest performing students. The original purpose of Title I was to reduce the achievement gap. Unfortunately, 35 years later, the achievement gap has

widened and poor children remain 2–4 grade levels behind their peers in reading and math. Despite this disturbing data, Title I does not require States or school districts to reduce the achievement gap. Under Straight A's, States and school districts would have to commit to reducing the achievement gap.

Furthermore, unlike current law, Straight A's includes a deadline for increased student improvement—it requires States to reduce the achievement gap and to improve student achievement for all students within 5 years. If after 3 years, States and school districts have not made significant strides in meeting their student academic performance measures, the Secretary of Education may terminate the charter. If States don't meet those performance measures after 5 years, they lose a portion of their Federal funding.

Straight A's compels participating States and school districts to increase student achievement for disadvantaged children. For the first time, States will be held accountable for academic achievement and they will be rewarded for improving student performance or penalized for failing to meet their goals of increased performance.

Straight A's has been called a voucher and a block grant by its opponents. Neither charge is merited. Straight A's is completely neutral toward vouchers, neither adding to, nor subtracting from State laws in this area. Current law contains no prohibition on vouchers, leaving that decision to States, and Straight A's merely continues this practice.

Straight A's is clearly not a block grant. No programs are repealed, consolidated or folded into Straight A's. Rather, States are given the option of consolidating some of their Federal funds to better support their reform efforts aimed at increasing student achievement.

Straight A's reform model is based on the belief that States and local school districts can be trusted with education decision making. States and locals have led the way in popular and effective education reform initiatives. Charter schools, school performance report cards and merit pay for teachers are just a few examples of education reforms that began in the States.

A 1998 National Education Goals Panel Report reported on the rapid achievement gains in NC and TX. The study did not attribute gains to Federal programs. "The Study concludes that the most plausible explanation for test score gains are found in the policy environment established in each State." Straight A's recognizes that States, when freed from burdensome regulations, can make significant educational reforms and improve student performance.

Under welfare, States were provided financial incentives and increased flexibility in return for a commitment to reduce the welfare rolls. Due to State policies and commitment, the number of individuals on welfare has decreased 50 percent over five years. (In 1994, 5 million people were on welfare, in 1999, only 2.5 million people were on welfare).

If reform-minded States can reduce the number of people on welfare by 50 percent in 5 years, we certainly think we should give them the opportunity to reduce the number of disadvantaged chil-

dren who can't read at grade level. Straight A's provides this opportunity.

Straight A's isn't for everyone, but it is for 15 States and we have already heard from 15 Governors who wish to participate in Straight A's. Straight A's frees States and schools districts from federal rules, regulations and paperwork, in return States agree to have the Federal government hold them accountable for substantially increasing student achievement for disadvantaged students and for reducing the achievement gap in 5 years. Furthermore, it puts access to Federal dollars on the line, because at the end of 5 years you either win or lose Federal funding based on student achievement—not class-size, not technology, not-after school care—but on student achievement and student achievement alone.

JUDD GREGG.
TIM HUTCHINSON.
CHUCK HAGEL.
BILL FRIST.
SAM BROWNBACK.
JEFF SESSIONS.

ADDITIONAL VIEWS OF SENATORS GREGG, FRIST, HUTCHINSON, BROWNBACK, HAGEL, AND SESSIONS

CHILD CENTERED FUNDING

The reported bill would allow States and school districts, at their discretion, to convert Title I from a school-based program to a child-centered program in which the money follows the child to the public school they attend. Currently, Title I is a school based program. Fully 1/3 of eligible disadvantaged children never receive Title I services, not for lack of funds, but rather due to a financing system which sends money to schools, not students.

Title I is the largest Federal education program. It was created to address the educational needs of disadvantaged students and to reduce the achievement gap between disadvantaged and advantaged students. While every child has access to a public school, 70 percent of children in high poverty schools score below even the most basic level of reading. Children in high poverty schools are two grade levels behind their peers in math and three to four grade levels behind in reading. A disadvantaged child only has a 50/50 chance of even graduating. These are not issues of aptitude but the quality of schools these children attend.

The disparity in the quality of schools disproportionally impacts poor students who lack educational alternatives. Since ESEA's Title I programs are by far the largest source of Federal assistance for disadvantaged students, any ESEA reauthorization process should be aimed at improving education for Title I students.

The very serious and real problem of under-serving our neediest students can be alleviated, to some extent, by giving States and school districts the freedom to establish a per pupil amount for each eligible child (portability). This amount may be used at the school the child attends or, if the child is not receiving the services they need at school, the child's parents may ask that the child's per pupil amount be used to purchase supplemental services from another school or tutorial assistance provider, such as a Sylvan learning center.

This type of child-centered program creates a much needed market for change. Parents would have the ability to take their Federal dollars out of a school that is not using them effectively and purchase services somewhere else. Parents would have the power to choose the best program for their child. Under portability, families are empowered and schools are compelled to improve in order to keep their students.

Critics assert that changing Title I to a child-centered program would drain resources away from poor public schools. Rather than draining resources, portability actually ensures for the first time that each eligible child get the services they are entitled to. Under current law, the number of unserved children is compounded in

urban areas. In order to receive supplemental services, a disadvantaged child in Houston has to be enrolled in a school where 70 percent of the students are below the poverty line. In Philadelphia, only children in schools where 65 percent of the student population are poor receive services. In both cases, if you are an eligible child who doesn't happen to be enrolled in a designated Title I school you do not receive the Title I dollars you are entitled to. In most large cities, hundreds, if not thousands, of poor children do not receive the educational assistance to which they are entitled.

Under a child-centered funding stream, schools who enroll the largest number of poor children receive the most money. This amendment is actually a fairer way to distribute funds because it ensures that all eligible children receive services, while simultaneously concentrating dollars on high poverty schools. Schools will only see a decrease in Title I dollars if they don't have as many low income (eligible) children—this is how it should be. Money should be going to benefit the needy student, not guaranteed to certain schools.

Furthermore, portability includes a $500 million authorization to ensure that all eligible children in a participating State or district receives their share of Title I dollars. We support a significant increase in Title I funding to ensure all eligible children are served, but in return for this increase, we believe that States and districts should be able to redirect their Title I dollars to the neediest students.

Portability specifically requires participating States and school districts to improve the achievement levels of their disadvantaged students. States and districts would have to establish specific educational goals and a system to measure academic progress of all Title I students. In addition, States and schools would be required to submit student performance data, disaggregated by race, family income, gender and limited English proficiency, to the Secretary. The bill also requires that GAO conduct an evaluation of participating States and school districts. GAO will examine the impact a child-centered program will have on student achievement and parental satisfaction.

Portability is a new option for States and school districts. Up to 10 States and 20 districts may participate, but only if they choose to participate, and only if they are willing to be held accountable for improving the performance of their most disadvantaged children. Although portability is only an option, it does do 3 very important things: it provides greater accountability than under current law, ensures that all eligible children receive Title I dollars, and provides parents with real options so that if they are unhappy with the service their child is receiving, they can request that their child receive services from another provider.

Some critics have alleged that portability is a voucher program. That is not true. Under a child-centered program, parents are not permitted to use their child's per pupil amount to cover cost of admission at a private school. Rather, a parent may move their child to a better performing public school or use their child's per pupil amount to access tutorial services by a private provider such as a Sylvan learning center. Current law already allows this type of limited access to private providers in the Reading Excellence Act.

These same critics want to prevent children from accessing education services from anywhere else other than the schools. Despite the fact that over 7,000 schools have been identified as failing and some as long as 4, 6 and even 10 years, critics of portability would rather have children stuck in these schools, than give a few States and school districts the freedom to use Title I dollars to allow poor parents to access tutorial services from private providers.

On the issue of tutorial service providers, Democrats assert that the per-pupil amount would be so small that parents couldn't access tutorial services. They're wrong. The average per-pupil expenditure, which is between $400-$600, could be used for weekly tutoring services from the very successful Sylvan learning Center for an entire school year or summer school.

Portability provides a monetary incentive for schools to improve educational services to disadvantaged children. Good schools will be rewarded, failing schools will be forced to improve, and families will have more options.

JUDD GREGG.
TIM HUTCHINSON.
CHUCK HAGEL.
BILL FRIST.
SAM BROWNBACK.
JEFF SESSIONS.

X. MINORITY VIEWS

MINORITY VIEWS OF SENATORS KENNEDY, DODD, HARKIN, MIKULSKI, BINGAMAN, WELLSTONE, MURRAY, AND REED

In the early days of the Republic, our Nation's founders placed the establishment of public schools among the highest priorities for our young nation. Thomas Jefferson—one of the earliest and most ardent advocates of public schools—stated that "it is * * * imperative that the Nation see to it that a suitable education be provided for all its citizens."

It is our view that many of our Nation's public schools have fallen short of this great goal in recent times. Ninety percent of American children attend public schools. We owe it to them to ensure that every public school and every teacher is able to help all school children in the nation reach their full potential.

From its beginnings, the Federal Government's investments in education have centered on providing opportunities for individuals and achievements for the Nation. Because education has improved the quality of life for generations of American families, it should marshal the best of the Nation's resources and talent, and be one of the top priorities on our national agenda. The Federal role in education is narrow in scope, to allow for maximum State and local initiative, but the Federal Government has unique responsibilities as well:

> It must meet the overarching needs that no average parent, community or State can satisfy on their own, particularly the needs of the most disadvantaged families and communities;
>
> It must invest in educational statistics, research, and development to chart national progress in education, create innovations for schools, and improve communication among all participants in education at all levels—Federal, State, and local.
>
> It must extend educational opportunities and innovations to those who otherwise would be left out.
>
> It must provide targeted leadership, technical assistance, and financial support for areas where national needs have been identified, so that all Americans have access to the support they need to improve education in their schools.

Within these roles, families, communities, and States still retain the primary responsibility for deciding how to educate children and how to pay for that education. But, how well they perform that role is a matter of great national interest. The Nation depends upon them to provide an education that contributes to the overall well-being of the country. For example, public expectations were expressed in 1989 in the form of national education goals, not Federal Government goals but national goals. States and local communities

should adopt these goals and make them their own, because they have the ultimate responsibility to meet them.

Members of the majority argue that, because states have paramount responsibilities for education, the Federal Government should have a diminished role. This argument ignores the nation's vital interest in education—an interest as fundamental as the Nation's interest in its security and economy. Others say that, since federal spending is such a small part of the overall total spent on education, the federal role is relatively unimportant. It is true that the Federal financial role is small. Only about 8 percent of overall government spending for elementary and secondary schools comes from the Federal Government. But to say that the federal role can be downgraded because of this fact is to ignore the major benefit that these funds have provided.

Six years ago, Congress and President Clinton took urgent steps to begin to turn around failing schools. In the reauthorization of the Elementary and Secondary Education Act in 1994, and with passage that year of the GOALS 2000 legislation, we established bold new goals for schools to prepare children to succeed in today's world by mastering the basics and reaching high standards of achievement.

These were important actions that launched changes in schools across America. We need to build on the progress we have made in recent years. But more change is necessary—much more—if we are to turn around failing schools and give students the education they need and deserve.

We believe the committee should have—and could have—acted together, and can still act together, to strengthen and expand the federal helping hand to support innovative change and help all children meet high standards of achievement.

In recent years, we have set the stage for major further reforms, helping states put high standards and genuine accountability in place. We know we can do more to bring these reforms to life in every classroom across the country. The need is urgent, and we can't stop now. Too many schools and the children in them are in urgent need of help.

During the committee's deliberations, we put forward common sense proposals to empower parents and strengthen the partnership between the Federal Government, the states, and local schools.

We want to work with parents and communities to improve public schools. We cannot afford to stand on the sidelines and watch schools fail, when we can do so much more to help parents and communities achieve better results for their children and their schools.

We want to help schools put a qualified teacher in every classroom, and provide every new teacher with a qualified mentor. We want to help reduce class sizes, so that students get the individual attention they need and teachers can maintain better discipline and concentrate more effectively on teaching and learning. We want to help communities build modern schools, where all students will be safe and can learn cutting-edge technologies. We want to help communities expand after-school activities to keep children off the streets and out of trouble, and stay on top of their studies.

We want to work to increase the federal investment in education to help states, communities, and schools rescue failing schools, deal with rising enrollments, meet the demands of higher standards of achievement, and address the challenges of diversity and poverty in the nation's schools. We need to do all we can to target resources to the neediest communities, so that the most disadvantaged students get a good education.

We should also require states, districts, and schools, in spending federal funds for education, to use strategies that have proven effective—no fancy schemes or risky ventures, just programs and initiatives with a proven track record of success. We should do more to see that schools are held accountable for doing what it takes to help all children meet high standards of achievement. That means closing the achievement gap between minority and non-minority students—between poor and non-poor students—and between English-speaking students and those with limited proficiency in English.

Schools should be held accountable for ensuring a qualified teacher, one who is trained in both content and teaching methods, in every classroom. We need greater parental involvement in schools. Parents and the general public can help make schools accountable if they receive better information about the quality of their schools and the progress by their schools in meeting goals for student achievement.

This kind of partnership ensures that the federal government will be a strong helping hand for states, communities, schools, parents, and children. It will help to ensure that the neediest students receive the help they deserve. It is the right direction for education, and the right direction for the nation.

Parents and educators know from experience that these common sense initiatives will work—smaller classes, better teachers, more parental involvement, safer modern schools, and holding schools accountable for results. We are prepared to provide the resources to local schools and work hand-in-hand with parents to make these initiatives a reality.

We believe that we owe the nation's children no less. But, unfortunately, the legislation adopted by the committee fails children, fails parents, and fails to assure change and improvement in troubled public schools.

We have an opportunity to build on recent progress and invest in programs that we know will bring about change. But the committee bill simply throws money at the problem in the form of block grants, sets up vague guidelines, and hopes things will get better. As Senator Murray noted during the committee's deliberations, we owe our children more than just "blind faith."

To make matters worse, instead of improving public schools, the committee bill allows the transfer of scarce federal education dollars away from public schools into private school vouchers.

We are disappointed that the committee bill fundamentally turns its back on public schools and the nation's schoolchildren. At best, it endorses the status quo, and at worst, it back-tracks on our commitment to the neediest children and schools.

For these reasons, we voted "no." The needs of public schools are too great. We intend to press forward to strengthen public schools.

OVERVIEW OF ESEA REFORM SINCE THE BIPARTISAN 1994 REAUTHORIZATION

Standards-Based Reform Is Working

In 1994, President Clinton and the Congress completed a major overhaul of the federal role in education through the reauthorization of the Elementary and Secondary Education Act and the enactment of the Goals 2000 Act with strong bipartisan support. For the first time, we established the clear expectation that all children can and should reach high standards. The Acts included provisions to improve teaching and learning, increase flexibility and accountability, strengthen parent and community involvement, and target resources to the highest poverty schools and communities. The 1994 statutes sent a clear message that the status quo was unacceptable and that major changes were needed in our education system. They provided increased flexibility to facilitate these changes, in exchange for greater accountability for improving student achievement. Largely because of these statutes, states have put in place standards and assessments.

There is strong evidence that the new emphasis in federal education statutes, particularly the emphasis on high standards, systemic reform, and new flexibility to innovate, has helped states, districts, and schools carry out the difficult work of education reform.

Student achievement is improving.

Schools are becoming safer.

Most states, districts, and schools agree that federal education programs provide them with more than enough flexibility to improve their schools.

Student Achievement Is Improving—But There Is Still More To Be Done

The National Assessment of Educational Progress (NAEP), has shown significant increases in math scores at the 4th, 8th, and 12th grades. Reading and math performance among nine-year-olds in high-poverty public schools and among the lowest-achieving fourth-graders has improved significantly.

The achievement gap between black and Hispanic students and white students has narrowed since 1982; the greatest gains in science were made by black and Hispanic students.

Average SAT scores—math and verbal—were higher in 1999 than the averages for either 1983 or 1989. These improvements come at the same time that the proportion of test-takers with a native language other than English has been increasing (to 8 percent in 1999). ACT scores are continuing a 10–year trend of stable or increasing scores, at the same time that record numbers of students are taking the exams.

More students are staying in school and taking challenging courses. Dropout rates are lower today than in the 1970's and 1980's, and are particularly lower for black youth. In 1972, 21 percent of black students dropped out of school. By 1997, that rate was down to 13%. For Hispanics, the rate fell from 34 percent to 25 percent. It fell from 12% to 8% for whites. In 1997, 89 percent of persons age 16–24 had completed high school or attained a GED.

Today's students are taking more challenging courses than the students of the 1980s. The percentage of students completing a core curriculum that includes 4 years of English and 3 years each of social studies, science, and mathematics more than tripled between 1982 and 1994. Similarly, the percentage of students taking higher-level courses such as algebra II, trigonometry, chemistry, and physics has increased significantly. For example, in 1982, 36 percent of all students were enrolled in Algebra II. In 1994, that rate was 58 percent. The increase was even more dramatic for black students (24 percent to 44 percent) and Hispanic students (20 percent to 50 percent). The number of advanced placement exams taken by high school students nearly tripled between 1984 and 1997.

College attendance is at an all time high and is increasing for all students. College enrollment for high school graduates (ages 16–24) has increased from 53 percent in 1983 to 67 percent in 1997. The increase has been particularly significant for blacks (39 percent to 60 percent), Hispanics (54 percent to 66 percent), and women (55 percent to 68 percent). College completion is also on the increase. In 1998, 31 percent of adults age 25–29 had completed a bachelor's degree.

North Carolina, for example, has made exceptional gains in math and reading on the National Assessment of Educational Progress between 1992 and 1996. A recent study by Rand researchers concluded that the most plausible explanation for the gains in test scores in the state is its aligned system of standards, curriculum, and assessments, and its efforts to hold schools accountable for the improvement of all students.

Three-year trends reported by states and districts show progress in the percentage of students in the highest-poverty schools meeting state standards for proficiency in mathematics and reading. Across the country, in urban and rural schools, among poor and minority students, and across content areas, academic performance is improving.

Schools Are Becoming Safer—Though We Still Have a Way To Go

The Annual Report on School Safety for 1999 concluded that nationally, schools—compared to the community or the home—are safe places, and that students in school today are not significantly more likely to be victimized than in previous years.

The overall school crime rate decreased from 1993 to 1997. Crime in school facilities or on the way to or from school has fallen. Most school crime is theft, not violent crime.

The percentage of high school students who carried a weapon on school property or were involved in a physical fight at school has decreased significantly since 1993.

States and school districts are becoming increasingly attentive to the need to ensure that all students attend schools where they are known by and feel connected to adults in the school.

States, Districts, and Schools Have the Flexibility They Need to Carry Out Reform

In 1994, under the leadership of President Clinton, many innovative ways to make federal support for education more flexible were included in ESEA. Consolidated plans, additional schoolwide pro-

grams, consolidated administrative funding, broad waiver authority, and the ED-Flex program have reduced burdensome paperwork and other requirements, in exchange for focusing on better results for students.

The Clinton Administration also took a leadership role in reducing unnecessary regulations and increasing regulatory flexibility. In 1994, before the reauthorization of ESEA, the Department of Education had 42 sets of regulations that governed elementary and secondary education. That number has been reduced to 10 since 1994. The two largest of the remaining of regulations, Title I, Part A and Impact Aid, have both been significantly reduced from their pre–1995 sizes. For example, Title I regulations have been cut from 54 pages to 24 pages.

In addition, in the implementation of the 1994 reauthorization, through the mechanism of the consolidated plans provision in Title XIV of ESEA, which offers an alternative to filing individual program applications, the burden on state and local governments was greatly reduced. State educational agencies no longer have to file specific program applications. The consolidated plan provisions had the effect of relieving the agencies of including information on many regulatory and statutory requirements.

In the Title I program regulations, long detailed sections on how to select children to be served and how to involve parents were eliminated. Programs such as the Safe and Drug-Free Schools and Communities Act program (Title IV of ESEA), the Eisenhower Professional Development Program (Title II of ESEA), and the Innovative Programs (Title VI of ESEA) now operate entirely without regulations. Their predecessor programs before the 1994 reauthorization operated with detailed regulations.

Recent surveys indicate that most states, districts, and schools agree that the federal government is providing the flexibility they need to improve their schools. Based on its analysis of state plans and waiver requests, the Citizens' Commission on Civil Rights concluded that the new Title I has not imposed unduly burdensome requirements on state or local fund recipients.

In addition, all states can now apply for additional flexibility under the Education-Flexibility Partnership Act. By giving states the authority to waive certain statutory and regulatory restrictions under current law, we give states greater flexibility to do the best job they can in meeting their fundamental education goals to help all children reach high standards of achievement. The Act contains important provisions to ensure that the new flexibility is matched with reasonable provisions on accountability, so that it will be clear whether the flexibility is being used to achieve the education goals intended. But, according to the Washington Post, on March 27, 2000, more flexibility is not a priority for states. Only North Carolina has applied to be an "ED-Flex" state under the new law. Rhode Island won't apply because, as the state's education commissioner said, "I can get the flexibility I want under the current opportunities."

According to the General Accounting Office, state officials believe that Goals 2000 is helping states meet their own education reform goals. In fact, nearly 90 percent of districts report that Goals 2000 funds have been helping train teachers to implement standards. 76

percent of districts use funds for aligning curriculum and instruction with standards, and 70 percent use funds for developing aligned assessments.

More than 80 percent of poor school districts, and almost half of all districts nationwide, report that Title I is "driving standards-based reform in the district as a whole." In addition, Title I funds, as well as all federal education funds, are more targeted to high-poverty districts than state and local funds. Title I now supports 95% of the highest-poverty schools and is helping these schools to dramatically improve student performance.

With federal support, all 50 states, the District of Columbia, and Puerto Rico have made progress in establishing high academic standards. Where states continue work on standards-based reform over a period of time, students have benefitted.

While it is clear that progress has been made since the bipartisan reauthorization in 1994, we must strengthen our national effort to increase the pace and magnitude of change needed in the nation's public schools. We must focus our efforts on public schools, because 90 percent of the nation's children are educated in these schools.

We need an effective national education agenda which builds on the 1994 Acts by increasing accountability for results, so that no child is left out or left behind. In addition, we must make sure that there is a qualified teacher in every classroom, continue our national effort to reduce class size, improve our action plan for providing after-school programs, and enact a comprehensive plan to modernize and repair the nation's public schools.

More Progress Needs to be Made

Although it is clear that progress has been made since the bipartisan reauthorization in 1994, much remains to be done. U.S. 12th graders score below the international average in mathematics and science, compared to the 21 nations participating in the TIMSS assessment. The high school dropout rate has declined since peaking in 1979, but has been slowly rising in the 1990s, according to the National Center for Education Statistics.

Achievement gaps remain between minority and non-minority students, as well as between poor and non-poor students. In 1998, 32 percent of students in the highest poverty schools met or exceeded the NAEP basic level in reading—about half the rate nationally of students in public schools. In math, 42 percent of students in the highest-poverty schools scored at or above the NAEP basic level in 1996, compared with 62 percent in all public schools. Although dropout rates have declined nationally, African Americans and Hispanic students still graduate from high school at lower rates (82% and 66.7% respectively in 1997) than white students (90.5% in 1997). Over 30 percent of all math teachers are teaching outside their field of academic preparation—and the percentages are higher in other academic areas and in high-poverty schools. Almost 15 percent of the new teachers hired in high-minority districts lack full teaching credentials. Obtaining such credentials usually involves passing tests to demonstrate needed skills and knowledge.

We must strengthen our national effort to increase the pace and magnitude of change needed in public schools. We must have an ef-

fective national education agenda which builds on the 1994 Act by increasing accountability for results, so that no child is left out or left behind. In addition, we must make sure there is a qualified teacher in every classroom, and provide substantial support for other resources that are the tools for accelerated progress in schools, such as reduced class size; more after-school programs; and modern, technologically-equipped schools that are not overcrowded and that provide an atmosphere conducive to learning.

ESEA 2000—A DISAPPOINTING PARTISAN PROCESS

Although parts of the Committee bill are bipartisan, such as Safe and Drug-Free Schools, Ready-to-Learn, Impact Aid, Public Charter Schools, Title VII, Even Start, and magnet schools, we are disappointed by the fundamental partisan nature of the bill.

Our commitment to producing a strong bipartisan bill, as we have done many times in the past when we were in the majority, is without question. We participated in the Committee's detailed and thoughtful hearings, and worked steadily throughout the last 18 months toward a bill that the whole Committee could support.

Indeed it appeared to us that the outlines of a bipartisan bill were coming into focus after detailed discussions on the substance of federal policy in education. We agreed, in principle, to set aside the most partisan issues for the floor so that we could focus on a strong bipartisan bill in the committee. We worked together for three months and made substantial progress, reaching bipartisan agreements on Safe and Drug-Free Schools, many provisions of Title I, Technology, Teacher Quality, and other issues. Our approach was not ideological, but pragmatic. It focused on key policy questions and their solutions. We looked at research on how to get better results for all children. We were hopeful that working together we could report a strong, bipartisan bill out of Committee.

Unfortunately, as we completed a second round of discussions on ESEA issues, our Republican colleagues announced that they were unilaterally replacing the bipartisan approach to teacher quality in the draft bill with the partisan, divisive Teacher Empowerment block grant. Republicans refused to agree to any compromise on the program, and negotiations broke down at that point.

By the time we began the committee mark up of the bill on March 1st, many of the key bipartisan provisions negotiated had been stripped from the bill, and many partisan provisions had been included, such as the Straight A's block grant.

REPUBLICANS FOCUSED ON BLOCK GRANTS, WHICH WILL NOT BRING CHANGE OR BETTER RESULTS FOR CHILDREN

The committee bill makes block grants the central focus of reauthorizing ESEA, creating a tangled web of administrative chaos and policies that undermine national priorities in education, such as reducing class size, improving teacher quality, and closing the digital divide. Block grants undermine the targeting of resources to the neediest students and eliminate critical accountability provisions that help ensure better results for all children. Democrats unanimously voted against the bill for many reasons, but first and foremost because the block grant approach undermines the federal

commitment to helping communities and parents reform and improve public schools in every neighborhood for every child.

Republicans supported and approved the Teacher Empowerment Block grant, the 50-state Straight A's Block grant, and a second 15-state Straight A's block grant. Block grants are the wrong direction for education, and do nothing to spur change in public schools.

Straight A's Block Grants Are Anti-Local Control, Anti-Accountability, and Pro-Status Quo

The Academic Achievement for All Act—"Straight A's," whether in the 50-state form, or the 15-state form—abandons the national commitment to help the nation's most disadvantaged children get a good education through proven effective reforms of public schools. The bill gives states a blank check for over $12 billion—and then turns its back on holding states accountable for results.

History shows that block grants haven't worked and they won't work now. Block grants eliminate accountability. A 1997 study by the Center on Budget and Policy Priorities found that the Maternal and Child Health Block Grant suffered from lack of accountability and illustrated the difficulty of tracking how states use funds and how many children were reached. In the bill, states are not held accountable for educational results until after 5 years. By that time, many students will have lost five years of potential gains in student achievement. Under the bill, states must only demonstrate statewide performance. They can ignore failing schools if a few schools excel—and increase the statewide average. A state could demonstrate statewide overall progress based on progress by wealthier communities, while a lack of progress in disadvantaged communities remains statistically hidden. States should have to demonstrate progress in student achievement in each school and each district, so that no community or child is left behind.

In addition, the accountability provisions in the Republican block grant proposals are of little significance. If states fail to make progress, the only required response is to prohibit the state from participating in the block grant program. Even this weak repercussion is unlikely to be implemented, because the states define progress without any federal or local input or general legislative parameters. Under the Democratic accountability proposal, which builds on current law, states set goals for student performance, but these goals are reviewed by the Secretary of Education and must be set within the context of the goal that all students attain proficiency within 10 years. Annual, numeric goals must be set for improved performance, as well as separate goals for low income and minority students, in order to ensure that achievement gaps are eliminated. If schools or districts fail to meet these goals, districts and states, respectively, must take action to assist the school or district, and supplemental resources are provided. Research-based school improvement strategies must be implemented. If the school or district continues to fail, sanctions are imposed.

There is no real accountability for closing the achievement gap in the majority's block grant proposals. Although the proposals require states to set goals for certain groups, as mentioned above, goals for student performance are set at the state level and there is little repercussion for failure. In addition, the proposal would

free participants from requirements in current law to include all students in state assessments. Under the majority's block grant proposal, "all students" is defined as "all students attending public or charter schools that are participating in the state's assessment system." There are no provisions requiring states to include all students in that assessment system. Therefore, a state could exclude students from assessments without any accountability for their performance.

Block grants threaten funding for education. Historically, Congress increases funding for programs targeted on national priorities, not block grants. This is no time to reduce our investment in education. We should increase it. According to a 1995 GAO study, total funding for nine block grants created in 1981 declined by 12 percent, or $1 billion, in 1982. Funding for Title VI (formerly Chapter 2) has decreased by 50 percent since FY82, when the block grant was created. In FY82, $708 million (in 1999 dollars) was appropriated for the programs. In FY99, $375 million was appropriated.

In contrast, because Title I, technology, and other federal programs are targeted to important national priorities, appropriations for these programs have increased over time. For example, funding for Title I has almost doubled since FY82, from $4.1 billion (in FY99 dollars) to $7.9 billion in 2000. Unfortunately, even with the increases, these programs are still underfunded.

In addition, some of the programs that were originally consolidated, such as grants for professional development, magnet schools, and gifted and talented education, were later re-created as separate federal programs. After submerging these programs in a block grant, Congress—on a bipartisan basis—decided that these needs were not being met at the state and local levels and remained priorities of national importance.

Block grants leave the door open for waste and abuse—and provide no focus on proven effective strategies to improve schools. Senator DeWine, in urging increased accountability measures, noted the poor history of states and local districts in spending Safe and Drug-Free Schools and Communities funds; he characterized those dollars as being "raided" for pet projects or to support ineffective methods. School districts and schools could use scarce public tax dollars to support fads and gimmicks with no basis in research or proven practice. They could even use the money to support the football team, to buy computer games, or to buy new office furniture, if they decide that these uses serve "educational purposes." In short, the Act provides no assurance that federal funds will go to improve instruction and teacher quality, strengthen curriculum, reduce class size, provide extended learning opportunities, or support other proven strategies for helping all students learn to high standards.

Under Straight A's, there is no accountability at the school district or school level. Only the state must show that it has substantially—not entirely—met its own goals. The only penalty if a state does not partially meet its goals is that after five years, it can no longer block grant the programs. There is no requirement for reporting at the district or school level on progress in improving stu-

dent achievement, and there is no requirement for helping to improve low-performing schools.

History also shows that block grants allow the misdirection of funds. When states and localities received billions of dollars in the tobacco settlement, we heard their good intentions to use the funds to improve health care and stop children from smoking. Some state and local officials have kept that commitment. But many others have succumbed to the pressure to use the tobacco funds to build new sidewalks, provide new tax breaks, build new prisons, and, in the case of Los Angeles, pay the legal settlement costs in the recent police corruption cases. The tobacco funds do not have the limitations that would apply to this education bill. But we all know that there will be large pressures on the states to use the education block grant proposed in this bill for activities that do very little to enhance the quality of public schools.

The block grants authorized by the bill harken back to mistakes made during the early days of Title I—mistakes we thought were long since corrected. A 1969 report on how the 1965 Title I program funds were spent—when Title I was a state block grant—shows that states seriously misused the funds. State bureaucracies were fattened with funds that were supposed to go to schools. States and districts used funds to purchase football and band uniforms. Some purchased swimming pools. We cannot afford to go back to those days. We must insist that federal funds are spent on improving the academic achievement of all students.

Block grants also undermine targeting to disadvantaged communities. The 15-State Straight A's program holds school districts harmless for the amount of funding they received under Title I in the previous year. Therefore, any new money appropriated could be reallocated to wealthier districts and schools. Needy districts would no longer be assured the additional funding they should get due to increased enrollments of poor children. In addition, the amendment does not protect any within-district targeting provisions under Title I. At FY2000 funding levels other than Title I, over $4.7 billion could be spent in any district without any targeting.

We understand the pressures that state governments face to fund education. But, we know that states don't target resources to the neediest schools and children who need additional help. Federal funds are significantly more targeted to low-income children than state funds. A recent General Accounting Office report found that state formulas are less targeted on high-need children and school districts than federal formulas. GAO found that states provide an additional 62 cents for each needy child for every dollar for all children, while the federal investment provided $4.73 per poor child for every dollar for all children.

The Straight A's program also undermines local control. The amendment concentrates educational decision-making at the state level. By authorizing the state to decide whether it will enter into a performance agreement, the Act gives the state ultimate authority to determine the parameters of the agreement, including which schools and school districts will receive funds and how funds may be spent. Far from giving local districts flexibility, as policies and waiver provisions under current law have, Straight A's would in-

crease the power of governors over local education policy at the expense of local districts, local school officials, and parents.

The majority argued that block grants are needed to return control of education to local communities. The reality is that there is already clear local control of education, and the 1994 Act provided even more flexibility to local authorities in how they spend Title I dollars. States and communities provide 92 percent of funding for education. It is preposterous to think that the federal government—which provides only 8 percent of all K–12 education funding—can run schools. What Washington can do is help local communities meet education reform priorities when their budgets are stretched too thin. Washington can also target scarce public tax dollars on areas of national need, serve as a strong partner in education reform, and help establish a system that holds all officials accountable for children's academic progress.

GAO found that for major federal elementary and secondary education programs, the Department of Education sent over 99 cents of every dollar to states, and states, in turn, sent 94 cents to local school districts. There is no massive waste or federal bureaucracy in federal education programs.

The Straight A's block grants also deny special populations of students guaranteed help for meeting high standards. Migrant, homeless, and immigrant students would no longer be assured the extra help they need to stay in school and succeed in school. Senator Kennedy and Senator Bingaman offered amendments to exclude programs that support these students from the block grant, but the majority rejected the amendments.

States could use the money for any "educational purposes," including private school vouchers that would drain funds away from public schools. In the Senate mark up, Senator Gregg confirmed that funds under his 15-state block grant could be used to support private school vouchers if a state approved them. Billions of public tax dollars could be diverted to private and religious schools, with no accountability for raising students' academic achievement. This diversion would represent a major shift in priorities for the role of the federal government in education.

Finally, Straight A's abdicates our responsibility in a reauthorization to examine and improve federal efforts. If there are issues with federal programs, we should fix them—not just hand them off to the states and local communities.

UNDERMINING STANDARDS-BASED REFORM UNDER TITLE I AND DIVERTING SCARCE PUBLIC DOLLARS FROM NEEDY PUBLIC SCHOOLS TO PRIVATE SCHOOLS THROUGH VOUCHERS

The Republican majority further undermines public school reform through "portability" of Title I. Currently, Title I is funded at approximately $8 billion, only one-third of the level needed to fully fund the program. We are pleased that the committee unanimously adopted Senator Dodd's amendment to increase the Title I authorization from $10 billion to $15 billion. However, at the same time that we signaled strong support for the program, the Republican majority voted to undermine it, and refused to strengthen it or hold Title I schools more accountable for results.

We are extremely disappointed that the Republican majority did not make significant changes to strengthen Title I to accelerate successful reforms in schools across the country, and to turn around failing schools. Title I is the cornerstone of federal elementary and secondary education, but it was undercut in nearly every amendment offered and adopted by the majority. Its unique purposes and focus are lost within the new maze of Straight A's proposals included in the bill. Additional amendments provide for Title I funds, without any limitation, to go to support private school vouchers and to transport students to other schools. The Republican majority adopted a provision to allow 10 states and 20 districts to undermine Title I and the reform of schools in the most disadvantaged communities. The Republicans turned their backs on the recent success of standards-based reform by adopting Senator Gregg's amendment to make Title I "portable."

The portability proposal gives students and parents false hope by promising increased educational support for low-income students. "Portability" under the Gregg amendment would allocate a per-child share of Title I funds to virtually every school in a district, regardless of whether a school contains the concentration of poverty presently required to receive a Title I allocation. Because Title I funding levels are only sufficient to serve about one-third of eligible students, this provision would result in an immediate and drastic cut in the level and quality of supplementary educational services provided to low-achieving children.

Under portability, the targeting of Title I funds on schools and pupils with the greatest need for assistance would be substantially reduced. Districts in the highest poverty quartile currently receive 43 percent of Title I funds, but only 23 percent of State and local funds. This amendment would enable States to distribute Title I funds in a way that creates further inequities in spending and result in a significant reduction in Title I resources for the neediest recipients and the highest poverty schools. For decades, Congress has recognized that schools enrolling high concentrations of children living in poverty face the most difficult challenges, and are much more likely to have higher proportions of children who are failing to meet State academic standards. As a result, Title I grants have been historically concentrated on the higher poverty schools, and they should continue to be targeted in this way if they are to address the greatest needs. If Title I funds are dispersed among public schools regardless of need, or to numerous private outside providers, the program will not be able to function as intended. The solution to ensure that all eligible children are served by Title I is not an unworkable portability scheme, but for Congress to fully fund Title I. The Congressional Research Service has estimated that it would cost $24 billion to fully serve all eligible children—three times the current funding level.

Redistributing funds through portability hurts poor children. The Congressionally-mandated Prospects Study strongly suggests that the need for federal assistance is greatest in schools with high concentrations of poverty. As shown before, children can be given more public school choice, without destroying the targeting of funds to schools with high concentrations of poverty.

Portability would also provide too little money to purchase educational services on an individual basis, or in schools with small numbers of Title I students. When funds are combined and concentrated on a substantial number of low-income pupils, however, they are far more effective. In fact, the bill already recognizes this important fact. Section 1001 (Statement of Purpose) states that one of the purposes of Title I is accomplished by "* * * distributing resources sufficient to make a difference to local education agencies and schools where the needs are greatest." Under the Gregg amendment, if students opt to take their allotment to an outside provider, what happens to the students who remain in the original school? The school will not be able to maintain the same level of services with only a fraction of what it had been receiving. Further, what if a parent requests supplemental services from an outside provider but also elects to stay in the home school and continue to receive Title I services there?

Portability undermines reform. Since the 1994 reauthorization, States, districts and schools have been restructuring their Title I programs with a focus on helping all children achieve to high state standards. The National Assessment of Title I reports that these changes are beginning to show results and are contributing to increased student achievement. Portability would wreak havoc on this process by disrupting program funding in current Title I schools. The current average Title I per-pupil expenditure of $600 to $650 can provide a significant amount of resources and services, but only if combined to help a substantial number of students in a school. Tying Title I dollars to individual students diminishes the benefits and success of schoolwide programs and research-based school reform models.

Portability reduces or eliminates Title I program accountability for the achievement of eligible students. Current provisions hold schools accountable for improved student achievement. Under this proposal, parents of eligible children could use their Title I funds to purchase supplementary educational services from a wide variety of providers, including private and religious schools and for-profit businesses. There is no mechanism to ensure such providers provide quality services to children, and no accountability measures are required of these providers. Who will decide which providers are acceptable? Who will be liable for the children's safety and well-being while they are in the care of outside providers? If parents choose an outside provider and are dissatisfied, can they opt to make another choice and receive another allotment?

Portability also opens the door to vouchers, at a time when courts are again rejecting these questionable policies enacted at the state and local levels. Public schools would be required at the request of parents to contract with a tutorial assistance provider, which could include private and religious schools and other religious entities. The proposal would allow public money to pay such entities for provision of educational services. Since the public school administers the program, will the public school also be responsible for assuring that a child's academic achievement is improving, even if the students are receiving services at nonpublic schools?

Finally, portability would create enormous administrative burdens. It would disrupt school planning and budgeting, because

large numbers of students could change schools in the middle of the school year. It would also be difficult to administer, because school budgets are usually set far in advance to allow for the extensive planning needed to hire teachers and arrange classes. How will schools plan their budgets if they do not know how many students will stay at their schools or opt to take their allotments to an outside provider? Who is responsible for providing transportation to the outside providers or nonpublic schools? How would the school track the achievement of students being served by outside providers?

Portability doesn't guarantee any child a better education. Allowing children to take their portable grant to a private school or an off-campus after-school program does not necessarily mean they will receive a better education. Unless private schools are required to publicly report student achievement data in the same manner as public schools, we have no information regarding the quality of education in those schools. It would be irresponsible to send public dollars into "mystery" institutions of questionable quality.

We know that standards-based reform and schoolwide programs are making a difference. For example, in Atlanta, Georgia, Burgess Elementary School is a Title I schoolwide school that serves 430 students, 99% of whom are African-American. More than 80% are eligible for free or reduced-price lunches. In 1998, 64% of Burgess' students performed above the national norm in reading, an increase of 35% over 1995. 72% scored above the national norm in math, an increase of 38% over 1995.

In Boston, the Harriet A. Baldwin School is a Title I schoolwide program that serves 283 students, 93 percent of whom are minorities. 80 percent are eligible for free or reduced-price lunches. From 1996 to 1998, Stanford 9 math and reading scores improved substantially, and are currently well above the national median and are much higher than district scores. In 1996, 66 percent of 3rd graders scored in math at Levels 1&2 (little or partial mastery of basic knowledge and skills); in 1998, 100 percent scored at Levels 3&4 (solid academic performance and superior performance beyond grade-level mastery). In 1997, 75 percent of 4th graders were at Level 1&2 in reading, and only 25 percent at higher levels of proficiency. In 1998, more than 50 percent were at higher levels of proficiency.

The minority unanimously opposed the Gregg portability amendment because we believe we should do more to improve federal support for Title I to help the neediest students achieve better results, not undermine it.

HOLDING SCHOOLS ACCOUNTABLE FOR BETTER RESULTS FOR CHILDREN

In 1994, we made important changes to the Title I program. We created an accountability system that—along with the Goals 2000 program—has spurred standards-based reform efforts across the nation. During the last 5 years, however, experience in many states has demonstrated that we must do more. The federal government has succeeded in targeting funds—better than virtually any state or local government—on those most in need. Over the last three decades, we also have had success in closing the achievement gap

between economically disadvantaged students and their peers. But we have not done enough to accelerate those results and to ensure that there is real performance-based accountability for the billions of dollars spent for Title I programs.

Senator Bingaman and the other Committee Democrats proposed a package of changes to the Title I legislation that would have ensured accountability for student performance. The Chairman's mark incorporated some of these proposals, including notifying parents when their child's school is struggling or failing, and requiring that school improvement methods be based on research-based strategies.

Nevertheless, key provisions related to accountability were omitted. Title I has the very specific purpose of raising the achievement of disadvantaged students. Yet the Title I accountability system used in many States depends on growth in overall student achievement, rather than looking at the progress of students with special needs such as economically disadvantaged or minority students. Accountability systems that depend upon average student achievement data—data in the aggregate—will not close the achievement gaps that separate low-income students from more affluent students and minority students from white students. The definition of progress included in Title I should require States and districts to set annual, numerical goals for student achievement by subgroup, so that existing achievement gaps can be eliminated. The disaggregated goals should include at least income, race, ethnicity and English proficiency.

The committee bill actually takes a step backward with respect to ensuring that poor and limited English proficient students are not left behind. It indicates that States do not have to consider their progress if there are not "sufficient" numbers of them in any given State. In addition, the majority rejected provisions that would have helped to ensure inclusion of all students in assessments. States often mask a lack of progress by improperly excluding certain students from state assessments, such as students with disabilities or with limited English proficiency, even though the 1994 Act calls for inclusion of these students. At a minimum, we should require public reporting of the number of students excluded from assessments, by race, ethnicity, income, gender, English proficiency, disability and migrant status.

Also, the Rural Education Initiative would greatly weaken accountability by allowing small, rural districts to consolidate funds from Titles II, IV, and VI, without any realistic accountability for improving student achievement.

In addition, we should insist that each state's accountability system should incorporate significant consequences for chronic failure. The corrective action provisions must be strengthened to ensure that when schools are chronically under-performing, significant consequences are imposed. The majority rejected amendments to ensure that the governance structure of these schools is changed. In addition, the majority rejected provisions to impose consequences upon States that fail to implement rigorous accountability, including limiting access to flexibility programs and decreasing administrative funding. A single accountability system for

all schools also should be required, to ensure that Title I schools are held to the same standards as other schools.

We also must give parents the information that they need to be informed participants in their children's education. We should require schools to provide school report cards with basic information, including student performance data, dropout and graduation rates, teacher qualifications, average class size and access to technology.

We learned in the days before the mark up that the Department of Education does not have an exact accounting of the numbers and names of failing schools and schools in need of improvement. States are not required to report such data, and many states have chosen not to. Senator Reed offered an amendment to address this situation. We are disappointed that this simple and common-sense amendment was not adopted to require states to report the names and numbers of low-performing schools, and the steps that states are taking to meet their responsibility to help such schools improve.

In addition, because qualified and well-prepared teachers are critical to improving student achievement, we are disappointed that another Reed amendment, which would set the funding bar under Title I for professional development at the district level at 10%, was rejected. We are also disappointed that the majority rejected language proposed by Senator Bingaman, which would require states to ensure that poor children are not taught by unqualified teachers at higher rates than other children. States should be required to commit necessary resources to provide incentives to attract teachers to high poverty schools through voluntary transfers and/or new hires, and to provide necessary training to the teachers currently in those schools so that they can become fully qualified.

We are pleased that the bill included a state-level set-aside to assist low-performing schools, implement the accountability provisions, provide rewards for progress, and develop assessments. However, the provision does not ensure that any funds reach school districts. It does not require any funds to be spent on improving low-performing schools. A state may use all of its new Title I funds for the purpose of providing financial awards to teachers and principals in schools that have made gains in academic achievement. While we do not oppose such financial awards, they should be separately authorized, and not funded by taking money from Title I that would otherwise be used to provide better services to students and turn around failing schools.

A better approach to improve low-performing schools was contained in the Bingaman amendment, which would increase the state set-aside for school improvement, while requiring that 70% of such funds be distributed to local school districts.

We are pleased that the bill gives students in failing schools the right to transfer to higher performing schools. We also support a student's ability to transfer out of an unsafe school. We had several concerns, however, about the majority's provision on the right to transfer. The bill does not clearly define what constitutes an unsafe school and allows for Title I funds—intended to be used to improve academic achievement in high poverty schools—to be used for transportation expenses incurred by transferring students to safer schools. In addition, the legislation sets an extremely high cap for

the amount of Title I funds that may be used to transport students from failing schools to higher performing schools. We prefer the proposal offered by Senator Bingaman, which would ensure that most of a district's Title I funds are used to turn around low-performing and failing schools, while requiring districts to assume the cost of transportation for students opting to transfer out of failing schools. This proposal also would enable students in districts with no schools demonstrating adequate performance to transfer to schools in neighboring districts.

ADDRESSING THE NATIONAL NEED FOR A QUALIFIED TEACHER IN EVERY CLASSROOM

Teacher Empowerment Act Eliminates the National Commitment to Ensuring Better Teachers in Small Classes

Teacher quality is a vitally important factor in student achievement. The federal government has an important role to play in providing leadership and resources to states and districts, particularly districts that serve large numbers of low-income and minority students, in their efforts to attract and maintain a qualified teaching force. It is unfortunate that the majority does not support a strong federal role in the federal-state-local partnership to improve teacher quality.

The greatest needs for qualified teachers are in the highest poverty schools, which have the highest proportions of unqualified teachers. Finding qualified teachers for these schools is critical to the success of standards-based reform. Yet the majority rejected the Bingaman amendment, which would require Title I schools to have comparable proportions of qualified teachers as low-poverty schools.

Title II of the bill, the Teacher Empowerment Block Grant, undermines the federal commitment to improving teacher quality. It decreases the federal investment in helping communities to reduce class size in the early grades and to ensure a qualified teacher in every classroom. It eliminates the Class Size Reduction Program and the Eisenhower Professional Development Program, and it authorizes a $2 billion block grant for teacher quality. Under the President's budget request for fiscal year 2001, states and communities would have received $2.75 billion to reduce class size and improve teacher quality. All school boards know that a $750 million cut in funding means they can do less to improve academic achievement of their students. The Teacher Empowerment Act does not hold school districts accountable for results. There is no guarantee that either class size reduction or teacher professional development will be done well. We need to do more—not less—to help communities improve public schools, teacher quality, and student achievement.

The Teacher Empowerment Act does nothing to ensure that teachers are trained to help students with special educational needs, such as students with disabilities, students with limited English proficiency, and economically disadvantaged students. In order to ensure that all children have the opportunity to meet high state standards, teachers need training in how to address the needs of a diverse population of students.

The amendment would reverse more than 15 years of professional development support for teachers through the Eisenhower Professional Development Program. In fact, under Title II of the bill, a "portion"—which could mean very little actual resources—would have to be spent for professional development. The amendment fails to reform professional development from the current system of short-term, ineffective, and fragmented workshops. It ignores the need for teachers to be taught to work effectively with parents to help improve student achievement.

A Qualified Teacher in Every Classroom

Senator Kennedy offered a Democratic alternative to the Teacher Empowerment Act that would ensure a qualified teacher in every classroom. The amendment is based on proven practices that have been shown to improve teacher skills and knowledge, and improve student achievement. It guarantees communities that they would receive substantial funds to: (1) recruit qualified teachers; (2) provide qualified mentors for new teachers; (3) provide professional development for classroom teachers; and (4) hold schools accountable for results.

As a result of increasing enrollments, teacher turnover, and retirements of veteran teachers, the nation faces the challenge of hiring more than 2 million new teachers over the next ten years. Unfortunately, the need for new teachers in 1998 was met by admitting 50,000 unqualified teachers to the classroom. Of those who do enter teaching, nearly 50% leave the profession within 5 years. It is obvious that too many beginning teachers are being thrown into classrooms without the guidance and support they need in order to succeed.

We must make a renewed commitment to attract, train, and support the highest quality teachers for our children. We must ensure that all children—our nation's future—are learning from academically qualified and highly trained teachers. No classroom anywhere is any better than the teacher who teaches in it. We should do all we can to make sure that every teacher is well qualified.

The Kennedy amendment would provide the Secretary of Education with the authority to support activities of national significance to meet urgent teacher shortages through national recruitment activities such as the Transition to Teacher and Hometown Teachers Program, establishment of a national Job Bank, and continuation of the Eisenhower National Clearinghouse for Mathematics and Science Education.

The bulk of the funds—$1.7 billion—will go to local communities to recruit new qualified teachers, provide mentors for new teachers, and provide professional development for all teachers. States will receive funds by formula based 50% on poverty and 50% on population. States will be able to keep up to 10% of their funds to meet statewide teacher shortages, implement strategies to increase teacher salaries, improve alternative routes to state certification, and help districts reduce the number of teachers with out-of-field placements and emergency credentials.

The state would distribute 56% of its funds through a formula based 75% on poverty and 25% on population for implementing high quality professional development and mentoring activities,

with a priority for math and science. This provision will help communities provide 200,000 new teachers with mentors each year and provide teachers and principals in thousands of districts with innovative professional development programs. The programs are locally designed, but must be based on proven effective strategies.

Research shows that current professional development practices often fail to improve or even impact teacher quality. In addition, a recent survey of teachers found that current professional development is too short term, and lacks intensity. In 1998, participation in professional development programs typically lasted only 1 to 8 hours. As a consequence, only about 1 in 5 teachers felt well prepared for addressing the needs of students with limited English proficiency, those from culturally diverse backgrounds, and those with disabilities, or for integrating educational technology into the curriculum.

Research shows that effective professional development approaches should be sustained, intensive activities that focus on deepening teachers' knowledge of content; that allow teachers to work collaboratively; that provide opportunities for teachers to practice and reflect upon their teaching; that are aligned with standards and the daily work of the school; and that involve parents and other community members. High-quality professional development improves student achievement. Last June, during our committee hearing on professional development, Barbara Schneider of Community School District 2 in New York City testified about the positive impact of the District's investment in sustained, intensive professional development on student achievement.

Unlike the Teacher Empowerment Act, our substitute would increase investment in professional development and mentoring, and focus on the kind of activities and opportunities for teachers that research shows is effective. Our substitute would offer resources, but demand results through strong accountability provisions. We believe that this approach is more effective than the bill's Title II in ensuring that teachers have the training, assistance, and support to increase student achievement and sustain them throughout their careers.

To help communities recruit qualified candidates from other fields to become teachers, states would also distribute 30% of their funds through competitive grants for Local Teacher Corps recruitment grants. Local partnerships must consist of, at a minimum, a school district and an institution of higher education, and the grants must be targeted to high-poverty districts and districts with the greatest need for qualified teachers.

Finally, our amendment would hold state and local districts accountable for results. States must ensure that there is a qualified teacher in every classroom by the 4th year after enactment of the law. In addition, the state must publicly report information on the percentage of classes in core academic subjects that are taught by out-of-field teachers and the average statewide class size. Local school districts would be required to publicly report information on the qualifications of classroom teachers and the academic subject in which the teacher teaches. Local professional development, mentoring, and recruitment activities must be based on proven effective methods and lead to improved student performance throughout the

district. Schools are held accountable for reducing the beginning teacher attrition rate, the number of uncertified teachers, and the number of teachers teaching out of field. In order to continue a local grant for a 4th or subsequent fiscal year, the district must have shown progress in meeting its goals and objectives for the local grants.

This amendment makes sense. It provides the needed resources and interventions that parents are calling for to ensure that every child is taught by a qualified teacher.

Investing in Qualified School Principals

Successful schools are led by principals who have a deep understanding of teaching and learning, and who are well-informed about state and local standards. We must provide greater support for the nation's principals. It is often true that a qualified principal can turn around an entire school.

Today, however, principals often lack opportunities for high-quality professional development. Too often, such development is in the form of one-day workshops not geared to the needs of most principals. We must do all we can to provide opportunities for professional development for principals—and it must be high-quality, readily available, and geared toward the practical needs of principals. In addition, we should encourage local districts to provide mentoring opportunities for principals.

We are pleased that the bill includes the Leadership Education and Development Program to help improve and expand professional development opportunities for school principals and superintendents. We hope that it can be strengthened by increasing accountability, targeting more resources to high-poverty communities, addressing the need to train prospective and current principals, providing effective evaluations of the program, and providing for dissemination of information about the best practices for training principals. Although we believe that we should improve the program, the provision is a strong and positive bipartisan signal to the nation's communities that we will help provide stronger school leaders in every school.

REDUCING CLASS SIZE

For the past two years, Congress—with a large majority—has provided more than $2.5 billion for the specific purpose of recruiting, hiring, and training teachers to reduce class size. What message do we now want to send to parents, teachers, and others in school communities across the nation by backing away from this commitment?

We are particularly disappointed that the committee rejected Senator Murray's Class Size Amendment. The 8 to 10 vote highlights the Republican Majority's disregard for the educational needs of the country and the concerns of American parents. The Class Size Reduction initiative was enacted with bipartisan support and praised by many from both parties as a major achievement for students.

The majority backed away from its commitment to reducing class size in grades one through three, to a national average of eighteen students. The majority backed away from its commitment to hire

100,000 fully qualified teachers to help ensure that all students can learn to read independently and well by the end of the third grade. In effect, the majority broke the promise it made to the children of America. Last November, the Congress, on a bipartisan basis, as part of the Fiscal Year 2000 appropriations bill, continued for the second year the class size reduction program, with new provisions that provide additional flexibility for school districts, that made clear that only fully qualified teachers are hired with these funds.

Smaller class size enhances student achievement. Smaller classes enable teachers to provide greater individual attention and assistance to students in need. Smaller classes enable teachers to spend more time on instruction, and less time on discipline and behavior problems. In smaller classes, teachers cover material more effectively, and are able to work with parents more effectively to enhance their children's education.

We must continue to guarantee that the 1.7 million children who are currently learning in less crowded classrooms will be taught in small classes next year. We must not back away from the commitment. We must continue to support the 29,000 fully qualified teachers currently teaching under the Class Size Reduction Program. We must work to ensure that the students who stand to benefit most from smaller class sizes lower-achieving, minority, poor, and inner-city students continue to receive instruction in small classes.

EXPANDING AND STRENGTHENING AFTER SCHOOL OPPORTUNITIES FOR CHILDREN

Also of substantial disappointment to us was the Committee's failure to support parents and schools struggling to address the after-school needs of today's students. After school programs must not be an after-thought in education policy. Each day, 5 million children leave school without supervised care. These students are at higher risk of juvenile delinquency, teenage pregnancy and tobacco, alcohol and drug use. We also know that juvenile crime peaks between the hours of 3 p.m and 7 p.m. Yet, many schools are left vacant when they could be used as valuable community resources.

The 21st Century Community Learning Centers Program, created in 1994 by Senator Jeffords, has grown substantially in recent years, with current funding of $453 million. These dollars support 4,000 school centers focused on providing high-quality after-school programs, and on better utilizing the schools to meet wider community needs. Senator Dodd proposed an amendment to clarify the focus of the program on after-school activities, use state-based competitive grants, enhance the role of community-based organizations, and increase the authorization to $1 billion, in recognition of the serious needs on this issue. This common-sense amendment reflected the concerns of the whole committee and parents across the country, but it was rejected on a party line vote. We continue to hope the committee can find a way to work together on this important initiative, and not abdicate our responsibility to reauthorize this program of vital importance to families, students and schools.

REPAIRING AND MODERNIZING THE NATION'S SCHOOLS

The distressing condition of too many of the nation's schools is well known. The average age of the nation's schools is 42 years. 14 million children attend classes in buildings that are unsafe or inadequate. The General Accounting Office reports that $112 billion is needed to bring the nation's schools up to good condition.

GAO also noted in its report, School Facilities: The Condition of America's Schools, that two-thirds of schools need repairs and renovations to improve accessibility for students with disabilities, or to address health and safety problems such as asbestos, lead in water or paint, materials in underground storage tanks, and radon. Half of the schools report unsatisfactory environmental conditions, such as poor ventilation, furnace problems, inadequate lighting, or insufficient physical security. Forty percent of schools need to repair or replace building features, such as a roof or plumbing. Thirty percent of rural districts, 38 percent of urban districts, and 29 percent of suburban districts have at least one building that needs extensive repair or total replacement.

Nearly three-quarters of the nation's schools are over 30 years old. According to the National Center for Education Statistics, when a school is between 20 and 30 years of age, frequent replacement of equipment is necessary. Between 30 and 40 years, all of the original equipment should have been replaced, including the roof and electrical systems. After 40 years, a school begins to deteriorate rapidly, and after 60 years most schools are abandoned.

The need for modernization and new construction of school facilities has become a crisis in school districts throughout the United States. Schools face the enormous challenges of record- high enrollments, new demands for educational technology, the need for before- and after-school programs, and the hazards of deteriorating facilities. Nearly 53 million students are currently enrolled in elementary and secondary schools, and this number is expected to rise to 54.4 million by 2008.

The American Society of Civil Engineers released a Report Card of America's Infrastructure in April 1999. A team of civil engineers examined the condition, performance, capacity, and funding of the nation's infrastructure and scored each category with a letter grade. Included in the examination were roads, bridges, dams, solid waste, mass transit, aviation, hazardous waste, and schools. The report card's worst marks went to schools, which received a failing grade.

In addition, a new study from the National Education Association suggests there is substantial unmet need today—even greater than in 1995—for school renovation and construction.

There are a number of reasons for the poor physical state of schools, including student overcrowding, deferred maintenance, the age of the buildings, and the need to adapt to changing technology. One thing is certain: The problem is not going away. School enrollment is increasing, and schools will need renovations to ensure that students have access to educational technology and the Internet.

This is clearly a national problem, and we must have a comprehensive national response. The Committee Bill not only ignores

this pressing national concern—it retreats, by repealing Title XII, the Education Infrastructure Act.

An effort to correct this serious shortcoming was rejected on a party line vote against the Harkin-Bingaman Amendment, strongly supported by all Democrats, to amend and reauthorize Title XII. The amendment authorized $1.3 billion to provide grants and zero interest loans to help public schools make urgent repairs such as roof replacements or electrical wiring, or to remedy fire code violations.

The Harkin-Bingaman amendment is a complement to Senator Robb's proposal for tax credits to subsidize the interest on $25 billion of school construction bonds. It is focused on urgent repairs, and will help school districts that are unable to pass a bond referendum. It would have authorized funding for 8,300 repair projects for 5,000 public schools as proposed by the President's FY 2001 budget.

INCREASING PARENTAL INVOLVEMENT

While the bill does add new parental involvement provisions, it does not make important changes that are needed. Research shows that regardless of economic, ethnic, or cultural background, parental involvement is a major factor in determining a child's academic success. Too often, schools fail to do enough to inform and involve parents.

To increase parental involvement, we must depend on parents, teachers, and school administrators to work together to implement effective programs. National leadership is needed to provide schools, teachers, and parents with the tools adequate to this task. Simply hoping that parents will become engaged is not enough.

The bill takes some steps to address these concerns, such as by ensuring that Title I families can obtain information on their children's progress in terms they can understand; having states collect and disseminate information about effective parental involvement practices; allowing schools to use technology to foster communication with parents; and ensuring parents are involved in violence prevention and drug prevention programs, so that parents can reinforce the safe and drug-free message at home.

However, the bill fails to provide the accountability needed to ensure that the parental involvement provisions of ESEA are actually followed. We are disappointed that provisions included in the Reed amendment were not adopted to address this situation. The amendment would require state parental involvement plans, annual reviews of parental involvement activities, and technical assistance for districts having difficulty implementing the parental involvement requirements of Title I. We urge the addition of these common-sense accountability provisions, which are essential to improving schools and the performance of students, ensuring that schools significantly involve parents.

We are particularly disappointed that the majority chose not to support the Local Family Information Centers. This program would provide funds for community based organizations to facilitate interactions between Title I schools and those parents who are the hardest to reach—parents with limited English proficiency, parents who are homeless and other parents who are isolated. With appropriate

support, these parents too can play a meaningful role in their children's education and in their children's schools.

In addition, we are disappointed that the bill eliminates the Title XI Coordinated Services Title. At the same time, it fails to add the Reed Amendment to authorize school-community partnerships to provide children and families with links to existing community prevention and intervention services. Such services exist in a fragmented fashion in many communities. Families which would otherwise be eligible to receive the services cannot obtain them without coordination at a site housed under one familiar roof— their child's school. Research shows that school-community links are a cost-effective way to help meet the basic needs of children and ensure they are ready and able to succeed in school.

CLOSING THE DIGITAL DIVIDE

We are pleased that the committee bill recognizes the important federal role in education technology, and that it continues support for programs that have helped schools adopt and integrate technology in their classrooms. In particular, we are pleased by the increased authorization for the Technology Literacy Fund and the National Technology Innovation Grants. We commend the dedicated funding for these programs, and for the Regional Technical Centers and the Star Schools program. Increased support for the National Program for Technology in Education is needed. The committee accepted amendments offered by Senator Bingaman, which will ensure the inclusion of current technologies such as web-based learning, online classes, and wireless technologies, and which will also ensure that education technology is used to support student performance in core academic courses. In addition, the provisions require the states to outline their goals for student achievement, dissemination, and technical assistance with respect to the Technology Literacy Fund. These measures will promote the use of technology as a tool for enhanced student learning. We are also pleased that the committee included the programs from the bipartisan Digital Education Act, including Ready-to-Learn, and that the committee accepted Senator Mikulski's amendment setting a goal for all students gaining computer literacy by the 8th grade.

Given the growing and unquestionable importance of technology in today's economy, we believe that additional modifications will significantly improve the federal government's ability to ensure greater equality in access to technology in educational contexts, and to ensure that such technologies are being used to their maximum potential. In low-poverty schools, 74 percent of classrooms have Internet access, while only 39 percent of classrooms in high-poverty schools have such access. Similarly, the number of students per instructional computer (with Internet access) is 7 in schools with less than 11 percent poverty, compared to 16 in schools with 71 percent poverty. The Technology Literacy Fund must be more targeted toward low income and disadvantaged students. Many states receiving these funds do not direct the funds to high poverty districts. Greater targeting of these federal technology funds will use federal dollars more effectively, and will also provide the opportunity for disadvantaged areas to leverage assistance from non-governmental entities.

While the Technology Innovation Grants provision allows the Secretary to provide continuation grants under the Preparing Tomorrow's Teachers to Use Technology Program, it does not continue dedicated funding for this purpose. The fact that only 20 percent of teachers feel comfortable integrating technology in their classrooms suggests a need for greater attention to adequate pre-service and in-service professional development activities for teachers, so that students derive the full benefits of access to advanced technologies at school. Pre-service programs are particularly important. We must integrate educational technology into the curriculum of schools of education, so that teachers entering the workforce begin their careers with the training they need to integrate technology into their instruction.

In addition, the digital divide extends beyond the schoolhouse. The Community Technology Centers Program addresses this reality. It provides access to technology for families in their own communities. Households with incomes greater than $75,000 a year are eight times more likely to have computers than households at the lowest income levels. Urban households with incomes over $75,000 a year are over twenty times more likely to have home Internet access than rural households at the lowest income levels. If the nation is serious about including everyone in the digital economy, it is essential that we continue providing access to computers and training through these Community Technology Centers. The need for this program is demonstrated by the fact that the Department of Education received 750 applications for 40 grants last year.

EXPANDING PUBLIC SCHOOL CHOICE

Bipartisanship was also evident in efforts to reauthorize programs supporting public school choice. Modest changes to the Magnet Schools Assistance Program were supported by the committee, in recognition of the strong record of this program in improving diversity in schools and in developing innovative models of excellence in education. Similarly, the committee worked closely together on the changes in the Charter Schools Program, which was reauthorized last Congress, but is extended in this bill.

We commend the Chairman's continued support of federal funding for the magnet school and charter school programs. Though relatively small, these two programs have provided incentives for innovation and positive reform, and they have also provided many parents with greater choice for their child's education. The popularity of magnet and charter schools among educators and parents alike is commendable. At the same time, the Department of Education must do more to assure that schools funded by these programs are truly diverse and held as accountable for student progress as other public schools. Expanding public school choice in ways that maintain targeted funding while also promoting high standards for all students will extend these benefits to more communities and families.

We were dismayed that the majority rejected Senator Bingaman's proposal to authorize the Opportunities to Improve Our National's Schools Program (OPTIONS), which would identify and support innovative approaches to high-quality public school choice. Many of our Republican colleagues have spoken of the need for

greater reform in public schools. Yet they are unwilling to dedicate federal assistance for the development, implementation, and evaluation of the very kinds of public school choice programs that stimulate innovation and contribute to standards-based reform. Under OPTIONS, states and localities would be given a pool of resources for a wide variety of activities related to public school choice. The funds would be targeted toward high-poverty communities.

SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES ACT

The Safe and Drug-Free Schools and Communities Act, authored by Senators DeWine, Dodd, and Murray, is one of the strongest areas of bipartisanship. Changes made to the Safe and Drug-Free Schools and Communities Act focus on improving the accountability and enhancing the effectiveness of this program. The legislation requires states and schools to adhere to the "Principles of Effectiveness" in the design, implementation, and evaluation of their programs. The bill also increases federal coordination, while providing states with the flexibility to better target these dollars. In addition, the passage of Senator Harkin's amendment on reinstating the Tobacco-Free Schools requirement that schools be smoke-free demonstrates a bipartisan commitment to this important issue.

Similarly, we are especially pleased that an amendment to repeal the hate crimes provisions in this Act was resoundingly defeated. This vote also demonstrates our bipartisan commitment to the important goals of keeping our students safe and creating strong, healthy communities.

Despite these improvements, however, additional efforts need to be made to strengthen the bill on these issues. Project SERV, a program to provide schools with emergency assistance after a traumatic crisis or violence, is an important component missing from the Act. Senator Wellstone proposed an amendment to provide training to teachers to develop and implement domestic violence prevention, intervention, early identification, and referral strategies for students and school personnel. Since domestic violence and child abuse are both causes and predictors of juvenile violence, this program would greatly enhance the Safe and Drug-Free Schools and Communities Act. In addition, the bill fails to include an authorization supporting training of early childhood educators in violence prevention strategies, as proposed in legislation offered by Senator Dodd.

The bipartisan consensus on this program was undermined by the Committee's adoption of an amendment that creates loopholes allowing spending of federal funds on potentially ineffective measures. The amendment also included several other provisions of concern, including burdensome requirements on local schools that all educational material supported with ESEA funds must be posted with a notice of the use of the federal funds, and that bureaucratic and costly procedures for handling complaints must be put in place.

MEETING THE NATIONAL NEED TO SUPPORT SCHOOL LIBRARIES

The bill also fails to restore critical funding for school libraries or to increase student access to up-to-date school library materials. Research has documented a clear connection between well-

equipped, well-staffed school libraries and reading achievement and overall academic success. Unfortunately, schools across the nation are still dependent on collections purchased in the mid–1960s and 1970s with dedicated funding provided under the original Elementary and Secondary Education Act. Since 1981, when this funding was folded into what is now the Title VI block grant, school libraries have suffered. This 19-year experiment in leaving school library funding to states and school districts has failed. School library shelves are now filled with outdated books which predate the landing of manned spacecraft on the moon, the breakup of the Soviet Union, the end of apartheid, the growth of the Internet, and advances in scientific research.

Given the clear examples of outdated school library books filled with offensive stereotypes presented at the Committee mark up, we are dismayed that the committee rejected the Reed School Library amendment. The needs of school libraries have been unaddressed for too long. We urge the restoration of funding to update and improve the nation's school libraries.

Support for Urban and Rural Communities

We share the majority's concern that federal programs must serve all areas, including rural districts, and we recognize that each school district has unique needs. 46 percent of the nation's public schools serve rural areas. These schools often face problems associated with their remote location and sparse populations, such as lower salaries which make it particularly difficult to attract and retain qualified teachers and administrators. Teachers in rural schools are almost twice as likely to provide instruction in three or more subjects than teachers in urban schools. The course offerings, especially advanced courses, are more limited than in other areas. Many rural school districts have high transportation costs because of the greater distances that children travel to school. Like other areas, rural districts often have aging school buildings that must be modernized to take full advantage of education technology.

Unlike most other jurisdictions, many rural schools also face shrinking tax bases. This problem is particularly true in areas that have been hit hard by the agriculture crisis. The result is that the ability of these areas to raise local resources is even more limited than in other regions.

Federal resources are important to help these districts address these problems. While many rural schools do compete effectively for federal grants, many smaller rural schools often lack the personnel needed to prepare applications and grant proposals. Except under Title I, smaller districts often do not receive sufficient funds for effective programs, and they lack the ability to raise additional funds locally.

The majority has acknowledged the problems facing rural schools and has included a rural proposal in the committee bill. Unfortunately, their approach suffers from two deficiencies. It creates a new and unnecessary system of forms and bureaucracy, and it has the effect of creating a new block grant. By block granting these funds, districts are not held accountable for the results, and the national priority is lost.

We prefer an approach that continues to target specific problems, such as reducing class size, improving teacher training, and integrating technology effectively into the classroom, and that also makes sure the districts have the resources they need to operate effective programs.

We support an amendment to provide a supplemental payment to qualifying rural districts. Under this approach, a district would simply indicate on its application for existing class size, teacher training, and technology programs how it would use the supplemental funds. It would be held accountable for using the funds effectively through the same mechanism applied to the underlying program. We believe this approach is a simple and effective way to help rural districts address their problems.

We recognize that urban schools also face unique and acute issues that create challenges for them to implement effective programs. Like rural districts, they have difficulty attracting and retaining qualified teachers. This problem can affect their course offerings. Many urban districts also have significant problems with aging and unsafe facilities. In addition, urban schools face challenges unique to their urban nature. The high numbers of homeless children, children with limited English proficiency, and children from extreme poverty make it difficult for them to close the achievement gap between low and high performing students. While the causes of these problems may be different, they are no less significant, and they should be addressed by this legislation. Yet, unlike rural areas, they were not provided with an alternative funding source.

We are disappointed, therefore, that by repealing the Urban Demonstration Grant Program, the majority eliminated the possibility for urban districts to receive supplementary funds to meet their unique needs. While the rural demonstration program was repealed as well, it was replaced by the rural education initiative.

OTHER PROGRAMS TO IMPROVE STUDENT ACHIEVEMENT

The Committee was able to come together around the reauthorization of several smaller but important national initiatives supporting change in schools, including the Character Education Partnership Program, the Javits Gifted and Talented Program, the Elementary School Counseling Program, and the Women's Educational Equity Act. While small, these programs have demonstrated the capacity of a modest federal investment to leverage real change in schools across the county. Throughout the committee's hearings on the reauthorization, we heard from witnesses across the country about the fundamental difference that these programs have made in improving schools and strengthening the achievement of students.

We are pleased that the smaller learning communities program within the Fund for the Improvement of Education is included in the committee bill. The smaller learning communities program has proven benefits, such as improved learning environments, improved student achievement, and improved attendance indicators. We hope that this year's appropriations of $45 million for the program will provide a greater opportunity for our colleagues to see these impor-

tant benefits in schools in their own communities and to expand the funding pool.

We were also pleased that the committee accepted Senator Bingaman's amendments authorizing funding for dropout prevention and for building upon the extremely successful program that expands access to Advanced Placement classes and exams. These two programs are important tools to ensure that poor and minority youth stay in school and learn to high standards. The AP program also helps to ensure that all students, regardless of racial or economic background, are given access to rigorous courses that prepare them for enrollment in education beyond high school.

We are pleased by the bipartisan commitment to maintaining and strengthening Title VII, which provides critical support for communities to implement innovative model programs to ensure that children with limited English proficiency learn English and master academic content. The changes are designed to ensure that the assistance will be aligned with the standards-based reforms under Title I. We are also pleased that the committee accepted the Reed amendment to preserve the current law's priority for districts that enroll a large number of limited English proficient students.

We are pleased that the committee accepted an amendment by Senator Reed to provide greater accountability under Title VI, Innovative Education Program Strategies. This amendment requires all innovative education programs and activities to be tied to promoting high academic standards, be used to improve student performance, and be part of an overall education reform strategy. It successfully addresses many of the concerns raised about this program.

We need to continue to work together to improve on other areas of concern, such as comprehensive secondary school reform and technical assistance centers. We also remain deeply concerned about the extent to which these strong, improved policies are undermined by their inclusion in Straight A's. This block grant proposal undoes all the hard work of reforming these major federal efforts.

We are disappointed that the Republican Majority rejected Senator Murray's Amendment to make it possible for students and other youth to engage more fully in the process of school reform and school improvement. Student involvement is an important aspect of school reform and improvement. Students benefit when they are given significant roles in their schools and communities. Special attention is needed to ensure the effective involvement of students in decisions that affect their education. It is regrettable that the majority does not share our concerns in this area.

We are also disappointed that the Republican Majority rejected Senator Murray's Amendment to provide national challenge grants for innovation in the education of homeless children. In spite of our prosperous economy, homelessness is on the rise in America. Children represent one of the fastest growing segments of the homeless population, but states, schools and service providers often do not have the resources to meet their needs. When children become homeless, they are often uprooted from their communities, and drift from school to school. Academic achievement suffers greatly under such conditions.

The Murray Amendment would provide needed funds for innovative programs to address the transportation needs of homeless children. By helping districts create model transportation programs, the Murray Amendment would help improve student achievement by making it possible for homeless children to continue attending their original schools. It is disappointing that the majority did not support our efforts in this area.

CONCLUSION

We hope to make bipartisan progress on strengthening and improving public schools in every community. But this progress should not come at the expense of a strong federal helping hand, accountability for results, targeting to the neediest communities, and a clear focus on priority areas of national need. The nation's children deserve no less.

TED KENNEDY.
TOM HARKIN.
JEFF BINGAMAN.
PATTY MURRAY.
CHRIS DODD.
BARBARA A. MIKULSKI.
PAUL WELLSTONE.
JACK REED.

XI. CHANGES IN EXISTING LAW

In compliance with rule XXVI paragraph 12 of the Standing Rules of the Senate, the following provides a print of the statute or the part or section thereof to be amended or replaced (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

EDUCATIONAL OPPORTUNITIES ACT

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Sec. 1. Short title; table of contents.
Sec. 2. References.
Sec. 3. Short title; purpose; definitions.

TITLE I—HELPING DISADVANTAGED CHILDREN MEET HIGH STANDARDS

Sec. 101. Policy and purpose.
Sec. 102. Authorization of appropriations.
Sec. 103. Reservation and allocation for school improvement.

PART A—BASIC PROGRAMS

Sec. 111. State plans.
Sec. 112. Local educational agency plans.
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* * * * * * *

SEC. 2. PURPOSE

It is the purpose of this Act to support programs and activities that will improve the Nation's schools and enable all children to achieve high standards.

SEC. 3. DEFINITIONS.

Except as otherwise provided, in this Act:

(1) AVERAGE DAILY ATTENDANCE.—

(A) IN GENERAL.—Except as provided otherwise by State law or this paragraph, the term "average daily attendance" means—

(i) the aggregate number of days of attendance of all students during a school year; divided by

(ii) the number of days school is in session during such school year.

(B) CONVERSION.—The Secretary shall permit the conversion of average daily membership (or other similar data) to average daily attendance for local educational agencies in States that provide State aid to local educational agencies on the basis of average daily membership or such other data.

(C) SPECIAL RULE.—If the local educational agency in which a child resides makes a tuition or other payment for the free public education of the child in a school located in another school district, the Secretary shall, for purposes of this Act—

(i) consider the child to be in attendance at a school of the agency making such payment; and

(ii) not consider the child to be in attendance at a school of the agency receiving such payment.

(D) CHILDREN WITH DISABILITIES.—If a local educational agency makes a tuition payment to a private school or to a public school of another local educational agency for a child with a disability, as defined in section 602 of the Individuals with Disabilities Education Act, the Secretary shall, for the purposes of this Act, consider such child to be in attendance at a school of the agency making such payment.

(2) AVERAGE PER-PUPIL EXPENDITURE.—The term "average per-pupil expenditure" means, in the case of a State or of the United States—

(A) without regard to the source of funds—

(i) the aggregate current expenditures, during the third fiscal year preceding the fiscal year for which the determination is made (or, if satisfactory data for that year are not available, during the most recent preceding fiscal year for which satisfactory data are available) of all local educational agencies in the State or, in the case of the United States for all States (which, for the purpose of this paragraph, means the 50 States and the District of Columbia); plus

(ii) any direct current expenditures by the State for the operation of such agencies; divided by

(B) the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

(3) CHILD.—The term "child" means any person within the age limits for which the State provides free public education.

(4) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a public or private nonprofit organization of demonstrated effectiveness that—

(A) is representative of a community or significant segments of a community; and

(B) provides educational or related services to individuals in the community.

(5) CONSOLIDATED LOCAL APPLICATION.—The term "consolidated local application" means an application submitted by a local educational agency pursuant to section 6505.

(6) CONSOLIDATED LOCAL PLAN.—The term "consolidated local plan" means a plan submitted by a local educational agency pursuant to section 6505.

(7) CONSOLIDATED STATE APPLICATION.—The term "consolidated State application" means an application submitted by a State educational agency pursuant to section 6502.

(8) CONSOLIDATED STATE PLAN.—The term "consolidated State plan" means a plan submitted by a State educational agency pursuant to section 14302.

(9) COUNTY.—The term "county" means one of the divisions of a State used by the Secretary of Commerce in compiling and reporting data regarding counties.

(10) COVERED PROGRAM.—The term "covered program" means each of the programs authorized by—

(A) part A of title I;

(B) part C of title I;

(C) title II (other than section 2103 and part D);

(D) Subpart 2 of part A of title V;

(E) part A of title IV (other than section 4114); and

(F) title VI.

(11) The term "current expenditures" means expenditures for free public education—

(A) including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities; but

(B) not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds received under title I and title VI.

(12) DEPARTMENT.—The term "Department" means the Department of Education.

(13) EDUCATIONAL SERVICE AGENCY.—The term The term "educational service agency" means a regional public multi service agency authorized by State statute to develop, manage, and provide services or programs to local educational agencies.

(14) ELEMENTARY SCHOOL.—The term "elementary school" means a nonprofit institutional day or residential school, including a public elementary charter school, that provides elementary education, as determined under State law.

(15) FREE PUBLIC EDUCATION.—The term "free public education" means education that is provided—

(A) at public expense, under public supervision and direction, and without tuition charge; and

(B) as elementary school or secondary school education as determined under applicable State law, except that such term does not include any education provided beyond grade 12.

(16) GIFTED AND TALENTED.—The term "gifted and talented", when used with respect to students, children or youth, means students, children or youth who give evidence of high perform-

ance capability in areas such as intellectual, creative, artistic, or leadership capacity, or in specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities.

(17) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101 of the Higher Education Act of 1965.

(18) LOCAL EDUCATIONAL AGENCY.—

(A) IN GENERAL.—The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State, or for such combination of school districts or counties as are recognized in a State as an administrative agency for the State's public elementary or secondary schools.

(B) ADMINISTRATIVE CONTROL AND DIRECTION.—The term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(C) BIA SCHOOLS.—The term includes an elementary school or secondary school funded by the Bureau of Indian Affairs but only to the extent that such inclusion makes such school eligible for programs for which specific eligibility is not provided to such school in another provision of law and such school does not have a student population that is smaller than the student population of the local educational agency receiving assistance under this Act with the smallest student population, except that such school shall not be subject to the jurisdiction of any State educational agency other than the Bureau of Indian Affairs.

(19) MENTORING.—The term "mentoring" means a program in which an adult works with a child or youth on a 1-to-1 basis, establishing a supportive relationship, providing academic assistance, and introducing the child or youth to new experiences that enhance the child or youth's ability to excel in school and become a responsible citizen.

(20) OTHER STAFF.—The term "other staff" means pupil services personnel, librarians, career guidance and counseling personnel, education aides, and other instructional and administrative personnel.

(21) OUTLYING AREA.—The term "outlying area" means the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and for the purpose of section 1121 and any other discretionary grant program under this Act, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(22) PARENT.—The term "parent" includes a legal guardian or other person standing in loco parentis.

(23) PARENTAL INVOLVEMENT.—The term "parental involvement" means the participation of parents on all levels of a

school's operation, including all of the activities described in section 1118.

(24) PUBLIC TELECOMMUNICATIONS ENTITY.—The term "public telecommunication entity" has the same meaning given to such term in section 397 of the Communications Act of 1934.

(25) PUPIL SERVICES PERSONNEL; PUPIL SERVICES.—

(A) PUPIL SERVICES PERSONNEL.—The term "pupil services personnel" means school counselors, school social workers, school psychologists, and other qualified professional personnel involved in providing assessment, diagnosis, counseling, educational, therapeutic, and other necessary services (including related services as such term is defined in section 602 of the Individuals with Disabilities Education Act) as part of a comprehensive program to meet student needs.

(B) PUPIL SERVICES.—The term "pupil services" means the services provided by pupil services personnel.

(26) RESEARCH-BASED.—The term "research-based" used with respect to an activity or a program, means an activity based on specific strategies and implementation of such strategies that, based on theory, research and evaluation, are effective in improving student achievement and performance and other program objectives.

(27) SECONDARY SCHOOL.—The term "secondary school" means a nonprofit institutional day or residential school, including a public secondary charter school, that provides secondary education, as determined under State law, except that such term does not include any education beyond grade 12.

(28) SECRETARY.—The term "Secretary" means the Secretary of Education.

(29) STATE.—The term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and each of the outlying areas.

(30) STATE EDUCATIONAL AGENCY.—The term "State educational agency" means the agency primarily responsible for the State supervision of public elementary schools and secondary schools.

(31) TECHNOLOGY.—The term "technology" means the latest state-of-the-art technology products and services, such as closed circuit television systems, educational television or radio programs and services, cable television, satellite, copper fiber optic transmission, computer hardware and software, video and audio laser and CD–ROM disks, video and audio tapes, including interactive forms of such products and services, or other technologies.

[SEC. 1001. [20 U.S.C. 6301] DECLARATION OF POLICY AND STATEMENT OF PURPOSE.

[(a) STATEMENT OF POLICY.—

[(1) IN GENERAL.—The Congress declares it to be the policy of the United States that a high-quality education for all individuals and a fair and equal opportunity to obtain that education are a societal good, are a moral imperative, and improve the life of every individual, because the quality of our indi-

vidual lives ultimately depends on the quality of the lives of others.

[(2) ADDITIONAL POLICY.—The Congress further declares it to be the policy of the United States to expand the program authorized by this title over the fiscal year 1996 through 1999 by increasing funding for this title by at least $750,000,000 over baseline each fiscal year and thereby increasing the percentage of eligible children served in each fiscal year with the intent of serving all eligible children by fiscal year 2004.

[(b) RECOGNITION OF NEED.—The Congress recognizes that—

[(1) although the achievement gap between disadvantage children and other children has been reduced by half over the past two decades, a sizable gap remains, and many segments of our society lack the opportunity to become well educated;

[(2) the most urgent need for educational improvements is in schools with high concentrations of children from low-income families and achieving the National Education Goals will not be possible without substantial improvements in such schools;

[(3) educational needs are particularly great for low-achieving children in our Nation's highest-poverty schools, children with limited English proficiency, children of migrant workers, children with disabilities, Indian children, children who are neglected or delinquent, and young children and their parents who are in need of family-literacy services;

[(4) while title I and other programs funded under this Act contribute to narrowing the achievement gap between children in high-poverty and low-poverty schools, such programs need to become even more effective in improving schools in order to enable all children to achieve high standards; and

[(5) in order for all students to master challenging standards in core academic subjects as described in the third National Education Goal described in section 102(3) of the goals 2000: Educate America Act, students and schools will need to maximize the time spent on teaching and learning the core academic subjects.

[(c) WHAT HAS BEEN LEARNED SINCE 1988.—To enable schools to provide all children a high-quality education, this title builds upon the following learned information:

[(1) All children can master challenging content and complex problem-solving skills. Research clearly shows that children, including low-achieving children, can succeed when expectations are high and all children are given the opportunity to learn challenging material.

[(2) Conditions outside the classroom such as hunger, unsafe living conditions, homelessness, unemployment, violence inadequate health care, child abuse, and drug and alcohol abuse can adversely affect children's academic achievement and must be addressed through the coordination of services, such as health and social services, in order for the Nation to meet the National Education Goals.

[(3) Use of low-level tests that are not aligned with schools' curricula fails to provide adequate information about what children know and can do and encourages curricula and in-

struction that focus on the low-level skills measured by such tests.

[(4) Resources are more effective when resources are used to ensure that children have full access to effective high-quality regular school programs and receive supplemental help through extended-time activities.

[(5) Intensive and sustained professional development for teachers and other school staff, focused on teaching and learning and on helping children attain high standards, is too often not provided.

[(6) Insufficient attention and resources are directed toward effective use of technology in schools and the role technology can play in professional development and improved teaching and learning.

[(7) All parents can contribute to their children's success by helping at home and becoming partners with teachers so that children can achieve high standards.

[(8) Decentralized decisionmaking is a key ingredient of systemic reform. Schools need the resources, flexibility, and authority to design and implement effective strategies for bringing their children to high levels of performance.

[(9) Opportunities for students to achieve high standards can be enhanced through a variety of approaches such as public school choice and public charter schools.

[(10) Attention to academics alone cannot ensure that all children will reach high standards. The health and other needs of children that affect learning are frequently unmet, particularly in high-poverty schools, thereby necessitating coordination of services to better meet children's needs.

[(11) Resources provided under this title can be better targeted on the highest-poverty local educational agencies and schools that have children most in need.

[(12) Equitable and sufficient resources, particularly as such resources relate to the quality of the teaching force, have an integral relationship to high student achievement.

[(d) STATEMENT OF PURPOSE.—The purpose of this title is to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children. This purpose shall be accomplished by—

[(1) ensuring high standards for all children and aligning the efforts of States, local educational agencies, and schools to help children served under this title to reach such standards;

[(2) providing children an enriched and accelerated educational program, including, when appropriate, the use of the arts, through schoolwide programs or through additional services that increase the amount and quality of instructional time so that children served under this title receive at least the classroom instruction that other children receive;

[(3) promoting schoolwide reform and ensuring access of children (from the earliest grades) to effective instructional strategies and challenging academic content that includes intensive complex thinking and problem-solving experiences;

[(4) significantly upgrading the quality of instruction by providing staff in participating schools with substantial opportunities for professional development;

[(5) coordinating services under all parts of this title with each other, with other educational services, and, to the extent feasible, with health and social service programs funded from other sources;

[(6) affording parents meaningful opportunities to participate in the education of their children at home and at school;

[(7) distributing resources, in amounts sufficient to make a difference, to areas and schools where needs are greatest;

[(8) improving accountability, as well as teaching and learning, by using State assessment systems designed to measure how well children served under this title are achieving challenging State student performance standards expected of all children; and

[(9) providing greater decisionmaking authority and flexibility to schools and teachers in exchange for greater responsibility for students performance.]

SEC. 1001. STATEMENT OF PURPOSE.

The purpose of this title is to enable schools to provide opportunities for children served under this title to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State student performance standards developed for all children. This purpose should be accomplished by—

(1) ensuring high standards for all children and aligning the efforts of States, local educational agencies, and schools to help children served under this title to reach such standards;

(2) providing children an enriched and accelerated educational program, including the use of schoolwide programs or additional services that increase the amount and quality of instructional time so that children served under this title receive at least the classroom instruction that other children receive;

(3) promoting schoolwide reform and ensuring access of children (from the earliest grades, including prekindergarten) to effective instructional strategies and challenging academic content that includes intensive complex thinking and problem-solving experiences;

(4) significantly elevating the quality of instruction by providing staff in participating schools with substantial opportunities for professional development;

(5) coordinating services under all parts of this title with each other, with other educational services, and to the extent feasible, with other agencies providing services to youth, children, and families that are funded from other sources;

(6) affording parents substantial and meaningful opportunities to participate in the education of their children at home and at school;

(7) distributing resources in amounts sufficient to make a diffference to local educational agencies and schools where needs are greatest;

(8) improving and strengthening accountability, teaching, and learning by using State assessment systems designed to measure how well children served under this title are achieving

challenging State student performance standards expected of all children; and

(9) providing greater decisionmaking authority and flexibility to schools and teachers in exchange for greater responsibility for student performance.

SEC. 1002 [20 U.S.C. 6302] AUTHORIZATION OF APPROPRIATIONS.

(a) LOCAL EDUCATIONAL AGENCY GRANTS.—For the purpose of carrying out part A, other than section 1120(e), there are authorized to be appropriated [$7,400,000,000 for fiscal year 1995] *$15,000,000,000 for fiscal year 2001* and such sums as may be necessary for each of the four succeeding fiscal years.

(b) EVEN START.—For the purpose of carrying out part B, there are authorized to be appropriated [$118,000,000 for fiscal year 1995] *$500,000,000 for fiscal year 2001* and such sums as may be necessary for each of the four succeeding fiscal years.

(c) EDUCATION OF MIGRATORY CHILDREN.—For the purpose of carrying out part C, there are authorized to be appropriated [$310,000,000 for fiscal year 1995] *$400,000,000 for fiscal year 2001* and such sums as may be necessary for each of the four succeeding fiscal years.

[(d) PREVENTION AND INTERVENTION PROGRAMS FOR YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT RISK OF DROPPING OUT.—For the purpose of carrying out part D, there are authorized to be appropriated $40,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal year.]

(d) PERENTAL ASSISTANCE.—For the purpose of carrying out part D, there are authorized to be appropriated $50,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(e) CAPITAL EXPENSES.—For the purpose of carrying out section 1120(e), there are authorized to be appropriated $41,434,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.]

(e) CAPITAL EXPENSES.—For the purpose of carrying out section 1120(e), there are authorized to be appropriated $15,000,000 for fiscal year 2001, $15,000,000 for fiscal year 2002, and $5,000,000 for fiscal year 2003.

(f) ADDITIONAL ASSISTANCE FOR SCHOOL IMPROVEMENT.—For the purpose of providing additional needed assistance to carry out sections 1116 and 1117, there are authorized to be appropriated such sums as may be necessary for fiscal year [1996 and each of the three] *2001 and each of the four* succeeding fiscal years.

[(g) FEDERAL ACTIVITIES.—

[(1) SECTION 1501.—For the purpose of carrying out section 1501, there are authorized to be appropriated $9,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(2) SECTIONS 1502 AND 1503.—For the purpose of carrying out sections 1502 and 1503, there are authorized to be appropriated $50,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.]

(g) FEDERAL ACTIVITIES.—

(1) SECTION 1501.—For the purpose of carrying out section 1501, there are authorized to be appropriated $10,000,000 for

fiscal year 2001 and such sums as may be necessary for each of the four succeeding fiscal years.

(2) SECTION 1502.—For the purpose of carrying out section 1502 there are authorized to be appropriated $25,000,000 for fiscal year 2001 and such sums as may be necessary for each of the four succeeding fiscal years.

(h) COMPREHENSIVE SCHOOL REFORM.—For the purpose of carrying out part F, there are authorized to be appropriated $200,000,000 for fiscal year 2001 and such sums as may be necessary for each of the four succeeding fiscal years.

[SEC. 1003. [20 U.S.C. 6303] RESERVATION AND ALLOCATION FOR SCHOOL IMPROVEMENT.

[(a) PAYMENT FOR SCHOOL IMPROVEMENT.—

[(1) IN GENERAL.—Except as provided in paragraph (3), each State may reserve for the proper and efficient performance of its duties under subsections (c)(5) and (d) of section 1116, and section 1117, one-half of 1 percent of the funds allocated to the State under subsections (a), (c), and (d), of section 1002 for fiscal year 1995 and each succeeding fiscal year.

[(2) MINIMUM.—The total amount that may be reserved by each State, other than the outlying areas, under this subsection for any fiscal year, when added to amounts appropriated for such fiscal year, when added to amounts appropriated for such fiscal year under section 1002(f) that are allocated to the State under subsection (b), if any, may not be less than $200,000. The total amount that may be reserved by each outlying area under this subsection for any fiscal year, when added to amounts appropriated for such fiscal year under section 1002(f) that are allocated under subsection (b) to the outlying area, if any, may not be less than $25,000.

[(3) SPECIAL RULE.—If the amount reserved under paragraph (1) when added to the amount made available under section 1002(f) for a State is less than $200,000 for any fiscal year, then such State may reserve such additional funds under subsections (a), (c) and (d) of section 1002 as are necessary to make $200,000 available to such State.

[(b) ADDITIONAL STATE ALLOCATIONS FOR SCHOOL IMPROVEMENT.—From the amount appropriated under section 1002(f) for any fiscal year, such State shall be eligible to receive an amount that bears the same ratio to the amount appropriated as the amount allocated to the State under this part (other than section 1120(e)) bears to the total mount allocated to all States under this part (other than section 1120)e)).]

SEC. 1003. RESERVATIONS AND ALLOCATIONS FOR SCHOOL IMPROVEMENT.

(a) SECRETARY'S RESERVATION AND ALLOCATION FOR SCHOOL IMPROVEMENT FROM AMOUNTS IN EXCESS OF $8,076,000,000.—

(1) RESERVATION.—The Secretary shall reserve 50 percent of the amount appropriated to carry out part A for fiscal year 2001 and each of the 4 succeeding fiscal years that is in excess of $8,076,000,000 to make allotments to States under paragraph (2).

(2) ADDITIONAL STATE ALLOTMENTS FOR ASSESSMENT DEVELOPMENT, SCHOOL IMPROVEMENT, AND ACADEMIC ACHIEVEMENT AWARDS.—

(A) ALLOTMENTS.—The Secretary shall allot to each State for a fiscal year an amount that bears the same relation to the amount reserved under paragraph (1) for the fiscal year as the amount all local educational agencies in the State received under section 1124 for the fiscal year bears to the amount all local educational agencies in all States received under section 1124 for the fiscal year, except that no State shall receive less than 0.5 percent of the amount reserved under paragraph (1) for the fiscal year.

(B) USE OF FUNDS.—Funds allotted under subparagraph (A) shall be used by a State to carry out section 1111(b)(3), subsections (c) and (d) of section 1116, and section 1117.

(C) PUBLIC NOTICE AND COMMENT.—Each State using funds allotted under this subsection shall—

(i) provide the public with adequate and efficient notice of the proposed uses of the funds;

(ii) provide the opportunity for parents, educators, and all other interested members of the community to comment regarding the proposed uses of funds; and

(iii) provide the opportunity described in clause (ii in accordance with any applicable State law specifying how the comments may be received, and how the comments may be received by any member of the public.

(D) DEFINITION.—For purposes of this subsection, the term "State" means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(b) STATE RESERVATION AND ALLOCATION FOR SCHOOL IMPROVEMENT.—

(1) PAYMENT FOR SCHOOL IMPROVEMENT.—

(A) IN GENERAL.—Except as provided in paragraph (3), for fiscal year 2001 and each succeeding fiscal year each State may reserve for the proper and efficient performance of its duties under subsections (a), (c) and (d) of section 1116, and section 1117, one-half of 1 percent of the funds made available to the State under—

(i) part A, except that such reserved amount shall not exceed one-half of 1 percent of the funds made available to the State under part A for fiscal year 2000;

(ii) part C of this title, and part B of title III, for the fiscal year for which the reservation is made.

(B) MINIMUM.—The total amount that may be reserved by each State, other than the outlying areas, under this subsection for any fiscal year, when added to amounts appropriated for such fiscal year under section 1002(f) that are allocated to the State under paragraph (2), if any, may not be less than $200,000. The total amount that may be reserved by each outlying area under this subsection for any fiscal year, when added to amounts appropriated for such fiscal year under section 1002(f) that are allocated

under paragraph (2) to the outlying area, if any, may not be less than $25,000.

(C) SPECIAL RULE.—If the amount reserved under subparagraph (A) when added to the amount made available under section 1002(f) for a State is less than $200,000 for any fiscal year, then such State may reserve such additional funds under parts A and C of this title, and part C of title III, as are necessary to make $200,000 available to such State.

(2) ADDITIONAL STATE ALLOCATIONS FOR SCHOOL IMPROVEMENT.—From the amount appropriated under section 102(f) for any fiscal year, each State shall be eligible to receive an amount that bears the same ratio to the amount appropriated as the amount allocated in the State under part A (other than section 1120(e)) hours to the total amount allocated to all States under part A (other than section 1120(e)).

SEC. 1111. [20 U.S.C. 6311] STATE PLANS.

(a) PLANS REQUIRED.—

(1) IN GENERAL.—Any State desiring to receive a grant under this part shall submit to the Secretary a plan, developed in consultation with local educational agencies, teachers, pupil services personnel, administrators, other staff, and parents, that satisfies the requirements of this section, and that is coordinated with other programs under this Act, [the Goals 2000: Educate America Act,] *the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Head Start Act,* and other Acts, as appropriate, consistent with section [14306] *6506*.

(2) CONSOLIDATION PLAN.—A State plan submitted under paragraph (1) may be submitted as part of a consolidation plan under section [14302] *6502*.

(b) STANDARDS AND ASSESSMENTS.—

(1) CHALLENGING STANDARDS.—(A) * * *

[(B) If a State has State content standards or State student performance standards developed under title III of the Goals 2000: Educate America Act and an aligned set of assessments for all students developed under such title, or, if not developed under such title, adopted under another process, the State shall use such standards and assessments, modified, if necessary, to conform with the requirements of subparagraphs (A) and (D) of this paragraph, and paragraphs (2) and (3).]

(B) The standards described in subparagraph (A) shall be the same standards that the State applies to all schools and children in the State.

[(C) If a State has not adopted State content standards and State student performance standards for all students, the State plan shall include a strategy and schedule for developing State content standards and State student performance standards for elementary and secondary school children served under this part in subjects as determined by the State, but including at least mathematics and reading or language arts by the end of the one-year period described in paragraph (6), which standards shall include the same knowledge, skills, and levels of performance expected of all children.]

(C) The State shall have the standards described in subparagraph (A) for elementary school and secondary school children served under this part in subjects determined by the State that include at least mathematics, and reading or language arts, and such standards shall require the same knowledge, skills, and levels of performance for all children.

* * * * * * *

(2) YEARLY PROGRESS.—

(A) * * *

[(B) Adequate yearly progress shall be defined in a manner—

[(i) that is consistent with guidelines established by the Secretary that result in continuous and substantial yearly improvement of each local educational agency and school sufficient to achieve the goal of all children served under this part meeting the State's proficient and advanced levels of performance, particularly economically disadvantaged and limited English proficient children; and

[(ii) that links progress primarily to performance on the assessments carried out under this section while permitting progress to be established in part through the use of other measures.**]**

(B) Adequate yearly progress shall be defined in a manner—

(i) that is sufficient to achieve the goal of all children served under this part meeting the State's proficient and advanced levels of performance within 10 years;

(ii) that results in continuous and substantial academic improvement for all students, including economically disadvantaged and limited English proficient students, except that this clause shall not apply if the State demonstrates to the Secretary that the State has an insufficient number of economically disadvantaged or limited English proficient students;

(iii) that is based primarily on the standards described in paragraph (1) and the assessments aligned to State standards described in paragraph (3), and shall include specific State determined yearly progress requirements in subjects and grades included in the State assessments; and

(iv) that is linked to performance on the assessments carried out under this section while permitting progress to be established in part through other academic indicators, whether defined in the State plan or in a State-approved local educational agency plan, such as dropout rates.

* * * * * * *

(F) provide for—

(i) the participation in such assessments of all students;

(ii) the reasonable adaptations and accommodations for students with diverse learning needs, necessary to

measure the achievement of such students relative to State content standards; [and]

(iii) the inclusion of limited English proficient students who shall be assessed, to the extent practicable, in the language and form most likely to yield accurate and reliable information on what such students know and can do, to determine such students' mastery of skills in subjects other than English; *and*

(iv) notwithstanding clause (iii), the assessment (using tests written in English) of reading or language arts of any student who has attended school in the United States (excluding the Commonwealth of Puerto Rico) for 3 or more consecutive years for the purpose of school accountability;

* * * * * * *

[(H) provide individual student interpretive and descriptive reports, which shall include scores, or other information on the attainment of student performance standards; and]

(H) provide individual student interpretive and descriptive reports, which shall include scores or other information on the attainment of student performance standards, such as measures of student course work over time, student attendance rates, student dropout rates, and student participation in advanced level courses;

* * * * * * *

(5) LANGUAGE ASSESSMENTS.—Each State plan shall indentify the languages other than English that are present in the participating student population and indicate the languages for which yearly student assessments are not available and are needed. The State shall make every effort to develop such assessments and may request assistance from the Secretary if linguistically accessible assessment measures are needed. Upon request, the Secretary shall assist with the identification of appropriate assessment measures in the needed languages [through the Office of Bilingual Education and Minority Languages Affairs]*, but shall not mandate a specific assessment or mode of instruction*

* * * * * * *

(c) OTHER PROVISIONS TO SUPPORT TEACHING AND LEARNING.—Each State plan shall contain assurances that—

(1)(A) * * *

(B) the State educational agency will work with other agencies, including educational service agencies or other local consortia, and institutions to provide technical assistance to local educational agencies and schools to carry out the State educational agency's responsibilities under this part, including technical assistance in providing professional development under section [1119 and] *1119,* technical assistance under section 1117*, and parental involvement under section 1118*; and

* * * * * * *

(5) the State educational agency will inform the Secretary and the public regarding how Federal laws hinder, if at all, the ability of States to hold local educational agencies and schools accountable for student academic performance;

(6) the State educational agency will inform the Secretary and the public regarding how the State educational agency is reducing, if necessary, State fiscal, accounting, and other barriers to local school and school district reform, including barriers to implementing schoolwide programs;

(7) the State educational agency will inform local educational agencies of the local educational agencies' ability to obtain waivers under part F of title VI and, if the State is an Ed-Flex Partnership State, waivers under the Educational Flexibility Partnership Act of 1999 (20 U.S.C. 5891a et seq.);

[(5)**]** *(8)* the Committee of Practitioners established under section 1603(b) will be substantially involved in the development of the plan and will continue to be involved in monitoring the plan's implementation by the State; and

[(6)**]** *(9)* the State will coordinate activities funded under this part with school-to-work, vocational education, cooperative education and mentoring programs, and apprenticeship programs involving business, labor, and industry, as appropriate.**]**

(9) the State will coordinate activities funded under this part with other Federal activities as appropriate.

(d) PARENTAL INVOLVEMENT.—Each State plan shall demonstrate that the State will support, in collaboration with the regional educational laboratories, the collection and dissemination to local educational agencies and schools of effective parental involvement practices. Such practices shall—

(1) be based on the most current research of effective parental involvement that fosters achievement to high standards for all children; and

(2) be geared toward lowering barriers to greater participation in school planning, review, and improvement experienced by parents.

[(d)**]** *(e)* PEER REVIEW AND SECRETARIAL APPROVAL.—

(1) IN GENERAL.—The Secretary shall—

(A) establish a peer review process to assist in the review and recommendations for revision of State plans;

(B) appoint individuals to the peer review process who are representative of State educational agencies, local educational agencies, teachers, and parents*, and who are familiar with educational standards, assessments, accountability, and other diverse educational needs of students*;

* * * * * * *

[(e)**]** *(f)* DURATION OF THE PLAN.—

* * * * * * *

[(f)**]** *(g)* LIMITATION ON CONDITIONS.—Nothing in this part shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific instructional content or student performance standards and assessments, curriculum, or program of

instruction, as a condition of eligibility to receive funds under this part.

[(g)] *(h)* SPECIAL RULE.—If the aggregate State expenditure by a State educational agency for the operation of elementary and secondary education programs in the State is less than such agency's aggregate Federal expenditure for the State operation of all Federal elementary and secondary education programs, then the State plan shall include assurances and specific provisions that such State will provide State expenditures for the operation of elementary and secondary education programs equal to or exceeding the level of Federal expenditures for such operation by October 1, [1998] *2005*.

(i) PRIVACY.—Information collected under this section shall be collected and disseminated in a manner that protects the privacy of individuals.

SEC. 1112. [20 U.S.C. 6312] LOCAL EDUCATIONAL AGENCY PLANS.

(a) PLANS REQUIRED.—

(1) SUBGRANTS.—A local educational agency may receive a subgrant under this part for any fiscal year only if such agency has on file with the State educational agency a plan, approved by the State educational agency, that is coordinated with other programs under this Act, [the Goals 2000: Educate America Act, and other Acts, as appropriate, as specified in section 14306] *the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Head Start Act, and other Acts, as appropriate*.

(2) CONSOLIDATED APPLICATION.—The plan may be submitted as part of a consolidated application under section [4304] *6504*.

(b) PLAN PROVISIONS.—Each local educational agency plan shall include—

* * * * * * *

(3) a description of the strategy the local educational agency will use to provide professional development for teachers, and, where appropriate, pupil services personnel, administrators, parents and other staff, including local educational agency level staff in accordance with section 1119*, which strategy shall be coordinated with activities under title II if the local educational agency receives funds under title II*;

(4) * * *

(A) Even Start, Head Start, and other preschool programs, including plans for the transition of participants in such programs to local elementary school [programs, vocational] *programs and vocational* education programs[, and school-to-work transition programs]; and

(B) services for children with limited English proficiency or with disabilities, migratory children [served under part C or who were formerly eligible for services under part C in the two-year period preceding the date of the enactment of the Improving America's School Act of 1994], neglected or delinquent youth and youth at risk of dropping out [served under part D], homeless children, and immigrant children in order to increase program effectiveness, elimi-

nate duplication, and reduce fragmentation of the instructional program;

* * * * * * *

[(9) where appropriate, a description of how the local educational agency will use funds under this part to support preschool programs for children, particularly children participating in a Head Start or Even Start program, which services may be provided directly by the local educational agency or through a subcontract with the local Head Start agency designated by the Secretary of Health and Human Services under section 641 of the Head Start Act, agencies operating Even Start programs, or another comparable public early childhood development program.]

(9) where appropriate, a description of how the local educational agency will use funds under this part to support early childhood educational programs under section 1120B.

[(c) ASSURANCES.—

[(1) IN GENERAL.—Each local educational agency plan shall provide assurances that the local educational agency will—

[(A) inform eligible schools and parents of schoolwide project authority;

[(B) provide technical assistance and support to schoolwide programs;

[(C) work in consultation with schools as the schools develop the school's plans pursuant to section 1114 and assist schools as the schools implement such plans or undertake activities pursuant to section 1115 so that each school can make adequate yearly progress toward meeting the State content standards and State student performance standards;

[(D) fulfill such agency's school improvement responsibilities under section 1116, including taking corrective actions under section 1116(c)(4);

[(E) coordinate and collaborate, to the extent feasible and necessary as determined by the local educational agency, with other agencies providing services to children, youth, and families, including health and social services;

[(F) provide services to eligible children attending private elementary and secondary schools in accordance with section 1120, and timely and meaningful consultation with private school officials regarding such services;

[(G) take into account the experience of model programs for the educationally disadvantaged, and the findings of relevant research indicating that services may be most effective if focused on students in the earliest grades at schools that receive funds under this part; and

[(H) beginning in fiscal year 1997 and in the case that a local educational agency chooses to use funds under this part to provide early childhood development services to low-income children below the age of compulsory school attendance, ensure that such services comply with the performance standards established under section 641A(a) of the Head Start Act or under section 651 of such Act, as such section 651 was in effect on the day preceding the

date of enactment of the Human Service Amendments of 1994.

[(2) SPECIAL RULE.—In carrying out subparagraph (H) of paragraph (1) the Secretary—

[(A) in fiscal year 1995, shall consult with the Secretary of Health and Human Services on the implementation of such subparagraph and shall establish procedures (taking into consideration existing State and local laws, and local teacher contracts) to assist local educational agencies to comply with such subparagraph; and

[(B) in fiscal year 1996, shall disseminate to local educational agencies the Head Start Performance Standards revised pursuant to section 641A(a) of the Head Start Act, and such agencies effected by such subparagraph shall plan for the implementation by such subparaph (taking into consideration existing State and local laws, and local teachers contracts), including pursuing the availability of other Federal, State, and local funding sources to assist in compliance with such subparagraph.

[(3) INAPPLICABILITY.—The provisions of this subsection shall not apply to preschool programs under the Even Start model or to Even Start programs which are expanded through the use of funds under this part.]

(c) ASSURANCES.—Each local educational agency plan shall provide assurances that the local educational agency will—

(1) inform eligible schools and parents of schoolwide project authority;

(2) provide technical assistance and support to schoolwide programs;

(3) work in consultation with schools as the schools develop the schools' plans pursuant to section 1114 and assist schools as the schools implement such plans or under take activities pursuant to section 1115 so that each school can make adequate yearly progress toward meeting the State content standards and State student performance standards;

(4) fulfill such agency's school improvement responsibilities under section 1116, including taking corrective actions under section 1116(c)(5);

(5) work in consultation with schools as the schools develop and implement their plans or activities under sections 1118 and 1119;

(6) coordinate and collaborate, to the extent feasible and necessary as determined by the local educational agency, with other agencies providing services to children, youth, and families, including health and social services;

(7) provide services to eligible children attending private elementary and secondary schools in accordance with section 1120, and timely and meaningful consultation with private school officials regarding such services;

(8) take into account the experience of model programs for the educationally disadvantaged, and the findings of relevant research indicating that services may be most effective if focused on students in the earliest grades at schools that receive funds under this part;

(9) comply with the requirements of section 1119 regarding professional development;

(10) inform eligible schools of the local educational agency's authority to obtain waivers on the school's behalf under part F of title VI, and if the State is an Ed-Flex Partnership State, waivers under the Education Flexibility Partnership Act of 1999; and

(11) coordinate and collaborate, to the extent feasible and necessary as determined by the local educational agency, with other agencies providing services to children, youth, and families.

* * * * * * *

(e) STATE APPROVAL.—

(1) IN GENERAL.—Each local educational agency plan shall be filed according to a schedule established by the State educational agency[, except that a local educational agency shall have not more than one year after the date of enactment of the Improving America's Schools Act of 1994 to have such plan provisionally approved by the State educational agency and not more than two years after the date of enactment of such Act to have such plan finally approved by the State educational agency].

* * * * * * *

(3) REVIEW.—The State educational agency shall review the local educational agency's plan to determine if such agency's [professional development] activities are in accordance with [section 1119] *sections 1118 and 1119*.

* * * * * * *

SEC. 1113. [20 U.S.C. 6313] ELIGIBLE SCHOOL ATTENDANCE AREAS.

(a) DETERMINATION.—

(1) IN GENERAL.— * * *

* * * * * * *

(b) LOCAL EDUCATIONAL AGENCY DISCRETION.—

* * * * * * *

(B) use funds received under this part in a school that is not in an eligible school attendance area, if the percentage of children from low-income families enrolled in the school is equal to or greater than the percentage of such children in a participating school attendance area of such agency; [and]

(C) * * *

* * * * * * *

(iii) the funds expended from such other sources equal or exceed the amount that would be provided under this part[.]*; and*

(D) designate and serve a school attendance area or school that is not an eligible school attendance area under subsection (a)(2), but that was an eligible school attendance area and was served in the fiscal year preceding the fiscal

year for which the determination is made, but only for 1 additional fiscal year.

SEC. 1114. [20 U.S.C. 6314] SCHOOLWIDE PROGRAMS.

(a) USE OF FUNDS FOR SCHOOLWIDE PROGRAMS.—

[(1) IN GENERAL.—A local educational agency may use funds under this part, in combination with other Federal, State, and local funds, in order to upgrade the entire educational program in a school described in subparagraph (A) or (B) if, for the initial year of the schoolwide program, the school meets either of the following criteria:]

(1) IN GENERAL.—A local education agency may use funds under this part, together with other Federal, State, and local funds, to upgrade the entire educational program of a school that serves an eligible school attendance area in which not less than 40 percent of the children are from low-income families, or not less than 40 percent of the children enrolled in the school are from such families, for the initial year of the schoolwide program.

* * * * * * *

(4) [SPECIAL RULE.—] *EXEMPTION FROM STATUTORY AND REGULATORY REQUIREMENTS.*—(A) Except as provided in subsection (b), the Secretary may, through publication of a notice in the Federal Register, exempt schoolwide programs under this section from statutory or regulatory provisions of any other noncompetitive formula grant program administered by the Secretary, or any discretionary grant program administered by the Secretary (other than formula or discretionary grant programs under the Individuals with Disabilities Education Act), to support schoolwide programs, if the intent and purposes of such other programs are met.

* * * * * * *

(C) A school that chooses to use funds from such other programs under this sections shall not be required to maintain separate fiscal accounting records, by program, that identify the specific activities supported by those particular funds as long as the school maintains records that demonstrate that the schoolwide program, considered as a whole, addresses the intent and purposes of each of the programs that were consolidated to support the schoolwide program.

* * * * * * *

(b) COMPONENTS OF A SCHOOLWIDE PROGRAM.—

(1) IN GENERAL.—A schoolwide program shall include the following components:

(A) * * *

* * * * * * *

(B) * * *

(vii) are consistent with, and are designed to implement, the State and local improvement plans[, if any, approved under title III of the Goals 2000: Educate America Act].

* * * * * * *

(E) Strategies to increase parental involvement[, such as family literary services]. *(including activities described in section 1118), such as family literacy services, in-school volunteer opportunities, or parent membership on school-based leadership or management teams.*

* * * * * * *

(2) PLAN.—(A) Any eligible school that desires to operate a schoolwide program shall first develop (or amend a plan for such a program that was in existence before the date of enactment of the [Improving America's Schools Act of 1994] *Educational Opportunities Act*), in consultation with the local education agency and its school support team or other technical assistance provider under subsections (c)(1) and (e) of section 1117, a comprehensive plan for reforming the total instructional program in the school that—

(i) * * *

* * * * * * *

(iv) describes how the school will provide individual student assessment results, including an interpretation of those results *in a language the family can understand,* to the parents of a child who participates in the assessment required by section 1111(b)(3);

* * * * * * *

(C) The comprehensive plan shall be—

(i) developed during a one-year period, unless—

(I) * * *

(II) the school is operating a schoolwide program on the day preceding the date of enactment of the [Improving America's Schools Act of 1994] *Educational Opportunities Act*, in which case such school may continue to operate such program, but shall develop a new plan during the first year of assistance under such Act to reflect the provisions of this section;

* * * * * * *

(v) where appropriate, developed in coordination with programs under [the School-to-Work Opportunities Act of 1994] *part C of title II*, the Carl D. Perkins Vocational and Technical Education Act of 1998, and the National and Community Service Act of 1990.

* * * * * * *

SEC. 1115. [20 U.S.C. 6315] TARGETED ASSISTANCE SCHOOLS.

(a) IN GENERAL.—* * *

* * * * * * *

(b) ELIGIBLE CHILDREN.—

* * * * * * *

(i) * * *

(ii) children who are not yet at a grade level where the local educational agency provides a free public education[, yet are of an age at which such children

can benefit from an organized instructional program provided in a school or other educational setting**]**.

* * * * * * *

(2) CHILDREN INCLUDED.—(A)(i) * * *

* * * * * * *

(B) A child who, at any time in the two years preceding the year for which the determination is made, participated in a Head Start or Even Start program, *or in early childhood education services under this title,* is eligible for services under this part.

(C)(i) A child who, at any time in the two years preceding the year for which the determination is made, received services under the program for youth who are neglected, delinquent, or at risk of dropping out **[**under part D (or its predecessor authority)**]** may be eligible for services under this part.

* * * * * * *

(c) COMPONENTS OF A TARGETED ASSISTANCE SCHOOL PROGRAM.—

(1) IN GENERAL.—* * *

(A) * * *

* * * * * * *

[(G) in accordance with subsection (e)(3) and section 1119, provide opportunities for professional development with resources provided under this part, and from other sources to the extent feasible, for administrators and for teachers and other school staff who work with participating children in programs under this section or in the regular education program; and**]**

(G) provide opportunities for professional development with resources provided under this part, and to the extent practicable, from other sources, for teachers, principals, administrators, paraprofessionals, pupil services personnel, and parents, who work with participating children in programs under this section or in the regular education program; and

(H) provide strategies to increase parental involvement**[**, such as family literary services**]** *(including activities described in section 1118), such as family literacy services, in-school volunteer opportunities, or parent membership on school-based leadership or management teams.*

* * * * * * *

SEC. 1115B. PUPIL SAFETY AND FAMILY SCHOOL CHOICE.

(a) IN GENERAL.—If a student is eligible to be served under section 1115(b), or attends a school eligible for a schoolwide program under section 1114, and—

(1) becomes a victim of a violent criminal offense while in or on the grounds of a public elementary school or secondary school that the student attends and that receives assistance under this part, then the local educational agency shall allow such student to transfer to another public school or public charter school in the same State as the school where the criminal

offense occurred, that is selected by the student's parent unless allowing such transfer is prohibited—

(A) under the provisions of a State or local law; or

(B) by a local educational agency policy that is approved by a local school board; or

(2) the public school that the student attends and that receives assistance under this part has been designated as an unsafe public school, then the local educational agency may allow such student to transfer to another public school or public charter school in the same State as the school where the criminal offense occurred, that is selected by the student's parent.

(b) STATE EDUCATIONAL AGENCY DETERMINATIONS.—

(1) The State educational agency shall determine, based upon State law, what actions constitute a violent criminal offense for purposes of this section.

(2) The State educational agency shall determine which schools in the State are unsafe public schools.

(3) The Term "unsafe public schools" means a public school that has serious crime, violence, illegal drug, and discipline problems, as indicated by conditions that may include high rates of—

(A) expulsions and suspensions of students from school;

(B) referrals of students to alternative schools for disciplinary reasons, to special programs or schools for delinquent youth, or to juvenile court;

(C) victimization of students or teachers by criminal acts, including robbery, assault and homicide;

(D) enrolled students who are under court supervision for past criminal behavior;

(E) possession, use, sale or distribution of illegal drugs;

(F) enrolled students who are attending school while under the influence of illegal drugs or alcohol;

(G) possession or use of guns or other weapons;

(H) participation in youth gangs; or

(I) crimes against property, such as theft or vandalism.

(c) TRANSPORTATION COSTS.—The local educational agency that serves the public school in which the violent criminal offense occurred or that serves the designated unsafe public school may use funds provided under this part to provide transportation services or to pay the reasonable costs of transportation for the student to attend the school selected by the student's parent.

(d) SPECIAL RULE.—Any school receiving assistance provided under this section shall comply with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and not discriminate on the basis of race, color, or national origin.

(e) PART B OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Nothing in this section shall be construed to affect the requirements of part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(f) MAXIMUM AMOUNT.—Notwithstanding any other provision of this section, the amount of assistance provided under this part for a student who elects a transfer under this section shall not exceed the per pupil expenditures for elementary or secondary school stu-

dents as provided by the local educational agency that serves the school involved in the transfer.

SEC. 1116. [20 U.S.C. 6317] ASSESSMENT AND LOCAL EDUCATIONAL AGENCY AND SCHOOL IMPROVEMENT.

[(a) LOCAL REVIEW.—Each local educational agency receiving funds under this part shall—

[(1) use the State assessments described in the State plan;

[(2) use any additional measures or indicators described in the local educational agency's plan to review annually the progress of each school served under this part to determine whether the school is meeting, or making adequate progress as defined in section 1111(b)(2)(A)(i) toward enabling its students to meet the State's student performance standards described in the State plan;

[(3) publicize and disseminate to teachers and other staff, parents, students, and the community, the results of the annual review under paragraph (2) of all schools served under this part in individual school performance profiles that include statistically sound disaggregated results as required by section 1111(b)(3)(I); and

[(4) provide the results of the local annual review to schools so that the schools can continually refine the program of instruction to help all children served under this part in those schools meet the State's student performance standards.]

(a) LOCAL REVIEW.—

(1) IN GENERAL.—Each local educational agency receiving funds under this part shall—

(A) use the State assessments described in the State plan;

(B) use any additional measures or indicators described in the local educational agency's plan to review annually the progress of each school served under this part to determine whether the school is meeting, or making adequate progress as defined in section 1111(b)(2)(A)(i) toward enabling its students to meet the State's student performance standards described in the State plan; and

(C) provide the results of the local annual review to schools so that the schools can continually refine the program of instruction to help all children served under this part in those schools meet the State's student performance standards.

(2) LOCAL REPORTS.—(A) Following the annual review specified in paragraph (1)(B), each local educational agency receiving funds under this part shall prepare and disseminate an annual performance report regarding each school that receives funds under this part. The report, at a minimum, shall include information regarding—

(i) each school's performance in making adequate yearly progress and whether the school has been identified for school improvement;

(ii) the progress of each school in enabling all students served under this part to meet the State-determined levels of performance, including the progress of economically disadvantaged students and limited English proficient students, except that this clause shall not apply to a State if

the State demonstrates that the State has an insufficient number of economically disadvantaged or limited English proficient students; and

(iii) any other information the local educational agency determines appropriate (such as information on teacher quality, school safety, and drop-out rates).

(B) The local educational agency shall publicize and disseminate the report to teachers and other staff, parents, students, and the community. Such report shall be concise and presented in a formal and manner that parents can understand. The local educational agency may issue individual school performance reports directly to teachers and other staff, parents, students, and the community, or the local educational agency may publicize and disseminate the report through a widely read or distributed medium, such as posting on the Internet or distribution to the media.

(C) Information collected and reported under this section shall be collected and disseminated in a manner that protects the privacy of individuals.

(D) In the case of a local educational agency for which the State report described in section 1116(d) contains data about an individual school served by the local educational agency that is equivalent to the data required by this subsection, such local educational agency shall not be required to prepare or distribute a report regarding such school under this paragraph.

* * * * * * *

[(c) SCHOOL IMPROVEMENT.—

[(1) IN GENERAL.—A local educational agency shall identify for school improvement any school served under this part that—

[(A) has been in program improvement under section 1020 of the elementary and Secondary Education Act of 1965 (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994), for at least two consecutive school years prior to such day;

[(B) has not made adequate progress as defined in the State's plan under section 1111(b)(2)(A)(i) for two consecutive school years, except that—

[(i) this subparagraph shall not apply to a school if almost every student in such school is meeting the State's advanced level of performance; or

[(ii) in the case of a targeted assistance school, such school may be reviewed on the progress of only those students that have been or are served under this part; or

[(C) has failed to meet the criteria established by the State through the State's transitional procedure under section 1111(b)(7)(B) for two consecutive years.

(2) REQUIREMENT.—(A) Each school identified under paragraph (1) shall—

[(i) in consultation with parents, the local educational agency, and the school support team, develop or revise a school plan in ways that have the greatest likelihood of im-

proving the performance of participating children in meeting the State's student performance standards; and

[(ii) submit the plan or revised plan to the local educational agency for approval.

[(B) Before identifying a school for school improvement under paragraph (1), the local educational agency shall provide the school with an opportunity to review the school-level data, including assessment data, on which such identification is based. If the school believes that such identification for school improvement is in error for statistical or other substantive reasons, such school may provide evidence to the local educational agency to support such belief.

[(C) During the first year immediately following such identification, the school shall implement such schools plan or revised plan.

[(3) PROFESSIONAL DEVELOPMENT.—(A) Each school identified under paragraph (1) shall, as part of the school plan under paragraph (2), improve the skills of its staff by providing effective professional development activities. A school shall demonstrate such school's compliance with this paragraph by—

[(i) devoting to such activities, over two consecutive years, an amount equivalent to at least 10 percent of the funds received by the school under this part during one fiscal year; or

[(ii) otherwise demonstrating that such school is effectively carrying out professional development activities.

[(B) A school may use funds from any source to meet the requirements of this subsection.

[(C) Decisions about how to use the funds made available under this part which the school makes available for professional development shall be made by teachers, principals, and other school staff in that school.

[(4) TECHNICAL ASSISTANCE.—(A) For each school identified under paragraph (1), the local educational agency shall provide technical or other assistance as the school develops and implements such school's plan or revised plan, such as a joint plan between the local educational agency and school that addresses specific elements of student performance problems and that specifies school and local education agency responsibilities under the plan, and waivers or modifications of requirements of local educational agency policy or regulation that impede the ability of the school to educate students.

[(B) Such technical assistance may be provided directly by the local educational agency, through mechanisms authorized under section 1117, or with the local educational agency's approval, by an institution of higher education, a private nonprofit organization, an educational service agency, a comprehensive regional assistance center under part A of title XIII, or other entities with experience in helping schools improve achievement.

[(5) CORRECTIVE ACTION.—(A) Except as provided in subparagraph (C), after providing technical assistance pursuant to paragraph (4) and taking other remediation measures, the local educational agency may take corrective action at any time

against a school that has been identified under paragraph (1), but, during the third year following identification under paragraph (1), shall take such action against any school that still fails to make adequate progress.

[(B)(i) Corrective actions are those, consistent with State and local law, determined and made public and disseminated by the local educational agency, which may include—

[(I) withholding funds;

[(II) interagency collaborative agreements between the school and other public agencies to provide health, counseling, and other social services needed to remove barriers to learning;

[(III) revoking authority for a school to operate a schoolwide program;

[(IV) decreasing decisionmaking authority at the school level;

[(V) making alternative governance arrangements such as the creation of a public charter school;

[(VI) reconstituting the school staff; and

[(VII) authorizing students to transfer, including transportation costs, to other public schools served by the local educational agency.

[(ii) Notwithstanding clause (i), corrective actions taken pursuant to this part shall not include the actions described in subclause (I), (III), (IV), (VI), or (VII) of clause (i) until the State has developed assessments that meet the requirements of subparagraph (C) of section 1111(b)(3).

[(C) Prior to implementing any corrective action, the local educational agency may refrain from such corrective action for one additional year to the extent that the failure to make progress can be attributed to extenuating circumstances as determined by the local educational agency.

[(D) A school that is no longer operating its schoolwide program due to a corrective action may not resume operation of such a program until the local educational agency determines that the school has adequately reformed its schoolwide program plan to enable the school to make adequate progress toward meeting the State's challenging student performance standards.

[(6) STATE EDUCATIONAL AGENCY RESPONSIBILITIES.—The State educational agency shall—

[(A) make technical assistance under section 1117 available to the schools farthest from meeting the State's challenging student performance standards, if requested by the school or local educational agency; and

[(B) if such agency determines that a local educational agency failed to carry out the local educational agency's responsibilities under paragraphs (4) and (5), take such corrective actions as the State educational agency deems appropriate and which are in compliance with State law.

[(7) SPECIAL RULE.—Schools that, for at least two of the three years following identification under paragraph (1), make adequate progress toward meeting the State's proficient and

advanced levels of performance shall no longer need to be identified for school improvement.]

(c) SCHOOL IMPROVEMENT.—

(1) IN GENERAL.—(A) A local educational agency shall identify for school improvement any school served under this part that for 2 consecutive years failed to make adequate yearly progress as defined in the State's plan in section 1111, except that in the case of a targeted assistance program under section 1115, a local educational agency may review the progress of only those students in such school who are served under this part.

(B) The 2 year period described in clause (i) shall include any continuous period of time immediately preceding the date of enactment of the Education Opportunities Act, during which a school did not make adequate yearly progress as defined in the State's plan, as such plan was in effect on the day preceding the date of such enactment.

(C) Before identifying a school for school improvement under subparagraph (A), the local educational agency shall provide the school with an opportunity to review the school-level data, including assessment data, on which such identification is based. The review period shall not exceed 30 days, and at the end of the review period the local educational agency shall make a final determination as to the school improvement status of the school. If the school believes that such identification for school improvement is in error for statistical or other substantive reasons, such school may provide evidence to the local educational agency to support such belief.

(2) SCHOOL PLAN.—(A) Each school identified under paragraph (1), in consultation with parents, the local educational agency, and the school support team or other outside experts, shall revise a school plan that addresses the fundamental teaching and learning needs in the school and—

(i) describes the specific achievement problems to be solved;

(ii) includes research-based strategies, supported with specific goals and objectives, that have the greatest likelihood of improving the performance of participating children in meeting the State's student performance standards;

(iii) explains how those strategies will work to address the achievement problems identified under clause (i);

(iv) addresses the need for high-quality staff by setting goals for ensuring that high quality professional development programs are supported with funds under this part;

(v) addresses the professional development needs of instructional staff by committing to spend not less than 10 percent of the funds received by the school under this part during 1 fiscal year for professional development, which professional development shall increase the content knowledge of teachers and build the capacity of the teachers to align classroom instruction with challenging content standards and to bring all students to proficient or advanced levels of performance as determined by the State;

(vi) identifies specific goals and objectives the school will undertake for making adequate yearly progress, which goals and objectives shall be consistent with State and local standards;

(vii) specifies the responsibilities of the school and the local educational agency, including how the local educational agency will hold the school accountable for, and assist the school in, meeting the school's obligations to provide enriched and accelerated curricula, effective instructional methods, high quality professional development, and timely and effective individual assistance, in partnership with parents; and

(viii) includes strategies to promote effective parental involvement in the school.

(B) The school shall submit the plan or revised plan to the local educational agency for approved within 3 months of being identified. The local educational agency shall promptly subject the plan to a review process, work with the school to revise the plan as necessary, and approve the plan within 1 month of submission. The school shall implement the plan as soon as the plan is approved.

(3) PARENTAL NOTIFICATION.—Each school identified under paragraph (1) shall in understandable language and form, promptly notify the parents of each student enrolled in the school that the school was designated by the local educational agency as needing improvement and provide with the notification—

(A) the reasons for such designation;

(B) information about opportunities for parents to participate in the school improvement process; and

(C) an explanation of the option afforded to parents, pursuant to paragraph (6), to transfer their child to another public school, including a public charter school, that is not identified for school improvement.

(4) TECHNICAL ASSISTANCE.—(A) For each school identified for school improvement under paragraph (1), the local educational agency shall provide technical assistance as the school develops and implement its plan. Such technical assistance shall include effective methods and research-based instructional strategies.

(B) Such technical assistance shall be designed to strengthen the core academic program for the students served under this part and addresses specific elements of student performance problems, including problems, if any, in implementing the parental involvement requirements described in section 1118, the professional development requirements described in section 1119, and the responsibilities of the school and local educational agency under the school plan.

(5) CORRECTIVE ACTION.—In order to help students served under this part meet challenging State standards, each local educational agency shall implement a system of corrective action in accordance with the following:

(A) After providing technical assistance under paragraph (4), the local educational agency may take corrective action

at any time with respect to a school that has been identified under paragraph (1), but shall take corrective action with respect to any school that fails to make adequate yearly progress, as defined by the State, at the end of the second year following the school's identification under paragraph (1) and shall continue to provide technical assistance while instituting any corrective action.

(B) Consistent with State and local law, in the case of a school described in subparagraph (A) for which corrective action is required, the local educational agency shall not take less than 1 of the following corrective actions:

(i) Instituting and fully implementing a new curriculum that is based on State and local standards, including appropriate research-based professional development for all relevant staff that offers substantial promise of improving educational achievement for low-performing students.

(ii) Restructuring the school, such as by—

(I) making alternative governance arrangements (such as the creation of a public charter school); or

(II) creating schools within schools or other small learning environments.

(iii) Developing and implementing a joint plan between the local educational agency and the school that addresses specific elements of student performance problems and that specifies the responsibilities of the local educational agency and the school under the plan.

(iv) Reconstituting the school staff.

(v) Decreasing decisionmaking authority at the school level.

(C) Consistent with State and local law, in the case of a school described in subparagraph (A), the local educational agency may take the following corrective actions:

(i) Deferring, reducing, or withholding funds.

(ii) Restructuring or abolishing the school.

(D) A local educational agency may delay, for a period not to exceed 1 year, implementation of corrective action—

(i) the local educational agency assesses the school's performance and determines that the school is meeting the specific State-determined yearly progress requirements in subjects and grades included in the State assessments; and

(ii) the school will meet the State's criteria for adequate yearly progress within 1 year;

(E) The local educational agency shall publish, and disseminate to the public and to parents, in a format and, to the extent practicable, in a language that the parents can understand, any corrective action the local educational agency takes under this paragraph, through such means as the Internet, the media, and public agencies.

(6) PUBLIC SCHOOL CHOICE.—

(A) SCHOOL IDENTIFIED FOR IMPROVEMENT.—

(i) SCHOOLS IDENTIFIED ON OR BEFORE ENACTMENT.—Not later than 6 months after the date of the enactment of the Educational Opportunities Act, a local educational agency shall provide all students enrolled in a school identified (on or before such date of enactment) under paragraphs (1) and (5) with an option to transfer to any other public school within the local educational agency or any public school consistent with subparagraph (B), including a public charter school that has not been identified for school improvement, unless such option to transfer is prohibited—

(I) under the provisions of a State or local law; or

(II) by a local educational agency policy that is approved by a local school board.

(ii) SCHOOLS IDENTIFIED AFTER ENACTMENT.—Not later than 6 months after the date on which a local educational agency identifies a school under paragraphs (1) and (5), the agency shall provide all students enrolled in such school with an option described in clause (i).

(B) COOPERATIVE AGREEMENTS.—If all public schools in the local educational agency to which a child may transfer are identified under paragraphs (1) and (5), then the agency, to the extent practicable, shall establish a cooperative agreement with other local educational agencies in the area for the transfer, unless the transfer is prohibited under—

(i) the provisions of a State or local law; or

(ii) a local educational agency policy that is approved by a local school board.

(C) TRANSPORTATION.—

(i) IN GENERAL—.The local educational agency in which the schools have been identified under paragraph (1) may use funds under this part to provide transportation to students whose parents choose to transfer their child or children to a different school.

(ii) CORRECTIVE ACTION.—If a school has been identified under paragraph (5), the local educational agency shall provide such students transportation (or the costs of transportation) to schools not identified under paragraph (1) or (5).

(iii) MAXIMUM AMOUNT.—Notwithstanding any other provisions of this paragraph, the amount of assistance provided under this part for a student who elects a transfer under this paragraph shall not exceed the per pupil expenditures for elementary school or secondary school students as provided by the local educational agency that serves the school involved in the transfer.

(D) CONTINUE OPTION.—Once a school is no longer identified for school improvement, the local educational agency shall continue to provide public school choice as an option to students in such school for a period of not less than 2 years.

(7) STATE EDUCATIONAL AGENCY RESPONSIBILITIES.—If a State educational agency determines that a local educational agency failed to carry out the local educational agency's responsibilities under this section, the State educational agency shall take into account such action as the State educational agency finds necessary, consistent with this section, to improve the affected schools and to ensure that the local educational agency carries out the local educational agency's responsibilities under this section.

(8) SPECIAL RULE.—Schools that, for at least 2 of the 3 years following identification under paragraph (1), make adequate progress toward meeting the State's proficient and advanced levels of performance shall no longer need to be identified for school improvement.

(9) WAIVERS.—The State educational agency shall review any waivers approved for a school designated for improvement or corrective action prior to the date of enactment of the Educational Opportunities Act and shall terminate any waiver approved by the State under the Educational Flexibility Partnership Act of 1999 if the State determines, after notice and an opportunity for a hearing, that the waiver is not helping such school to make yearly progress to meet the objectives and specific goals described in the school's improvement plan.

(d) STATE REVIEW AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.—

[(1) IN GENERAL.—A State educational agency shall—

[(A) annually review the progress of each local educational agency receiving funds under this part to determine whether schools receiving assistance under this part are making adequate progress as defined in section 1111(b)(2)(A)(ii) toward meeting the State's student performance standards; and

[(B) publicize and disseminate to local education agencies, teachers and other staff, parents, students, and the community the result of the State review, including statistically sound disaggregated results, as required by section 1111(b)(3)(I).]

(1) IN GENERAL.—(A) A State educational agency shall annually review the progress of each local educational agency receiving funds under this part to determine whether schools receiving assistance under this part are making adequate progress as defined in section 1111(b)(2)(A)(ii) toward meeting the State's student performance standards.

(B) STATE REPORTS.—Following the annual review specified in subparagraph (A), each State educational agency that receives funds under this part shall prepare and disseminate an annual performance report regarding each local educational agency that receives funds under this part.

(C) CONTENTS.—The State, at a minimum, shall include in the report information on each local educational agency regarding—

(i) local educational agency performance in making adequate yearly progress, including the number and percentage

of schools that did and did not make adequate yearly progress.

(ii) the progress of the local educational agency in enabling all students served under this part to meet the State's proficient and advanced levels of performance, including the progress of economically disadvantaged students and limited English proficient students, except that this clause shall not apply to a state if the State demonstrates that the State has an insufficient number of economically disadvantaged or limited English proficient students; and

(iii) any other information the State determines appropriate (such as information on teacher quality, school safety, and drop-out rates).

(D) PARENT AND PUBLIC DISSEMINATION.—The State shall publicize and disseminate to local educational agencies, teachers and other staff, parents, students, and the community, the report. Such report shall be concise and presented in a format and manner that parents can understand. The State may issue local educational agency performance reports directly to the local educational agencies, teachers and other staff, parents, students, and the community or the State may publicize and disseminate the report through a widely read or distributed medium, such as posting on the Internet or distribution to the media.

* * * * * * *

[(4) LOCAL EDUCATIONAL AGENCY REVISIONS.—(A) Each local educational agency identified under paragraph (3) shall, in consultation with schools, parents, and educational experts, revise its local educational agency plan under section 1112 in ways that have the greatest likelihood of improving the performance of schools served by the local educational agency under this part in meeting the State's student performance standards.

[(B) Such revision shall include determining why the local educational agency's plan failed to bring about increased achievement.]

(4) LOCAL EDUCATIONAL AGENCY REVISIONS.—(A) Each local educational agency identified under paragraph (3) shall, not later than 3 months after being so identified, revise a local educational agency plan as described under section 1112. The plan shall—

(i) include specific State-determined yearly progress requirements in subjects and grades to ensure that all students will meet proficient levels of performance within 10 years;

(ii) address the fundamental teaching and learning needs in the schools of that agency, and the specific academic problems of low-performing students including a determination of why the local educational agency's prior plan failed to bring about increased student achievement and performance;

(iii) incorporate research-based strategies that strengthen the core academic program in the local educational agency;

(iv) address the professional development needs of the instructional staff by committing to spend not less than 10

percent of the funds received by the school under this part during 1 fiscal year for professional development, which professional development shall increase the content knowledge of teachers and build the capacity of the teachers to align classroom instruction with challenging content standards and to bring all students to proficient or advanced levels of performance as determined by the State;

(v) identify specific goals and objectives the local educational agency will undertake for making adequate yearly progress, which goals and objectives shall be consistent with State standards;

(vi) identify how the local educational agency will provide written notification to parents in a format, and to the extent practicable, in a language that the parents can understand;

(vii) specify the responsibility of the State educational agency and the local educational agency under the plan; and

(viii) include strategies to promote effective parental involvement in the school.

(5) STATE EDUCATIONAL AGENCY RESPONSIBILITY.—(A) * * *

* * * * * * *

[(B) Technical or other assistance may be provided by the State educational agency directly, or by an institution of higher education, a private nonprofit organization, an educational service agency or other local consortium, a technical assistance center, or other entities with experience in assisting local educational agencies improve achievement, and may include—

[(i) interagency collaborative agreements between the local educational agency and other public agencies to provide health, pupil services, and other social services needed to remove barriers to learning; and

[(ii) waivers or modification of requirements of State law or regulation (in States in which such waivers are permitted) that impede the ability of a local educational agency to educate students.**]**

(B) Technical assistance provided under this section by the State educational agency or an entity authorized by such agency shall be supported by effective methods and research-based instructional strategies.

(6) CORRECTIVE ACTION.—(A) * * *

[(B)(i) Corrective actions are those actions, consistent with State law, determined and made public and disseminated by the State educational agency, which may include—

[(I) the withholding of funds;

[(II) reconstitution of school district personnel;

[(II) removal of particular schools from the jurisdiction of the local educational agency and establishment of alternative arrangements for public governance and supervision of such schools;

[(IV) appointment by the State educational agency of a receiver or trustee to administer the affairs of the local educational agency in place of the superintendent and school board;

[(V) the abolition or restricting of the local educational agency;

[(VI) the authorizing of students to transfer from a school operated by one local educational agency to a school operated by another local educational agency; and

[(VII) a joint plan between the State and the local educational agency that addresses specific elements of student performance problems and that specifies State and local responsibilities under the plan.

[(ii) Notwithstanding clause (i), corrective actions taken pursuant to this part shall not include the actions described in subclauses (I), (II), and (III) of clause (i) until the State has developed assessments that meet the requirements of paragraph (3)(C) of section 1111(b).]

(B)(i) Consistent with State and local law, in order to help students served under this part meet challenging State and local standards, each State educational agency shall implement a corrective action system in accordance with the following:

(I) After providing technical assistance as described under paragraph (5), the State educational agency—

(aa) may take corrective action at any time with respect to the local educational agency that has been identified under paragraph (3);

(bb) shall take corrective action with respect to any local educational agency that fails to make adequate yearly progress, as defined by the State; and

(cc) shall continue to provide technical assistance while implementing any corrective action.

(II) Consistent with State and local law, in the case of a local educational agency described under subclause (I), the State educational agency shall not take less than 1 of the following corrective actions:

(aa) instituting and fully implementing a new curriculum that is based on State and local standards, including appropriate research-based professional development for all relevant staff that offers substantial promise of improving educational achievement for low-performing students.

(bb) Restructuring the local educational agency.

(cc) Developing and implementing a joint plan between the State educational agency and the local educational agency that addresses specific elements of student performance problems and that specifies the responsibilities of the State educational agency and the local educational agency under the plan.

(dd) Reconstituting school district personnel.

(ee) Making alternative governance arrangements.

(III) Consistent with State and local law, in the case of a local educational agency described under subclause (I), the State educational agency may take 1 of the following corrective actions:

(aa) Deferring, reducing, or withholding funds.

(bb) Restructuring or abolishing the local educational agency.

(cc) Removal of particular schools from the jurisdiction of the local educational agency and establishment of alternative arrangements for public governance and supervision of such schools.

(dd) Appointment by the State educational agency of a receiver or trustee to administer the affairs of the local educational agency in place of the superintendent and school board.

(ii) Notwithstanding clause (i) corrective actions taken pursuant to this section shall not include the actions described in subclauses (I), (II), and (III) of clause (i) until the State has developed assessments that meet the requirements of paragraph (3)(C) of section 1111(b).

[(C) Prior to implementing any corrective action, the State educational agency shall provide due process and a hearing (if State law provides for such due process and a hearing) to any local educational agency identified under paragraph (3) and may refrain from such corrective action for one year after the four-year period described in subparagraph (A) to the extent that the failure to make progress can be attributed to such extenuating circumstances as determined by the State educational agency.**]**

(C) HEARING.—Prior to implementing any corrective action, the State educational agency shall provide notice and a hearing to the affected local educational agency, if State law provides for such notice and hearing. The hearing shall take place not later than 45 days following the decision to implement corrective action.

(D) NOTIFICATION TO PARENTS.—The State educational agency shall publish, and disseminate to parents and the public, any corrective action the State educational agency takes under this paragraph through a widely read or distributed medium.

(E) DELAY.—A State educational agency may delay, for a period not to exceed 1 year, implementation of corrective action if—

(i) the State educational agency determines that the local educational agency is meeting the State-determined yearly progress requirements in subjects and grades included in the State assessments; and

(ii) the schools within the local educational agency will meet the State's criteria for improvement within 1 year.

(F) WAIVERS.—The State educational agency shall review any waivers approved prior to the date of enactment of the Educational Opportunities Act for a local educational agency designated for improvement or corrective action and shall terminate any waiver approved by the State under the Educational Flexibility Partnership Act of 1999 if the State determines, after notice and an opportunity for a hearing, that the waiver is not helping the local educational agency make yearly progress to meet the objectives and specific goals described in the local educational agency's improvement plan.

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SEC. 1117. [20 U.S.C. 6318] STATE ASSISTANCE FOR SCHOOL SUPPORT AND IMPROVEMENT.

(a) SYSTEM FOR SUPPORT.—

(1) STATE SUPPORT.—* * *

* * * * * * *

(3) PRIORITIES.—In carrying out this section, a State educational agency shall—

(A) first, provide support and assistance to local educational agencies subject to corrective action described in section 1116 and assist schools, in accordance with accordance with section 1116, for which a local educational agency has failed to carry out its responsibilities under section 1116;

(B) second, provide support and assistance to other local educational agencies and schools identified as in need of improvement under section 1116; and

(C) third, provide support and assistance to other local educational agencies and schools participating under this part that need support and assistance in order to achieve the purpose of this part.

(b) REGIONAL CENTERS.—Such a statewide system shall work with and receive support and assistance from [the comprehensive regional technical assistance centers under part A of title XIII and] *comprehensive regional technical assistance centers, and* the educational regional laboratories under section 941(h) of the Educational Research, Development, Dissemination, and Improvement Act of 1994.

(c) PROVISIONS.—* * *

[(1) SCHOOLS SUPPORT TEAMS.—

[(A) Each State educational agency, in consultation with local educational agencies and schools, shall establish a system of school support teams to provide information and assistance to schoolwide programs and to assist such programs in providing an opportunity to all students to meet the State's student performance standards.

[(B) If funds are sufficient, school support teams shall provide information and assistance to—

[(i) schools—

[(I) in which the number of students in poverty is equal to or greater than 75 percent of the total number of students enrolled in such school; and

[(II) identified as in need of improvement under section 1116(c)(1); and

[(ii) other schools in need of improvement.

(1) APPROACHES.—In order to achieve the purpose described in subsection (a), each such system shall provide technical assistance and support through such approaches as—

(A) school support teams which are composed of individuals who are knowledgeable about research and practice on teaching and learning, particularly about strategies for improving educational results for low-achieving children and persons knowledgeable about effective parental involvement programs, including parents;

(B) the designation and use of distinguished teachers and principals, chosen from schools served under this part that have been especially successful in improving academic achievement;

(C) providing assistance to the local educational agency or school in the implementation of research-based comprehensive school reform models; and

(D) a review process designed to increase the capacity of local educational agencies and schools to develop high-quality school improvement plans.

* * * * * * *

(2) DISTINGUISHED SCHOOLS.—

(A) Each State shall designate as a distinguished school any school served under this [part which, for three consecutive years, has exceeded the State's definition of adequate progress as defined in section 1111(b)(2)(A)(i), and, any school in which—

[(i) virtually all students have met the State's advanced level of student performance; and

[(ii) equity in participation and achievement of students by sex has been achieved or significantly improved.] *part.*

* * * * * * *

(C) States shall use funds reserved under section 1003(a) and funds made available under section 1002(f) to allow schools identified under this paragraph to carry out the activities described in subparagraph (B) [and may] *(and may* use such funds to provide awards to such schools to further such school's education programs under this part, provide additional incentives for continued success, and reward individuals or groups in the school for [exemplary performance] *exemplary performance).*

* * * * * * *

(3) DISTINGUISHED [EDUCATORS] *TEACHERS AND PRINCIPALS.*—

[(A) In order to provide assistance to schools and local educational agencies identified as needing improvement and schools participating in schoolwide programs, each State, in consultation with local educational agencies and using funds reserved under section 1003(a) and made available under section 1002(f), shall establish a corps of distinguished educators.]

(A) The State may also recognize and provide financial awards to teachers or principals in a school described in paragraph (2) whose students consistently make significant gains in academic achievement.

(B) When possible, distinguished [educators] *teachers and principals* shall be chosen from schools served under this part that have been especially successful in enabling children to meet or make outstanding progress toward meeting the State's student performance standards, such as the schools described in paragraph (2).

[(C) Distinguished educators shall provide, as part of the statewide system, intensive and sustained assistance to the schools and local educational agencies farthest from meeting the State's student performance standards and to schoolwide programs as such programs develop and implement their plans, including participation in the support teams described in paragraph (1).]

SEC. 1118. [20 U.S.C. 6319] PARENTAL INVOLVEMENT.

(a) LOCAL EDUCATIONAL AGENCY POLICY.—

(1) IN GENERAL.—* * *

* * * * * * *

(A) * * *

(B) provide the coordination, technical assistance, and other support necessary to assist participating schools in planning and implementing effective parent involvement *activities to improve student achievement and student and school performance*;

* * * * * * *

(b) SCHOOL PARENTAL INVOLVEMENT POLICY.—

(1) IN GENERAL.—Each school served under this part shall jointly develop with, and distribute *(in a language parents can understand)* to, parents of participating children a written parental involvement policy, agreed upon by such parents, that shall describe the means for carrying out the requirements of subsections (c) through (f). Such policy *shall be made available to the local community and* shall be updated periodically to meet the changing needs of parents and the school.

* * * * * * *

(e) BUILDING CAPACITY FOR INVOLVEMENT.—* * *

(1) shall provide assistance to [participating parents in such areas as understanding the National] *parents of children served by the school or local educational agency, as appropriate, in understanding America's* Education Goals, the State's content standards and State student performance standards, the provisions of section 1111(b)(8), State and local assessments, the requirements of this part, and how to monitor a child's progress and work with educators to improve the performance of their children as well as information on how parents can participate in decisions relating to the education of their children;

* * * * * * *

(14) may adopt and implement model approaches to improving parental involvement, such as Even Start; [and]

[(15) shall provide such other reasonable support for parental involvement activities under this section as parents may request.]

(15) may establish a school district wide parent advisory council to advise the school and local educational agency on all matters related to parental involvement in programs supported under this section; and

(16) shall provide such other reasonable support for parental involvement activities under this section as parents may request, which may include emerging technologies.

(f) ACCESSIBILITY.—In carrying out the parental involvement requirements of this part, local educational agencies and schools, to the extent practicable, shall provide full opportunities for the participation of parents with limited English proficiency [or with], *parents of migratory children, or parents with* disabilities, including providing information and school profiles in a language and form such parents understand.

[(g) PARENTAL INFORMATION AND RESOURCE CENTERS.—In States where parental information and resource centers have been established pursuant to section 401 of the Goals 2000: Educate America Act of 1994 (to provide training, information, and support to parents and individuals who work with parents), local educational agencies and schools receiving assistance under this part shall assist parents and parent organizations by informing such parents and organizations of the existence and purpose of such centers, providing such parents and organizations with a description of the services and programs provided by such centers, advising parents on how to use such centers, and helping parents to contact such centers.]

(g) INFORMATION FROM PARENTAL INFORMATION AND RESOURCE CENTERS.—In a State where a parental information and resource center is established to provide training, information, and support to parents and individuals who work with local parents, local educational agencies, and schools receiving assistance under this part, each school or local educational agency that receives assistance under this part and is located in the State, shall assist parents and parental organizations by informing such parents and organizations of the existence and purpose of such centers, providing such parents and organizations with a description of the services and programs provided by such centers, advising parents on how to use such centers, and helping parents to contact such centers.

SEC. 1119. [20 U.S.C. 6301] PROFESSIONAL DEVELOPMENT.

(a) PROGRAM REQUIREMENTS.—

* * * * * * *

(b) PROFESSIONAL DEVELOPMENT ACTIVITIES.—

(1) REQUIRED ACTIVITIES.—* * *

[(A) support instructional practices that are geared to challenging State content standards and create a school environment conducive to high achievement in the academic subjects;]

(A) support professional development activities that give teachers, principals, administrators, paraprofessionals, pupil services personnel, and parents the knowledge and skills to provide students with the opportunity to meet challenging State or local content standards and student performance standards;

(B) advance teacher understanding of effective instructional strategies, based on research for improving student achievement, at a minimum in reading or language arts and mathematics;

(C) be of sufficient intensity and duration (not to include 1-day or short-term workshops and conferences) to have a positive and lasting impact on the teacher's performance in the class-room, except that this subparagraph shall not apply to an activity if such activity is 1 component of a long-term comprehensive professional development plan established by the teacher and the teacher's supervisor based upon an assessment of the needs of the teacher, the needs of students, and the needs of the local educational agency;

[(B)**]** *(D)* support local educational agency plans under section 1112 school plans under section 1114;

[(C)**]** *(E)* draw on resources available under this part, **[**title III of the Goals 2000: Educate America Act**]** title II of this Act, and from other sources;

[(D)**]** *(F)* where appropriate, as determined by the local educational agency, include strategies for developing curricula and teaching methods that integrate academic and vocational instruction (including applied learning and team teaching strategies); **[**and**]**

[(E)**]** *(G)* include strategies for identifying and eliminating gender and racial bias in instructional materials, methods, and practices**[**.**]**; *and*

(H) to the extent appropriate, provide training for teachers in the use of technology and the applications of technology that are effectively used—

(i) in the classroom to improve teaching and learning in the curriculum; and

(ii) in academic content areas in which the teachers provide instructions;

(I) be regularly evaluated for their impact on increased teacher effectiveness and improved student performance and achievement, with the findings of such evaluations used to improve the quality of professional development; and

(J) include strategies for identifying and eliminating gender and racial bias in instructional materials, methods, and practices.

* * * * * * *

(g) COMBINATIONS OF FUNDS.—Funds provided under this part that are used for professional development purposes may be combined with funds provided under title II of this Act, **[**title II of the Goals 2000: Educate America Act**]** *other Acts* and other sources.

* * * * * * *

SEC. 1120. [20 U.S.C. 6321] PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

(a) GENERAL REQUIREMENT.—

(1) IN GENERAL.—To the extent consistent with the number of eligible children identified under section 1115(b) in a local educational agency who are enrolled in private elementary and secondary schools, a local educational agency shall, after timely and meaningful consultation with appropriate private school officials, provide such children, on an equitable basis, special educational services or other benefits under this part (such as

dual enrollment, educational radio and television, computer equipment and materials, other technology, and mobile educational services and equipment) *that address their needs, and shall ensure that teachers and families of such children participate, on an equitable basis, in services and activities under sections 1118 and 1119.*

* * * * * * *

(3) EQUITY.—Educational services and other benefits for such private school children shall be equitable in comparison to services and other benefits for public school children participating under this part *and shall be provided in a timely manner.*

(4) EXPENDITURES.—Expenditures for educational services and other benefits to eligible private school children shall be equal to the proportion of funds allocated to participating school attendance areas based on the number of children from low-income families who attend private schools *as determined by the local educational agency each year or every 2 years.*

* * * * * * *

(1) IN GENERAL.— * * *

(A) * * *

* * * * * * *

(C) how [and where] *where, and by whom* the services will be provided;

[(D) how the services will be assessed; and]

(D) how the services will be assessed and how the results of that assessment will be used to improve those services;

(E) the size and scope of the equitable services to be provided to the eligible private school children, and what is the proportion of funds allocated under subsection (a)(4) for such services[.]; *and*

(F) how and when the local educational agency will make decisions about the delivery of services to eligible private school children, including a thorough consideration and analysis of the views of private school officials regarding the provision of contract services through potential third party providers, and if the local educational agency disagrees with the views of the private school officials on such provision of services, the local educational agency shall provide in writing to such private school officials an analysis of the reasons why the local educational agency has chosen not to so provide such services.

* * * * * * *

(4) CONSULTATION.—Each local educational agency shall provide to the State educational agency, and maintain in the local educational agency's records, a written affirmation signed by officials of each participating private school that the consultation required by this section has occurred. If a private school declines in writing to have eligible children in the private school participate in services provided under this section, the local education agency is not required to further consult with the private school officials or to document the local educational agen-

cy's consultation with the private school officials until the private school officials request in writing such consultation. The local educational agency shall inform the private school each year of the opportunity for eligible children to participate in services provided under this section.

(5) COMPLIANCE.—A private school official shall have the right to appeal to the State educational agency the decision of a local educational agency as to whether consultation provided for in this section was meaningful and timely, and whether due consideration was given to the views of the private school official. If the private school official wishes to appeal the decision, the basis of the claim of noncompliance with this section by the local educational agencies shall be provided to the State educational agency, and the local educational agency shall forward the appropriate documentation to the State educational agency.

(c) ALLOCATION FOR EQUITABLE SERVICE TO PRIVATE SCHOOL STUDENTS.—

(1) CALCULATION.—A local educational agency shall have the final authority, consistent with this section, to calculate the number of private school children, ages 5 through 17, who are low-income by—

(A) using the same measure of low-income used to count public school children;

(B) using the results of a survey that, to the extent possible, protects the identity of families of private school students, and allowing such survey results to be extrapolated if complete actual data are unavailable; or

(C) applying the low-income percentage of each participating public school attendance area, determined pursuant to this section, to the number of private school children who reside in that school attendance area.

(2) COMPLAINT PROCESS.—Any dispute regarding low-income data for private school student shall be subject to the complaint process authorized in section 10105.

[(c)] *(d)* PUBLIC CONTROL OF FUNDS.—

* * * * * * *

[(d)] *(e)* STANDARDS FOR A BYPASS.—[If a] *(1)* IN GENERAL.—*If a* local educational agency is prohibited by law from providing for the participation on an equitable basis of eligible children enrolled in private elementary and secondary schools or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for such participation, as required by this section, the Secretary shall—

[(1)] *(A)* waive the requirements of this section for such local educational agency; and

[(2)] *(B)* arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section and sections [14505 and 14506] *10105 and 10106.*

(2) DETERMINATION.—In making the determination under paragraph (1), the Secretary shall consider 1 or more factors, including the quality, size, scope, or location of the program, or the opportunity of eligible children to participate in the program.

[(e)] *(f)* CAPITAL EXPENSES.—

[(1) IN GENERAL.—(A) From the amount appropriated for this subsection under section 1002(e) for any fiscal year, each State is eligible to receive an amount that bears the same ratio to the amount so appropriated as the number of private school children who received services under this part in the State in the most recent year for which data satisfactory to the Secretary are available bears to the number of such children in all States in that same year.

[(B) The Secretary shall reallocate any amounts allocated under subparagraph (A) that are not used by a State for the purpose of this subsection to other States on the basis of their respective needs, as determined by the Secretary.

[(2) CAPITAL EXPENSES.—(A) A local educational agency may apply to the State educational agency for payments for capital expenses consistent with this subsection.

[(B) State educational agencies shall distribute such funds under this subsection to local educational agencies based on the degree of need set forth in their respective applications for assistance under this subsection.

[(3) USES OF FUNDS.—Any funds appropriated to carry out this subsection shall be used only for capital expenses incurred to provide equitable services for private school children under this section.

[(4) DEFINITION.—For the purpose of this subsection, the term "capital expenses" means—

[(A) expenditures for noninstructional goods and services, such as the purchase, lease, or renovation of real and personal property, including mobile educational units and leasing of neutral sites or spaces;

[(B) insurance and maintenance costs;

[(C) transportation; and

[(D) other comparable goods and services.]

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SEC. 1120A. [20 U.S.C. 6322] FISCAL REQUIREMENTS.

(a) MAINTENANCE OF EFFORTS.—A local educational agency may receive funds under this part for any fiscal year only if the State educational agency finds that the local educational agency has maintained its fiscal effort in accordance with section [14501 of this Act] *10101*.

* * * * * * *

[SEC. 1120B. [20 U.S.C. 6323] COORDINATION REQUIREMENTS.]

SEC. 1120B. COORDINATION REQUIREMENTS; EARLY CHILDHOOD EDUCATION SERVICES.

(a) IN GENERAL.—* * *

* * * * * * *

(c) COORDINATION OF REGULATIONS.—The Secretary shall work with the Secretary of Health and Human Services to coordinate regulations promulgated under this part with regulations promulgated under the [Head Start Act Amendments of 1994] *Head Start Amendments of 1998*.

(d) EARLY CHILDHOOD SERVICES.—A local educational agency may use funds received under this part to provide preschool services—

(1) directly to eligible preschool children in all or part of its school district;

(2) through any school participating in the local educational agency's program under this part; or

(3) through a contract with a local Head Start agency, an eligible entity operating an Even Start program, a State-funded preschool program, or a comparable public early childhood development program.

(e) EARLY CHILDHOOD EDUCATION PROGRAMS.—Early childhood education programs operated with funds provided under this part may be operated and funded jointly with Even Start programs under part B of this title, Head Start programs, or State-funded preschool programs. Early childhood education programs funded under this part shall—

(1) focus on the developmental needs of participating children, including their social, cognitive, and language-development needs, and use research-based approaches that build on competencies that lead to school success, particularly in language and literacy development and in reading;

(2) teach children to understand and use language in order to communicate for various purposes;

(3) enable children to develop and demonstrate an appreciation of books; and

(4) in the case of children with limited English proficiency, enable the children to progress toward acquisition of the English language.

[Subpart 2—Allocations

[Sec. 1121. [20 U.S.C. 6331] GRANTS FOR THE OUTLYING AREAS AND THE SECRETARY OF THE INTERIOR.

[(a) RESERVATION OF FUNDS.—From the amount appropriated for payments to States for any fiscal year under section 1002(a), the Secretary shall reserve a total of 1 percent to provide assistance to—

[(1) the outlying areas on the basis of their respective need for such assistance according to such criteria as the Secretary determines will best carry out the purpose of this part; and

[(2) the Secretary of the Interior in the amount necessary to make payments pursuant to subsection (c).

[(b) ASSISTANCE TO THE OUTLYING AREAS.—

[(1) IN GENERAL.—From amounts made available under subsection (a) in each fiscal year the Secretary shall make grants to local educational agencies in the outlying areas (other than the outlying areas assisted under paragraph (3)).

[(2) COMPETITIVE GRANTS.—(A) The Secretary shall reserve $5,000,000 from the amounts made available under subsection (a) in each fiscal year to award grants on a competitive basis, to local educational agencies in the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. The Secretary shall award such grants according to

the recommendations of the Pacific Region Educational Laboratory which shall conduct a competition for such grants.

[(B) Except as provided in subparagraph (D), grants funds awarded under this part only may be used for programs described in this Act, including teacher training, curriculum development, instructional materials, or general school improvement and reform.

[(C) Grant funds awarded under this paragraph only may be used to provide direct educational services.

[(D) The Secretary may provide 5 percent of the amount made available for grants under this paragraph to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this paragraph.

[(c) ALLOTMENT TO THE SECRETARY OF THE INTERIOR.—

[(1) IN GENERAL.—The amount allotted for payments to the Secretary of the Interior under subsection (a)(2) for any fiscal year shall be, as determined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of—

[(A) Indian children on reservations served by elementary and secondary schools for Indian children operated or supported by the Department of the Interior; and

[(B) out-of-State Indian children in elementary and secondary schools in local educational agencies under special contracts with the Department of the Interior.

[(2) PAYMENTS.—From the amount allotted for payments to the Secretary of the Interior under subsection (a)(2), the Secretary of the Interior under subsection (a)(2), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Secretary determines will best carry out the purposes of this part, with respect to out-of-State Indian children described in paragraph (1). The amount of such payment may not exceed, for each such child, the greater of—

[(A) 40 percent of the average per pupil expenditure in the State in which the agency is located; or

[(B) 48 percent of such expenditure in the United States.

[SEC. 1122. [20 U.S.C. 6332] ALLOCATIONS TO STATES.

[(a) IN GENERAL.—

[(1) FISCAL YEAR 1995.—For fiscal year 1995, appropriations for this part shall be allocated according to the provisions of sections 1005, except subsection (a)(3), and 100, part A of chapter 1 of title I, Elementary and Secondary Education Act of 1965, as in effect on September 30, 1994, except that the State minimum for section 1005 shall be the lesser of 0.25 percent of total appropriations or the average of 0.25 percent of total appropriations and 150 percent of the national average grant per child counted for grants under section 1005 multiplied by the State's number of children counted for such grants, and for grants under section 1006, the State minimum shall be the lesser of—

[(A) 0.25 percent of total appropriations; and

[(B) the average of—

[(i) 0.25 percent of total appropriations; and

[(ii) the greater of 150 percent of the national average grant per child counted for grants under such section 1006 multiplied by the State total number of such children, or $340,000.

[(2) SUCCEEDING FISCAL YEARS.—For fiscal years 1996 through 1999, an amount of the appropriations for this part equal to the appropriation for fiscal year 1995 for section 1005, shall be allocated in accordance with section 1124, and an amount equal to the appropriation for fiscal year 1995 for section 1006 shall be allocated in accordance with section 1124A. Any additional appropriations under section 1002(a) for any fiscal year, after application of the preceding sentence, shall be allocated in accordance with section 1125.

[(b) ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.—

[(1) IN GENERAL.—If the sums available under this part for any fiscal year are insufficient to pay the full amounts that all local educational agencies in States are eligible to receive under sections 1124, 1124A, and 1125 for such year, the Secretary shall ratably reduce the allocations to such local educational agencies, subject to subsections (c) and (d) of this section.

[(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under sections 1124, 1124A, and 1125 for such fiscal year, allocations that were reduced under paragraph (1) shall be increased on the same basis as they were reduced.

[(c) HOLD-HARMLESS AMOUNTS.—

[(1) IN GENERAL.—For fiscal year 1995, notwithstanding subsection (b) and without regard to amounts available for delinquent children under subpart 2 of part D, the amount made available to each local educational agency under such section 1005 shall be at least 85 percent of the amount such local educational agency received for the preceding year under such section 1005.

[(2) FISCAL YEAR 1996.—Notwithstanding subsection (b) and without regard to amounts available for delinquent children under subpart 2 of part D, for fiscal year 1996 the total amount made available to each local educational agency under each sections 1124 and 1124A for any fiscal year shall be at least 100 percent of the total amount such local educational agency was allocated under such sections (or their predecessor authorities) for the preceding fiscal year.

[(3) FISCAL YEARS 1997–1999.—For fiscal years 1997 through 1999, notwithstanding subsection (b) and without regard to amounts available for delinquent children under subpart 2 of part D, the amount made available to each local educational agency under each of sections 1124 and 1125 shall be at least 95 percent of the previous year's amount if the number of children counted for grants under section 1124 is at least 30 percent of the total number of children aged 5 to 17 years, inclusive, in the local educational agency, 90 percent of the previous year amount if this percentage is between 15 percent and 30 percent, and 85 percent if this percentage is below 15 percent. For fiscal years 1997 and 1998, in calculating grants on

the basis of population data for counties, the Secretary shall apply the hold-harmless percentages in the preceding sentence to counties. For fiscal years 1996 through 1998, if the Secretary's allocation for a county is not sufficient to meet the hold-harmless requirements of this paragraph for every local educational agency within that county, then the State educational agency shall reallocate funds proportionately from all other local educational agencies in the State that are receiving funds in excess of the hold-harmless amounts specified in this paragraph.

[(d) RATABLE REDUCTIONS.—

[(1) IN GENERAL.—If the sums made available under this part for any fiscal year are insufficient to pay the full amounts that all States are eligible to receive under subsection (c) for such year, the Secretary shall ratably reduce such amounts for such year.

[(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under subsection (c) for such fiscal year, amounts that were reduced under paragraph (1) shall be increased on the same basis as such amounts reduced.

[(e) DEFINITION.—For the purpose of this section and sections 1124 and 1125, the term State means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

[SEC. 1124. [20 U.S.C. 6333] BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES.

[(a) AMOUNT OF GRANTS.—

[(1) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—The grant which a local educational agency in a State is eligible to receive under this subpart for a fiscal year shall (except as provided in section 1126), be determined by multiplying the number of children counted under subsection (c) by 40 percent of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that—

[(A) if the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, such amount shall be 80 percent of the average per pupil expenditure in the United States; or

[(B) if the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, such amount shall be 120 percent of the average per pupil expenditure in the United States.

[(2) BASIS FOR CALCULATING GRANTS.—For fiscal years 1995 through 1998, grants shall be calculated by the Secretary on the basis of the number of children counted under subsection (c) for countries, and State educational agencies shall suballocate county amounts to local educational agencies in accordance with regulations published by the Secretary. In any State in which a large number of local educational agencies overlap county boundaries, the State educational agency may apply to the Secretary for authority during any particular fiscal year to make the allocations under this part (other than section 1124A) directly to local educational agencies without regard to

the counties. If the Secretary approves an application of a State educational agency for a particular year under this subparagraph, the State educational agency shall provide assurances that—

[(A) such allocations will be made using precisely the same factors for determining a grant as are used under this part;

[(B) such allocations will be made using alternative data approved by the Secretary that the State determines best reflects the distribution of children in poor families and is adjusted to be equivalent in proportion to the number of children determined in accordance with subsection (c); or

[(C) such allocations will be made using data that the State educational agency submits to the Secretary for approval that more accurately target poverty.

[In addition, the State educational agency shall provide assurance that a procedure will be established through which local educational agencies dissatisfied with the determinations made by the State educational agency may appeal directly to the Secretary for a final determination. Beginning in fiscal year 1999, grants shall be calculated by the Secretary on the basis of population data compiled for local educational agencies, unless the Secretary and the Secretary of Commerce determine that use of the updated population data would be inappropriate or unreliable taking into consideration the recommendations of the study to be conducted by the National Academy of Sciences. If the Secretary and the Secretary of Commerce determine that some or all of the data referred to in this paragraph are inappropriate or unreliable, the Secretaries shall jointly issue a report setting forth their reasons in detail. In years when grants are calculated by the Secretary on the basis of local educational agency data, for each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total populations of fewer than 20,000 persons, the State educational agency many either—

[(i) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; and

[(ii) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State educational agency determines best reflect the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons. If a local educational agency serving an area with total population of less than 20,000 persons is dissatisfied with the determination of its

grant by the State education agency, then such local educational agency may appeal this determination to the Secretary. The Secretary must respond to this appeal within 45 days of receipt.

(3) PUERTO RICO.—For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per pupil expenditure of any of the 50 States. The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section for a fiscal year shall be the amount arrived at the multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

[(A) the percentage determined under the preceding sentence; and

[(B) 32 percent of the average per pupil expenditure in the United States.

[(4) DEFINITION.—For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and Palau.

[(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—Subject to the succeeding sentence, a local educational agency shall be eligible for a basic grant for a fiscal year under this subpart only if the number of children counted under subsection (c) in the school district of such local educational agency is at least 10. Beginning in fiscal year 1996, no local educational agency shall be eligible for a grant under this section if the number of children counted for grants under this section is equal to 2 percent or less of the total school age population in the local educational agency. For fiscal years 1996 through 1998, grants not made as a result of applying the preceding sentence shall be reallocated by the State educational agency to other eligible local educational agencies in the State in proportion to the distribution of other funds under this section.

[(c) CHILDREN TO BE COUNTED.—

[(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section is the aggregate of—

[(A) the number of children aged 5 to 17, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2);

[(B) the number of children aged 5 to 17, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (5); and

[(C) the number of children aged 5 to 17, inclusive, in the school district of such agency in institutions for neglected and delinquent children (other than such institutions operated by the United States), but not counted pursuant to subpart 1 of part D for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

[(2) DETERMINATION OF NUMBER OF CHILDREN.—For the purposes of this section, the Secretary shall determine the number of children aged 5 to 27, inclusive, from families below the pov-

erty level on the basis of the most recent satisfactory data, described in paragraph (3), available from the Department of Commerce. For fiscal year 1999 and beyond, the District of Columbia and the Commonwealth of Puerto Rico shall be treated as individual local educational agencies. If a local educational agency contains two or more counties in their entirety, then each county will be treated as if such county were a separate local educational agency for purposes of calculating grants under this part. The total of grants for such counties shall be allocated to such a local educational agency, which local educational agency shall distribute to schools in each county within such agency a share of the local educational agency's total grant that is no less than the county's share of the population counts used to calculate the local educational agency's grant.

[(3) POPULATION UPDATES.—In fiscal year 1997 and every 2 years thereafter, the Secretary shall use updated data on the number of children, aged 5 to 17, inclusive, from families below the poverty level for counties or local educational agencies, published by the Department of Commerce, unless the Secretary and the Secretary of Commerce determine that use of the updated population data would be inappropriate or unreliable, taking into consideration the recommendations of the study to be conducted by the National Academy of Sciences. If the Secretary and the Secretary of Commerce determine that some or all of the data referred to in this paragraph are inappropriate or unreliable, they shall jointly issue a report setting forth their reasons in detail. In determining the families which are below the poverty level, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census, in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics.

[(4) STUDY.—(A) The Secretary of Education shall, within 30 days after the date of enactment of the Improving America's School's Act of 1994, contract with the National Academy of Sciences (hereafter in this section referred to as the "Academy") to study the program to produce intercensal poverty data for small geographic areas and certain age cohorts being developed by the Bureau of the Census.

[(B) In conducting its study, the Academy shall consider such matters as—

[(i) the methodology used to produce and publish intercensal poverty data, and possible alternative methods to improve the usefulness of the data for Federal program purposes;

[(ii) the availability of alternative indicators of poverty for small geographic areas, against which the poverty data produced and published by the Bureau of the Census could be compared;

[(iii) the reliability of the poverty data produced and published by the Bureau of the Census, particularly for less populous geographic areas;

[(iv) the reliability of intercensal poverty data produced and published by the Bureau of the Census, as compared over time to similar data produced by the Bureau of the Census during the most recent decennial census; and

[(v) the usefulness of poverty data produced and published by the Bureau of the Census for Federal programs that allocate funds to State and sub-State areas based, in whole or in part on such data.

[(C) The Academy shall submit to the Secretary and the Secretary of Commerce, as well as to the Committee on Education and Labor and the Committee on Post Office and Civil Service of the House of Representatives and the Committee on Labor and Human Resources and the Committee on Governmental Affairs of the Senate—

[(i) not later than 18 months after the date on which a contract is entered into under subsection (a), and not later than every 18 months thereafter, such interim reports on the Academy's activities under this Act that the Academy deems appropriate, including a detailed statement of the Academy's findings and conclusions with respect to any poverty data which the Bureau of the Census publishes and produces, within 90 days of such publication; and

[(ii) not later than December 31, 1998, a final report which shall include a more detailed statement of the Academy's findings and conclusions with respect to the use of any intercensal poverty data produced and published by the Bureau of the Census as the basis for allocating Federal funds under this Act.

[(D) Of the funds appropriated under section 1002(f) of this Act, the Secretary shall use such sums as are necessary in each of fiscal years 1995, 1996, 1997, 1998, and 1999 to carry out the provisions of this paragraph.

[(5) OTHER CHILDREN TO BE COUNTED.—For purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under a State program funded under part A of title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of 4 in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before

January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination. The Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year.

[(6) ESTIMATE.—When requested by the Secretary, the Secretary of Commerce shall make a special updated estimate of the number of children of such ages who are from families below the poverty level (as determined under subparagraph (A) of this paragraph) in each school district, and the Secretary is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

[(d) STATE MINIMUM.—Notwithstanding subsection (b)(1) or (d) of section 1122, the aggregate amount allotted for all local educational agencies within a State may not be less than the lesser of—

[(1) 0.25 percent of total grants under this section; or

[(2) the average of—

[(A) one quarter of 1 percent of the total amount available for such fiscal year under this section; and

[(B) the number of children in such State counted under subsection (c) in the fiscal year multiplied by 150 percent of the national average per pupil payment made funds available under this section for that year.

[SEC. 1124A. [20 U.S.C. 6334] CONCENTRATION GRANTS TO LOCAL EDUCATIONAL AGENCIES.

[(a) ELIGIBILITY FOR AND AMOUNT OF GRANTS.—

[(1) IN GENERAL.—(A) Except as otherwise provided in this paragraph, each local educational agency, in a State other than Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau, which is eligible for a grant under this part for any fiscal year shall be eligible for an additional grant under this section for that fiscal year if—

[(i) the number of children counted under section 1124(c) in the county (for fiscal years 1996 through 1998), or local educational agency (for fiscal years beginning with 1999) for the fiscal year exceeds 6,500; or

[(ii) the number of children counted under section 1124(c) exceeds 15 percent of the total number of children aged 5 to 17, inclusive, in the county (for fiscal years 1996 through 1998), or local educational agency (for fiscal years beginning with 1999) in that fiscal year.

[(B) Notwithstanding such subsections (b)(1) and (d) of section 1122, no State described in subparagraph (A) shall receive less than the lesser of—

[(i) 0.25 percent of total grants; or

[(ii) the average of—

[(I) one-quarter of 1 percent of the sums available to carry out this section for such fiscal year; and

[(II) the greater of—

[(aa) $340,000; or

[(bb) the number of children in such State counted for purposes of this section in that fiscal year multiplied by 150 percent of the national average per pupil payment made with funds available under this section for that year.

[(2) SPECIAL RULE.—For each county or local educational agency eligible to receive an additional grant under this section for any fiscal year the Secretary shall determine the product of—

[(A) the number of children counted under section 1124(c) for that fiscal year; and

[(B) the quotient resulting from the division of the amount determined for those agencies under section 1124(a)(1) for the fiscal year for which the determination is being made divided by the total number of children counted under section 1124(c) for that agency for fiscal year.

[(3) AMOUNT.—The amount of the additional grant for which an eligible local educational agency or county is eligible under this section for any fiscal year shall be an amount which bears the same ratio to the amount available to carry out this section for that fiscal year as the product determined under paragraph (2) for such local educational agency for that fiscal year bears to the sum of such products for all local educational agencies in the United States for that fiscal year.

[(4) SUBALLOCATION.—For fiscal years 1996 through 1998, county amounts shall be suballocated to local educational agencies meeting the criteria of paragraph (1)(A) by State educational agencies, in accordance with regulations published by the Secretary. For fiscal years 1995 through 1998, grants shall be calculated by the Secretary on the basis of the number of children counted under section 1124(c) for counties, and State educational agencies shall suballocate county amounts to local educational agencies, in accordance with regulations published by the Secretary. In any State in which a large number of local educational agencies overlap county boundaries, the State educational agency may apply to the Secretary for authority during any particular fiscal year to make the allocations under this part (other than this section) directly to local educational agencies without regard to the counties. If the Secretary approves an application of a State educational agency for a particular year under this paragraph, the State educational agency shall provide assurances that—

[(A) such allocations will be made using precisely the same factors for determining a grant as are used under this part;

[(B) such allocations will be made using alternative data approved by the Secretary that the State determines best reflects the distribution of children in poor families and is

adjusted to be equivalent in proportion to the number of children determined in accordance with section 1124(c); or

[(C) such allocations will be made using data that the State educational agency submits to the Secretary for approval that more accurately target poverty.

[In addition, the State educational agency shall provide assurances that a procedure will be established through which local educational agencies dissatisfied with the determinations made by the State educational agency may appeal directly to the Secretary for a final determination. A State may reserve not more than 2 percent of its allocations in fiscal years 1996 through 1998 under this section for the purpose of making grants to local educational agencies that meet the criteria of clause (i) or (ii) of paragraph (1)(A), but are in ineligible counties. For fiscal years beginning with 1999, for each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total populations of fewer than 20,000 persons, the State educational agency may either (i) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (ii) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State educational agency determines best reflects the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons and meeting the eligibility criteria of paragraph (1)(A). If a local educational agency serving an area with total population of less than 20,000 persons is dissatisfied with the determination of its grant by the State educational agency, then such local educational agency may appeal this determination to the Secretary. The Secretary shall respond to this appeal within 45 days of receipt. The Secretary shall consult with the Secretary of Commerce regarding whether available data on population for local educational agencies serving areas with total populations of fewer than 20,000 persons are sufficiently reliable to be used to determine final grants to such areas meeting the eligibility criteria of paragraph (1)(A).

[(b) RESERVATION OF FUNDS.—Of the total amount of funds available for this section and sections 1124 and 1125, an amount equal to the appropriation for fiscal year 1995 for section 1006 of this Act (as such section was in effect on the day preceding the date of enactment of this Act) shall be available to carry out this section.

[(c) RATABLE REDUCTION RULE.—If the sums available under subsection (b) for any fiscal year for making payments under this section are not sufficient to pay in full the total amounts which all

States are eligible to receive under subsection (a) for such fiscal year, the maximum amounts which all States are eligible to receive under subsection (a) for such fiscal year shall be ratably reduced. In the case that additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

[(d) STATES RECEIVING MINIMUM GRANTS.—In States that receive the minimum grant under subsection (a)(1)(B), the State educational agency shall allocate such funds among the local educational agencies in each State either—

[(1) in accordance with paragraphs (2) and (4) of subsection (a); or

[(2) based on their respective concentrations and numbers of children counted under section 1124(c), except that only those local educational agencies with concentrations or numbers of children counted under section 1124(c) that exceed the statewide average percentage of such children or the statewide average number of such children shall receive any funds on the basis of this paragraph.

[SEC. 1125. [20 U.S.C. 6335] TARGETED GRANTS TO LOCAL EDUCATIONAL AGENCIES.

[(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES.—A local educational agency in a State is eligible to receive a targeted grant under this section for any fiscal year if the number of children in the local educational agency counted under subsection 1124(c), before application of the weighting factor described in subsection (c), is at least 10, and if the number of children counted for grants under section 1124 is at least 5 percent of the total population aged 5 to 17 years, inclusive, in the local educational agency. Funds made available as a result of applying this subsection shall be reallocated by the State educational agency to other eligible local educational agencies in the State in proportion to the distribution of other funds under this section.

[(b) GRANTS FOR LOCAL EDUCATIONAL AGENCIES, THE DISTRICT OF COLUMBIA, AND PUERTO RICO.—

[(1) IN GENERAL.—The amount of the grant that a local educational agency in a State or that the District of Columbia is eligible to receive under this section for any fiscal year shall be the product of—

[(A) the weighted child count determined under subsection (c); and

[(B) the amount in the second sentence of subparagraph 1124(a)(1)(A).

[(2) PUERTO RICO.—For each fiscal year, the amount of the grant for which the Commonwealth of Puerto Rico is eligible under this section shall be equal to the number of children counted under subsection (c) for Puerto Rico, multiplied by the amount determined in subparagraph 1124(a)(3).

[(c) WEIGHTED CHILD COUNT.—

[(1) FISCAL YEARS 1966–1998.—

[(A) IN GENERAL.—The weighted child count used to determine a county's allocation under this section is the larg-

er of the two amounts determined under clause (i) or (ii), as follows:

[(i) BY PERCENTAGE OF CHILDREN.—This amount is determined by adding—

[(I) the number of children determined under section 1124(c) for that county constituting up to 12.20 percent, inclusive, of the county's total population aged 5 to 17, inclusive, multiplied by 1.0;

[(II) the number of such children constituting more than 12.20 percent, but not more than 17.70 percent, of such population, multiplied by 1.75;

[(III) the number of such children constituting more then 17.70 percent, but not more than 22.80 percent, of such population, multiplied by 2.5;

[(IV) the number of such children constituting more than 22.80 percent, but not more than 29.70 percent, of such population, multiplied by 3.25; and

[(V) the number of such children constituting more than 29.70 percent of such population, multiplied by 4.0.

[(ii) BY NUMBER OF CHILDREN.—This amount is determined by adding—

[(I) the number of children determined under section 1124(c) constituting up to 1,917, inclusive, of the county's total population aged 5 to 17, inclusive, mutlipled by 1.0;

[(II) the number of such children between 1,918 and 5,938, inclusive, in such population, multiplied by 1.5;

[(III) the number of such children between 5,939 and 20,199, inclusive, in such population, multiplied by 2.0;

[(IV) the number of such children between 20,200 and 77,999, inclusive, in such population, multiplied by 2.5; and

[(V) the number of such children in excess of 77,999 in such population, multiplied by 3.0.

[(B) PUERTO RICO.—Notwithstanding subparagraph (A), the weighting factor for Puerto Rico under this paragraph shall not be greater than the total number of children counted under subsection 1124(c) multiplied by 1.72.

[(2) FISCAL YEARS AFTER 1999.—

[(A) IN GENERAL.—For each fiscal year beginning with fiscal year 1999 for which the Secretary uses local educational agency data, the weighted child count used to determine a local educational agency's grant under section is the larger of the two amounts determined under clauses (i) and (ii), as follows:

[(i) BY PERCENTAGE OF CHILDREN.—This amount is determined by adding—

[(I) the number of children determined under section 1124(c) for that local educational agency constituting up to 14.265 percent, inclusive, of the

agency's total population aged 5 to 17, inclusive, multiplied by 1.0;

[(II) the number of such children constituting more than 14.265 percent, but not more than 21.553 percent, of such population, multiplied by 1.75;

[(III) the number of such children constituting more than 21.553 percent, but not more than 29.223 percent, of such population, multiplied by 2.5;

[(IV) the number of such children constituting more than 29.223 percent, but not more than 36.538 percent, of such population, multiplied by 3.25; and

[(V) the number of such children constituting more than 36.538 percent of such population, multiplied by 4.0.

[(ii) BY NUMBER OF CHILDREN.—This amount is determined by adding—

[(I) the number of children determined under section 1124(c) constituting up to 575, inclusive, of the agency's total population aged 5 to 17, inclusive, multiplied by 1.0;

[(II) the number of such children between 576 and 1,870, inclusive, in such population, multiplied by 1.5;

[(III) the number of such children between 1,871 and 6,910, inclusive, in such population multiplied by 2.0;

[(IV) the number of such children between 6,911 and 42,000, inclusive, in such population, multiplied by 2.5; and

[(V) the number of such children in excess of 42,000 in such population, multiplied by 3.0.

[(B) PUERTO RICO.—Notwithstanding subparagraph (A), the weighting factor for Puerto Rico under this paragraph shall not be greater than the total number of children counted under section 1124(c) multiplied by 1.72.

[(d) LOCAL EDUCATIONAL AGENCY ALLOCATIONS.—For fiscal years 1995 through 1998, grants shall be calculated by the Secretary on the basis of the number of children counted under section 1124 for counties, and State educational agencies shall suballocate county amounts to local educational agencies, in accordance with regulations published by the Secretary. In any State in which a large number of local educational agencies overlap county boundaries, the State educational agency may apply tot he Secretary for authority during any particular fiscal year to make the allocations under this part (other than section 1124A) directly to local educational agencies without regard to the counties. If the Secretary approves an application of a State educational agency for a particular year under this subparagraph, the State educational agency shall provide assurances that—

[(1) such allocations will be made using precisely the same factors for determining a grant as are used under this part;

[(2) such allocations will be made using alternative data approved by the Secretary that the State determines best reflects the distribution of children in poor families and is adjusted to be equivalent in proportion to the number of children determined in accordance with section 1124(c); or

[(3) such allocations will be made using data that the State educational agency submits to the Secretary for approval that more accurately target poverty.

[In addition, the State educational agency shall provide assurances that a procedure will be established through which local educational agencies dissatisfied with the determinations made by the State educational agency may appeal directly to the Secretary for a final determination. For fiscal years beginning in 1999, for each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total populations of fewer than 20,000 persons, the State educational agency may either (1) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (2) use an alternative method, approved by the Secretary to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State educational agency determines best reflects the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons. If a local educational agency serving an area with total populations of less than 20,000 persons is dissatisfied with the determination of its grant by the State educational agency, then the local educational agency may appeal this determination to the Secretary. The Secretary shall respond to this appeal within 45 days of receipt.

[(e) STATE MINIMUM.—Notwithstanding any other provision of this subsection or subsection (b)(1) or (d) of section 1122, from the total amount available for any fiscal year to carry out this section, each State shall be allotted at least the lesser of—

[(1) 0.25 percent of total appropriations; or

[(2) the average of—

[(A) one-quarter of 1 percent of the total amount available to carry out this section; and

[(B) 150 percent of the national average grant under this section per child described in section 1124(c), without application of a weighting factor, multiplied by the State's total number of children described in section 1124(c), without application of a weighting factor.

[SEC. 1125A. [20 U.S.C. 6336] EDUCATION FINANCE INCENTIVE PROGRAM.

[(a) GRANTS.—The Secretary is authorized to make grants to States from the sums appropriated pursuant to subsection (e) to carry out the purposes of this part.

[(b) DISTRIBUTION BASED UPON FISCAL EFFORT AND EQUITY.—

[(1) IN GENERAL.—Funds appropriated pursuant to subsection (e) shall be allotted to each State based upon the number of children aged 5 to 17, inclusive, of such State multiplied by the product of—

[(A) such State's effort factor described in paragraph (2); multiplied by

[(B) 1.30 minus such State's equity factor described in paragraph (3),

except that for each fiscal year no State shall receive less than one-quarter of 1 percent of the total amount appropriated pursuant to subsection (e) for such fiscal year.

[(2) EFFORT FACTOR.—Except as provided in subparagraph (B), the effort factor for a State shall be determined in accordance with the succeeding sentence, except that such factor shall not be less than .95 nor greater than 1.05. The effort factor determined under this sentence shall be a fraction the numerator of which is the product of the three-year average per-pupil expenditure in the State multiplied by the three-year average per capita income in the United States and the denominator of which is the product of the three-year average per capita income in such State multiplied by the three-year average per-pupil expenditure in the United States.

[(B) The effort factor for the Commonwealth of Puerto Rico shall be equal to the lowest effort factor calculated under subparagraph (A) for any State.

[(3) EQUITY FACTOR.—(A)(i) Except as provided in subparagraph (B), the Secretary shall determine the equity factor under this section for each State in accordance with clause (ii).

[(ii)(I) For each State, the Secretary shall compute a weighted coefficient of variation for the per-pupil expenditures of local educational agencies in accordance with subclauses (II), (III), (IV), and (V).

[(II) In computing coefficients of variation, the Secretary shall weigh the variation between per-pupil expenditures in each local educational agency and the average per-pupil expenditures in the State according to the number of pupils in the local educational agency.

[(III) In determining the number of pupils under this paragraph in each local educational agency and each State, the Secretary shall multiply the number of children from low-income families by 1.4 under this paragraph.

[(IV) In computing coefficients of variation, the Secretary shall include only those local educational agencies with an enrollment of more than 2000 students.

[(V) The Secretary shall compute separate coefficients of variation for elementary, secondary, and unified local educational agencies and shall combine such coefficients into a single weighted average coefficient for the State by multiplying each coefficient by the total enrollments of the local educational agencies in each group, adding such products, and dividing such sum by the total enrollments of the local educational agencies in the State.

[(B) The equity factor for a State that meets the disparity standard described in section 222.63 of title 34, Code of Fed-

eral Regulations (as such section was in effect on the day preceding the date of enactment of this Act) or a State with only one local educational agency shall be not greater than .10.

[(C) The Secretary may revise each State's equity factor as necessary based on the advice of independent education finance scholars to reflect other need-based costs of local educational agencies in addition to low-income student enrollment, such as differing geographic costs, costs associated with students with disabilities, children with limited-English proficiency or other meaningful educational needs, which deserve additional support. In addition and also with the advice of independent education finance scholars, the Secretary may revise each State's equity factor to incorporate other valid and accepted methods to achieve adequacy of educational opportunity that may not be reflected in a coefficient of variation method.

[(c) USE OF FUNDS.—All funds awarded to each State under this section shall be allocated to local educational agencies and schools on a basis consistent with the distribution of other funds to such agencies and schools under sections 1124, 1124A, and 1125 to carry out activities under this part.

[(d) MAINTENANCE OF EFFORT.—

[(1) IN GENERAL.—Except as provided in paragraph (2), a State is entitled to receive its full allotment of funds under this part for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the fiscal year preceding the fiscal year for which the determination is made was not less that 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

[(2) REDUCTION OF FUNDS.—The Secretary shall reduce the amount of the funds awarded to any State under this section in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

[(3) WAIVERS.—The Secretary may waive, for one fiscal year only, the requirements of this subsection if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

[(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under this section, there are authorized to be appropriated $200,000,000 for fiscal year 1996 and such sums as may be necessary for each of the three succeeding fiscal years.

[SEC. 1126. [20 U.S.C 6337] SPECIAL ALLOCATION PROCEDURES.

[(a) ALLOCATIONS FOR NEGLECTED CHILDREN.—

[(1) IN GENERAL.—If a State educational agency determines that a local educational agency in the State is unable or un-

willing to provide for the special educational needs of children who are living in institutions for neglected children as described in subparagraph 1124(c)(1)(C), the State educational agency shall, if such agency assumes responsibility for the special educational needs of such children, receive the portion of such local educational agency's allocation under sections 1124, 1124A, and 1125 that is attributable to such children.

[(2) SPECIAL RULE.—If the State educational agency does not assume such responsibility, any other State or local public agency that does assume such responsibility shall receive that portion of the local educational agency's allocation.

[(b) ALLOCATIONS AMONG LOCAL EDUCATIONAL AGENCIES.—The State educational agency may allocate the amounts of grants under sections 1124, 1124A, and 1125 among the affected local educational agencies—

[(1) if two or more local educational agencies serve, in whole or in part, the same geographical area;

[(2) if a local educational agency provides free public education for children who reside in the school district of another local educational agency; or

[(3) To reflect the merger, creation, or change of boundaries of one or more local educational agencies.

[(c) REALLOCATION.—If a State educational agency determines that the amount of a grant a local educational agency would receive under sections 1124, 1124A, and 1125 is more than such local agency will use, the State educational agency shall make the excess amount available to other local educational agencies in the State that need additional funds in accordance with criteria established by the State educational agency.

[SEC. 1127. [20 U.S.C. 6338] CARRYOVER AND WAIVER.

[(a) LIMITATION ON CARRYOVER.—Nothwithstanding section 421 of the General Education Provisions Act or any other provision of law, not more than 15 percent of the funds allocated to a local educational agency for any fiscal year under this subpart (but not including funds received through any reallocation under this subpart) may remain available for obligation by such agency for one additional fiscal year.

[(b) WAIVER.—A State educational agency may, once every three years, waive the percentage limitation in subsection (a) if—

[(1) the agency determines that the request of a local educational agency is reasonable and necessary; or

[(2) supplemental appropriations for this subpart become available.

[(c) EXCLUSION.—The percentage limitation under subsection (a) shall not apply to any local educational agency that receives less than $50,000 under this subpart for any fiscal year.

Subpart 2—Allocations

SEC. 1121. GRANTS FOR THE OUTLYING AREAS AND THE SECRETARY OF THE INTERIOR.

(a) RESERVATION FUNDS.—From the amount appropriated for any fiscal year under section 1002(a), the Secretary shall reserve a total of 1 percent to provide assistance to—

(1) the outlying areas on the basis of their respective need for such assistance according to such criteria as the Secretary determines will best carry out the purpose of this part; and

(2) the Secretary of the Interior in the amount necessary to make payments pursuant to subsection (c).

(b) ASSISTANCE TO THE OUTLYING AREAS.—

(1) IN GENERAL.—From amounts made available under section (a)(1) in each fiscal year the Secretary shall make grants to local educational agencies in the outlying areas.

(2) COMPETITIVE GRANTS.—

(A) IN GENERAL.—For fiscal years 2000 and 2001, the Secretary shall reserve $5,000,000 from the amounts made available under subsection (a)(1) to award grants, on a competitive basis, to local educational agencies in the Freely Associated States. The Secretary shall award such grants according to the recommendations of the Pacific Region Educational Laboratory which shall conduct a competition for such grants.

(B) USES.—Except as provided in subparagraph (C), grant funds awarded under this paragraph only may be used—

(i) for programs described in this Act, including teacher training, curriculum development, instructional materials, or general school improvement and reform; and

(ii) to provide direct educational services.

(C) ADMINISTRATIVE COSTS.—The Secretary may provide 5 percent of the amount made available for grants under this paragraph to the Pacific Region Educational Laboratory to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this paragraph.

(c) ALLOTMENT TO THE SECRETARY OF THE INTERIOR.—

(1) IN GENERAL.—The amount reserved for payments to the Secretary of the Interior under subsection (a)(2) for any fiscal year shall be, as] determined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of—

(A) Indian children on reservations served by elementary schools and secondary schools for Indian children operated or supported by the Department of the Interior; and

(B) out-of-State Indian children in elementary schools and secondary schools in local educational agencies under special contracts with the Department of the Interior.

(2) PAYMENTS.—From the amount reserved for payments to the Secretary of the Interior under subsection (a)(2), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Secretary determines will best carry out the purposes of this part, with respect to out-of-State Indian children described in paragraph (1)(B). The amount of such payment may not exceed, for each such child, the greater of—

(A) 40 percent of the average per-pupil expenditure in the State in which the agency is located; or

(B) 48 percent of such expenditure in the United States.

SEC. 1122. AMOUNTS FOR BASIC GRANTS, CONCENTRATION GRANTS, AND TARGETED GRANTS.

(a) IN GENERAL.—For each of the fiscal years 2001 through 2005—

(1) the amount appropriated to carry out this part that is less than or equal to the amount appropriated to carry out section 1124 for fiscal year 2000, shall be allocated in accordance with section 1124;

(2) the amount appropriated to carry out this part that is not used under paragraph (1) that equals the amount appropriated to carry out section 1124A for fiscal year 2000, shall be allocated in accordance with section 1124A; and

(3) any amount appropriated to carry out this part for the fiscal year for which the determination is made that is not used to carry out paragraphs (1) and (2) shall be allocated in accordance with section 1125.

(b) ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.—

(1) IN GENERAL.—If the sums made available under this part for any fiscal year are insufficient to pay the full amounts that all local educational agencies in States are legible to receive under sections 1124, 1124A, and 1125 for such year, the Secretary shall ratably reduce the allocations to such local educational agencies, subject to subsections (c) and (d).

(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under sections 1124, 1124A, and 1125 for such fiscal year, allocations that were reduced under paragraph (1) shall be increased on the same basis as the allocations were reduced.

(c) HOLD-HARMLESS AMOUNTS.—

(1) IN GENERAL.—For each fiscal year the amount made available to each local educational agency under each of sections 1124, 1124A, and 1125 shall be not less than—

(A) 95 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if the number of children counted for grants under section 1124 is not less than 30 percent of the total number of children aged 5 to 17 years, inclusive, served by the local educational agency;

(B) 90 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is not less than 15 percent and not more than 30 percent; and

(C) 85 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is less than 15 percent.

(2) SPECIAL RULES.—if sufficient funds are appropriated, the hold-harmless amounts described in paragraph (1) shall be paid to all local educational agencies that received grants under sections 1124, 1124A, or 1125 for the preceding fiscal year, regardless of whether the local educational agency meets the minimum eligibility criteria provided in section 1124(b), 1124A(a)(1(A), or 1125(a), respectively, except that a local educational agency that does not meet such minimum eligibility

criteria for 5 consecutive years shall no longer be eligible to receive a hold-harmless amount under this subsection.

(3) COUNTY CALCULATION BASIS.—Any fiscal year for which the Secretary calculates grants on the basis of population data for counties, the Secretary shall apply the hold-homeless percentages in paragraphs (1) and (2) to counties, and if the Secretary's allocation for a county is not sufficient to meet the hold-harmless requirements of this subsection for every local educational agency within that county, then the State educational agency shall reallocate funds proportionately from all other local educational agencies in the State that receive funds for the fiscal year in excess of the hold-harmless amounts specified in this paragraph.

(d) RATABLE REDUCTIONS.—

(1) IN GENERAL.—If the sums made available under this part of any fiscal year are insufficient to pay the full amounts that all States are eligible to receive under subsection (c) for such year, the Secretary shall ratably reduce such amounts for such year.

(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under subsection (c) for such fiscal year, amounts that were reduced under paragraph (1) shall be increased on the same basis as such amounts reduced.

SEC. 1123. DEFINITIONS.

In this subpart:

(1) FREELY ASSOCIATED STATES.—The term "Freely Associated States" means the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(2) OUTLYING AREAS.—The term "outlying areas" means the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(3) STATE.—The term State means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 1124. BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) AMOUNT OF GRANTS.—

(1) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—Except as provided in paragraph (4) and in section 1126, the grant that a local educational agency is eligible to receive under this section for a fiscal year is the amount determined by multiplying—

(A) the number of children counted under subsection (c); and

(B) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this subparagraph shall not be less than 32 percent, and not more than 48 percent, of the average per-pupil expenditure in the United States.

(2) CALCULATION OF GRANTS.—

(A) ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—The Secretary shall calculate grants under this section on the basis of the number of children counted under subsection (c) for local educational agencies, unless the Sec-

retary and the Secretary of Commerce determine that some or all of those data are unreliable or that their use would be otherwise inappropriate, in which case—

(i) the Secretary and the Secretary of Commerce shall publicly disclose the reasons for their determination in detail; and

(ii) paragraph (3) shall apply.

(B) ALLOCATIONS TO LARGE AND SMALL LOCAL EDUCATIONAL AGENCIES.—

(i) LARGE LOCAL EDUCATIONAL AGENCIES.—In the case of an allocation under this section to a large local educational agency, the amount of the grant under this section for the large local educational agency shall be the amount determined under paragraph (1).

(ii) SMALL LOCAL EDUCATIONAL AGENCIES.—

(I) IN GENERAL.—In the case of an allocation under this section to a small local educational agency the State educational agency may—

(aa) distribute grants under this section in amounts determined by the Secretary under paragraph (1); or

(bb) use an alternative method approved by the Secretary to distribute the portion of the State's total grants under this section that is based on those small local educational agencies.

(II) ALTERNATIVE METHOD.—An alternative method under subclause (I)(bb) shall be based on population data that the State educational agency determines best reflect the current distribution of children in poor families among the State's small local educational agencies that meet the minimum number of children to qualify described in subsection (b).

(III) APPEAL.—If a small local educational agency is dissatisfied with the determination of the amount of its grant by the State educational agency under subclause (I)(bb), the small local educational agency may appeal the determination to the Secretary, who shall respond within 45 days of receiving the appeal.

(iii) DEFINITIONS.—In this subparagraph—

(I) the term "large local educational agency" means a local educational agency serving a school district with a total population of 20,000 or more; and

(II) the term "small local educational agency" means a local educational agency serving a school district with a total population of less than 20,000.

(3) ALLOCATIONS TO COUNTIES.—

(A) IN GENERAL.—For any fiscal year to which this paragraph applies, the Secretary shall calculate grants under this section on the basis of the number of children counted under section 1124(c) for counties, and State educational

agencies shall allocate county amounts to local educational agencies, in accordance with regulations promulgated by the Secretary.

(B) APPLICATION.—In any State in which a large number of local educational agencies overlap county boundaries, or for which the State believes the State has data that would better target funds than allocating the funds by county, the State educational agency may apply to the Secretary for authority to make the allocations under this part for a particular fiscal year directly to local educational agencies without regard to counties.

(C) ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—If the Secretary approves its application under subparagraph (B), the State educational agency shall provide the Secretary an assurance that the allocations will be made—

(i) using precisely the same factors for determining a grant as are used under this section; or

(ii) using data that the State educational agency submits to the Secretary for approval that more accurately target poverty.

(D) APPEAL.—The State educational agency shall provide the Secretary an assurance that a procedure is or will be established through which local educational agencies that are dissatisfied with determinations under subparagraph (B) may appeal directly to the Secretary for a final determination.

(4) PUERTO RICO.—For each fiscal year, the Secretary shall determine the percentage which the average per-pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States. The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

(A) the percentage determined under the preceding sentence; and

(B) 32 percent of the average per-pupil expenditure in the United States.

(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—A local educational agency is eligible for a basic grant under this section for any fiscal year only if the number of children counted under subsection (c) for that agency is—

(1) 10 or more; and

(2) more than 2 percent of the total school-age population in the school district of the local educational agency.

(c) CHILDREN TO BE COUNTED.—

(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section is the aggregate of—

(A) the number of children aged 5 to 17, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraphs (2) and (3);

(B) the number of children aged 5 to 17, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (4); and

(C) the number of children determined under paragraph (4) for the preceding year as described in that paragraph, or for the second preceding year, as the Secretary finds appropriate) aged 5 to 17, inclusive, in the school district of such agency in institutions for neglected and delinquent children and youth (other than such institutions operated by the United States), but not counted pursuant to chapter 1 of subpart 2 of part C of title III for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

(2) DETERMINATION OF NUMBER OF CHILDREN.—For the purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families below the poverty level on the basis of the most recent satisfactory data, described in paragraph (3), available from the Department of Commerce. The District of Columbia and the Commonwealth of Puerto Rico shall be treated as individual local educational agencies. If a local educational agency contains 2 or more counties in their entirety, then each county will be treated as if such county were a separate local educational agency for purposes of calculating grants under this part. The total of grants for such counties shall be allocated to such a local educational agency, which local educational agency shall distribute to schools in each county within such agency a share of the local educational agency's total grant that is no less than the county's share of the population counts used to calculate the local educational agency's grant.

(3) POPULATION UPDATES.—In fiscal year 2001 and every 2 years thereafter, the Secretary shall use updated data on the number of children, aged 5 to 17, inclusive, from families below the poverty level for counties or local educational agencies, published by the Department of Commerce, unless the Secretary and the Secretary of Commerce determine that use of the updated population data would be inappropriate or unreliable. If the Secretary and the Secretary of Commerce determine that some or all of the data referred to in this paragraph are inappropriate or unreliable, the Secretary and the Secretary of Commerce shall publicly disclose their reasons. In determining the families which are below the poverty level, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census, in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics.

(4) OTHER CHILDREN TO BE COUNTED.—For purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under a State program funded under part A of title IV of the Social Security Act. In making such determina-

tions the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of 4 in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics. The Secretary shall determine the number of children aged 5 through 17 living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination. The Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year. For the purpose of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(5) ESTIMATE.—When requested by the Secretary, the Secretary of Commerce shall make a special updated estimate of the number of children of such ages who are from families below the poverty level (as determined under paragraph (2)) in each school district, and the Secretary is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(d) STATE MINIMUM.—Notwithstanding section 1122, the aggregate amount allotted for all local educational agencies within a State may not be less than the lesser of—

(1) 0.23 percent of the total amount made available to carry out this section for such fiscal year;

(2) the average of—

(A) 0.25 percent of the total amount made available to carry out this section for such fiscal year; and

(B) the number of children in such State counted under subsection (c) in the fiscal year multiplied by 150 percent of the national average per-pupil payment made with funds available under this section for that fiscal year.

SEC. 1124A. CONCENTRATION GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) ELIGIBILITY FOR AND AMOUNT OF GRANTS.—

(1) ELIGIBILITY.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, each local educational agency in a State that is eligible for a grant under section 1124 for any fiscal year

is eligible for an additional grant under this section for that fiscal year if the number of children counted under section 1124(c) who are served by the agency exceeds—

(i) 6,500; or

(ii) 15 percent of the total number of children aged 5 through 17 served by the agency.

(B) MINIMUM.—Notwithstanding section 1122, no State shall receive under this section an amount that is less than the lesser of—

(i) 0.25 percent of the total amount made available to carry out this section for such fiscal year; or

(ii) the average of—

(I) 0.25 percent of the sums available to carry out this section for such fiscal year; and

(II) the greater of—

(aa) $340,000; or

(bb) the number of children in such State counted for purposes of this section in that fiscal year multiplied by 150 percent of the national average per-pupil payment made with funds available under this section for that fiscal year.

(2) DETERMINATION.—For each county or local educational agency eligible to receive an additional grant under this section for any fiscal year the Secretary shall determine the product of—

(A) the number of children counted under section 124(c) for that fiscal year; and

(B) the amount in section 1124(a)(1)(B) for all States except the Commonwealth of Puerto Rico, and the amount in section 1124(a)(3) for the Commonwealth of Puerto Rico.

(3) AMOUNT.—The amount of the additional grant for which an eligible local educational agency or county is eligible under this section for any fiscal year shall be an amount that bears the same ratio to the amount available to carry out this section for that fiscal year as the product determined under paragraph (2) for such local educational agency for that fiscal year bears to the sum of such products for all local educational agencies in the United States for that fiscal year.

(4) LOCAL ALLOCATIONS.—

(A) IN GENERAL.—Grant amounts under this section shall be calculated in the same manner as grant amounts are calculated under section 1124(a) (2) and (3).

(B) SPECIAL RULE.—For any fiscal year for which the Secretary allocates funds under this section on the basis of counties, a State may reserve not more than 2 percent of the amount made available to the State under this section for any fiscal year to make grants to local educational agencies that meet the criteria in paragraph (1)(A)(i) or (ii) but that are in ineligible counties.

(b) RATABLE REDUCTION RULE.—If the sums available under subsection (a) for any fiscal year for making payments under this section are not sufficient to pay in full the total amounts which all States are eligible to receive under subsection (a) for such fiscal

year, the maximum amounts that all States are eligible to receive under subsection (a) for such fiscal year shall be ratably reduced. In the case that additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

(c) STATES RECEIVING 0.25 PERCENT OR LESS.—In States that receive 0.25 percent or less of the total amount made available to carry out this section for a fiscal year, the State educational agency shall allocate such funds among the local educational agencies in the State—

(1) in accordance with paragraphs (2) and (4) of subsection (a); or

(2) based on their respective concentrations and numbers of children counted under section 1124(c), except that only those local educational agencies with concentrations or numbers of children counted under section 1124(c) that exceed the statewide average percentage of such children or the statewide average number of such children shall receive any funds on the basis of this paragraph.

SEC. 1125. TARGETED GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES.—

(1) IN GENERAL.—A local educational agency in a State is eligible to receive a targeted grant under this section for any fiscal year if—

(A) the number of children in the local educational agency counted under section 1124(c), before application of the weighted child count described in subsection (c), is at least 10; and

(B) if the number of children counted for grants under section 1124(c), before application of the weighted child count described in subsection (c), is at least 5 percent of the total number of children aged 5 to 17 years, inclusive, in the school district of the local educational agency.

(2) SPECIAL RULE.—For any fiscal year for which the Secretary allocates funds under this section on the basis of counties, funds made available as a result of applying this subsection shall be reallocated by the State educational agency to other eligible local educational agencies in the State in proportion to the distribution of other funds under this section.

(b) GRANTS FOR LOCAL EDUCATIONAL AGENCIES, THE DISTRICT OF COLUMBIA, AND THE COMMONWEALTH OF PUERTO RICO.—

(1) IN GENERAL.—The amount of the grant that a local educational agency in a State (other than the Commonwealth of Puerto Rico) is eligible to receive under this section for any fiscal year shall be the product of—

(A) the weighted child count determined under subsection (c); and

(B) the amount of the grant the local educational agency is eligible to receive under section 1124(a)(1).

(2) PUERTO RICO.—For each fiscal year, the amount of the grant the Commonwealth of Puerto Rico is eligible to receive under this section shall be equal to the number of children counted under subsection (c) for the Commonwealth of Puerto

Rico, multiplied by the amount determined in section 1124(a)(4) for the Commonwealth of Puerto Rico.

(c) WEIGHTED CHILD COUNT.—

(1) WEIGHTS FOR ALLOCATIONS TO COUNTIES.—

(A) IN GENERAL.—For each fiscal year for which the Secretary uses county population data to calculate grants, the weighted child count used to determine a county's allocation under this section is the larger of the 2 amounts determined under subparagraphs (B) and (C).

(B) BY PERCENTAGE OF CHILDREN.—The amount referred to in subparagraph (A) is determined by adding—

(i) the number of children determined under section 1124(c) for that county who constitute not more than 12.20 percent, inclusive, of the county's total population aged 5 to 17, inclusive, multiplied by 1.0;

(ii) the number of such children who constitute more than 12.20 percent, but not more than 17.70 percent, of such population, multiplied by 1.75;

(iii) the number of such children who constitute more than 17.70 percent, but not more than 22.80 percent, of such population, multiplied by 2.5;

(iv) the number of such children who constitute more than 22.80 percent, but not more than 29.70 percent, of such population, multiplied by 3.25; and

(v) the number of such children who constitute more than 29.70 percent of such population, multiplied by 4.0.

(C) BY NUMBER OF CHILDREN.—The amount referred to in subparagraph (A) is determined by adding—

(i) the number of children determined under section 1124(c) who constitute not more than 1,917, inclusive, of the county's total population aged 5 to 17, inclusive, multiplied by 1.0;

(ii) the number of such children between 1,918 and 5,938, inclusive, in such population, multiplied by 1.5;

(iii) the number of such children between 5,939 and 20,199, inclusive, in such population, multiplied by 2.0;

(iv) the number of such children between 20,200 and 77,999, inclusive, in such population, multiplied by 2.5; and

(v) the number of such children in excess of 77,999 in such population, multiplied by 3.0.

(D) PUERTO RICO.—Notwithstanding subparagraph (A), the weighting factor for the Commonwealth of Puerto Rico under this paragraph shall not be greater than the total number of children counted under section 1124(c) multiplied by 1.72.

(2) WEIGHTS FOR ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—

(A) IN GENERAL.—For each fiscal year for which the Secretary uses local educational agency data, the weighted child count used to determine a local educational agency's

grant under this section is the larger of the 2 amounts determined under paragraphs (B) and (C).

(B) BY PERCENTAGE OF CHILDREN.—The amount referred to in subparagraph (A) is determined by adding—

(i) the number of children determined under section 1124(c) for that local educational agency who constitute not more than 14.265 percent, inclusive, of the agency's total population aged 5 to 17, inclusive, multiplied by 1.0;

(ii) the number of such children who constitute more than 14.265 percent, but not more than 21.553 percent, of such population, multiplied by 1.75;

(iii) the number of such children who constitute more than 21.553 percent, but not more than 29.223 percent, of such population, multiplied by 2.5;

(iv) the number of such children who constitute more than 29.223 percent, but not more than 36.538 percent, of such population, multiplied by 3.25; and

(v) the number of such children who constitute more than 36.538 percent of such population, multiplied by 4.0.

(C) BY NUMBER OF CHILDREN.—The amount referred to in subparagraph (A) is determined by adding—

(i) the number of children determined under section 1124(c) who constitute not more than 575, inclusive, of the agency's total population aged 5 to 17, inclusive, multiplied by 1.0;

(ii) the number of such children between 576 and 1,870, inclusive, in such population, multiplied by 1.5;

(iii) the number of such children between 1,871 and 6,910, inclusive, in such population, multiplied by 2.0;

(iv) the number of such children between 6,911 and 42,000, inclusive, in such population, multiplied by 2.5; and

(v) the number of such children in excess of 42,000 in such population, multiplied by 3.0.

(D) PUERTO RICO.—Notwithstanding subparagraph (A), the weighting factor for the Commonwealth of Puerto Rico under this paragraph shall not be greater than the total number of children counted under section 1124(c) multiplied by 1.72.

(d) CALCULATION OF GRANT AMOUNTS.—Grant amounts under this section shall be calculated in the same manner as grant amounts are calculated under section 1124(a)(2) and (3).

(e) STATE MINIMUM.—Notwithstanding any other provision of this section or section 1122, from the total amount available for any fiscal year to carry out this section, each State shall be allotted not less than the lesser of—

(1) 0.25 percent of the total amount made available to carry out this section for such fiscal year; or

(2) the average of—

(A) 0.25 percent of the total amount made available to carry out this section for such fiscal year; and

(B) 150 percent of the national average grant under this section per child described in section 1124(c), without application of a weighted child count, multiplied by the State's total number of children described in section 1124(c), without application of a weighted child count.

SEC. 1125A. EDUCATION FINANCE INCENTIVE PROGRAM.

(a) GRANTS.—From funds appropriated under subsection (e) the Secretary is authorized to make grants to States, from allotments under subsection (b), to carry out the purpose of this part.

(b) DISTRIBUTION BASED UPON FISCAL EFFORT AND EQUITY.—

(1) IN GENERAL.—

(A) IN GENERAL.—Except as provided in subparagraph (B), funds appropriated pursuant to subsection (e) shall be allotted to each State based upon the number of children aged 5 to 17, inclusive, in such State multiplied by the product of—

(i) such State's effort factor described in paragraph (2); multiplied by

(ii) 1.30 minus such State's equity factor described in paragraph (3).

(B) MINIMUM.—For each fiscal year no State shall receive under this section less than 0.25 percent of the total amount appropriated under subsection (e) for the fiscal year.

(2) EFFORT FACTOR.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the effort factor for a State shall be determined in accordance with the succeeding sentence, except that such factor shall not be less than 0.95 nor greater than 1.05. the effort factor determined under this sentence shall be a fraction the numerator of which is the product of the 3-year average per-pupil expenditure in the State multiplied by the 3-year average per capita income in the United State and the denominator of which is the product of the 3-year average per capita income in such State multiplied by the 3-year average per-pupil expenditure in the United States.

(B) COMMONWEALTH OF PUERTO RICO.—The effort factor for the Commonwealth of Puerto Rico shall be equal to the lowest effort factor calculated under subparagraph (A) for any State.

(3) EQUITY FACTOR.—

(A) DETERMINATION.—

(i) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall determine the equity factor under this section for each State in accordance with clause (ii).

(ii) COMPUTATION.—

(I) IN GENERAL.—For each State, the Secretary shall compute a weighted coefficient of variation for the per-pupil expenditures of local educational agencies in accordance with subclauses (II), (III), (IV), and (V).

(II) VARIATION.—In computing coefficients of variation, the Secretary shall weigh the variation

between per-pupil expenditures in each local educational agency and the average per-pupil expenditures in the State according to the number of pupils served by the local educational agency.

(III) NUMBER OF PUPILS.—In determining the number of pupils under this paragraph served by each local educational agency and in each State, the Secretary shall multiply the number of children from low-income families by a factor of 1.4.

(IV) ENROLLMENT REQUIREMENT.—In computing coefficients of variation, the Secretary shall include only those local educational agencies with an enrollment of more than 200 students.

(V) SEPARATE COEFFICIENTS.—The Secretary shall compute separate coefficients of variation for elementary schools, secondary schools, and unified local educational agencies and shall combine such coefficients into a single weighted average coefficient for the State by multiplying each coefficient by the total enrollments of the local educational agencies in each group, adding such products, and dividing such sum by the total enrollments of the local educational agencies in the State.

(B) SPECIAL RULE.—The equity factor for a State that meets the disparity standard described in section 222.162 of title 34, Code of Federal Regulations (as such section was in effect on the day preceding the date of enactment of the Educational Opportunities Act) or a State with only 1 local educational agency shall be not greater than 0.10.

(C) REVISIONS.—The Secretary may revise each State's equity factor as necessary based on the advice of independent education finance scholars to reflect other need-based costs of local educational agencies in addition to low-income student enrollment, such as differing geographic costs, costs associated with students with disabilities, children with limited English-proficiency or other meaningful educational needs, which deserve additional support. In addition, after obtaining the advice of independent education finance scholars, the Secretary may revise each State's equity factor to incorporate other valid and accepted methods to achieve adequacy of educational opportunity that may not be reflected in a coefficient of variation method.

(c) USE OF FUNDS.—All funds awarded to each State under this section shall be allocated to local educational agencies and schools on a basis consistent with the distribution of other funds to such agencies and schools under sections 1124, 1124A, and 1125 to carry out activities under this part.

(d) MAINTENANCE OF EFFORT.—

(1) IN GENERAL.—Except as provided in paragraph (2), a State is entitled to receive its full allotment of funds under this section for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the fiscal year preceding the fiscal year for which the

determination is made was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

(2) REDUCTION OF FUNDS.— The Secretary shall reduce the amount of funds awarded to any State under this section in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

(3) WAIVERS.—The Secretary may waive, for 1 fiscal year only, the requirements of this subsection if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $200,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

SEC. 1126. SPECIAL ALLOCATION PROCEDURES.

(a) ALLOCATIONS FOR NEGLECTED CHILDREN.—

(1) IN GENERAL.—If a State educational agency determines that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children who are living in institutions for neglected or delinquent children as described in section 1124(c)(1)(C), the State educational agency shall, if such agency assumes responsibility for the special educational needs of such children, receive the portion of such local educational agency's allocation under sections 1124, 1124A, and 1125 that is attributable to such children.

(2) SPECIAL RULE.—If the State educational agency does not assume such responsibility, any other State or local public agency that does assume such responsibility shall receive that portion of the local educational agency's allocation.

(b) ALLOCATIONS AMONG LOCAL EDUCATIONAL AGENCIES.—The State educational agency may allocate the amounts of grants under sections 1124, 1124A, and 1125 among the affected local educational agencies—

(1) if 2 or more local educational agencies serve, in whole or in part, the same geographical area;

(2) if a local educational agency provides free public education for children who reside in the school district of another local educational agency; or

(3) to reflect the merger, creation, or change of boundaries of 1 or more local educational agencies.

(c) REALLOCATION.—If a State educational agency determines that the amount of a grant a local educational agency would receive under sections 1124, 1124A, and 1125 is more than such local educational agency will use, the State educational agency shall make the excess amount available to other local educational agencies in

the State that need additional funds in accordance with criteria established by the State educational agency.

SEC. 1127. CARRYOVER AND WAIVER.

(a) LIMITATION ON CARRYOVER.—Notwithstanding section 421 of the General Education Provisions Act or any other provision of law, not more than 15 percent of the funds allocated to a local educational agency for any fiscal year under this subpart (but not including funds received through any reallocation under this subpart) may remain available for obligation by such agency for one additional fiscal year.

(b) WAIVER.—A State educational agency may, once every 3 years, waive the percentage limitation in subsection (a) if—

(1) the agency determines that the request of a local educational agency is reasonable and necessary;

(2) supplemental appropriations for this subpart become available.

(c) EXCLUSION.—The percentage limitation under subsection (a) shall not apply to any local educational agency that receives less than $50,000 under this subpart for any fiscal year.

Subpart 3—Child Centered Program

Sec. 1131. DEFINITIONS.

In this subpart:

(1) ELIGIBLE CHILD.—The term "eligible child" means a child who—

(A) is eligible to be counted under section 1124(c); or

(B) (i) the State or participating local educational agency elects to serve under this subpart; and

(ii) is a child eligible to be served under this part pursuant to section 1115(b).

(2) PARTICIPATING LOCAL EDUCATIONAL AGENCY.—The term "participating local educational agency" means a local educational agency that elects under section 1133(b) to carry out a child centered program under this subpart.

(3) SCHOOL.—The term "school" means an institutional day or residential school that provides elementary or secondary education, as determined under State law, except that such term does not include any school that provides education beyond grade 12.

(4) SUPPLEMENTAL EDUCATION SERVICES.—The term "supplemental education services" means educational services intended—

(A) to meet the individual educational needs of eligible children; and

(B) to enable eligible children to meet challenging State curriculum, content, and student performance standards.

(5) TUTORIAL ASSISTANCE PROVIDERS.—The term "tutorial assistance provider" means a public or private entity that—

(A) has a record of effectiveness in providing tutorial assistance to school children; or

(B) uses instructional practices based on scientific research.

Sec. 1132. CHILD CENTERED PROGRAM FUNDING.

(a) FUNDING.—Notwithstanding any other provision of law, not more than 10 States and not more than 20 participating local educational agencies may use the funds made available under subparts 1 and 2, and shall use the funds made available under subsection (c), to carry out a child centered program under this subpart.

(b) PARTICIPATING LOCAL EDUCATIONAL AGENCY ELECTION.—

(1) IN GENERAL.—If a State does not carry out a child centered program under this subpart or does not have an application approved under section 1134 for a fiscal year, a local educational agency in the State may elect to carry out a child centered program under this subpart, and the Secretary shall provide the funds that the local educational agency (with an application approved under section 1134) is eligible to receive under subparts 1 and 2, and subsection (c), directly to the local educational agency to enable the local educational agency to carry out the child centered program.

(2) SUBMISSION APPROVAL.—In order to be eligible to carry out a child centered program under this subpart a participating local educational agency shall obtain from the State approval of the submission, but not the contents, of the application submitted under section 1134.

(c) INCENTIVE GRANTS.—

(1) IN GENERAL.—From amounts appropriated under paragraph (3) for a fiscal year the Secretary shall award grants to each State, or participating local educational agency described in subsection (b), that elects to carry out a child centered program under this subpart and has an application approved under section 1134, to enable the State or participating local educational agency to carry out the child centered program.

(2) AMOUNT.—Each State or participating local educational agency that elects to carry out a child centered program under this subpart and has an application approved under section 1134 for a fiscal year shall receive a grant in an amount that bears the same relation to the amount appropriated under paragraph (3) for the fiscal year as the amount the State or participating local educational agency received under subparts 1 and 2 for the fiscal year bears to the amount all States and participating local educational agencies carrying out a child centered program under this subpart received under subparts 1 and 2 for the fiscal year.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $500,000,000 to carry out this subsection for fiscal year 2000 and each of the 4 succeeding fiscal years.

SEC. 1133. CHILD CENTERED PROGRAM REQUIREMENTS.

(a) USES.—Each State or participating local educational agency with an application approved under section 1134 shall use funds made available under subparts 1 and 2, and subsection (c), to carry out a child centered program under which—

(1) the State or participating local educational agency establishes a per pupil amount based on the number of eligible children in the State or the school district served by the participating local educational agency; and

(2) the State or participating local educational agency may vary the per pupil amount to take into account factors that may include—

(A) variations in the cost of providing supplemental education services in different parts of the State or the school district served by the participating local educational agency;

(B) the cost of providing services to pupils with different educational needs; or

(C) the desirability of placing priority on selected grades; and

(3) in the case of a child centered program for eligible children at a public school, the State or the participating local educational agency makes available, not later than 3 months after the beginning of the school year, the per pupil amount determined under paragraphs (1) and (2) to the public school in which an eligible child is enrolled, which per pupil amount shall be used for supplemental education services for the eligible child that are—

(A) subject to subparagraph (B), provided by the school directly or through the provision of supplemental education services with any governmental or nongovernmental agency, school, postsecondary educational institution, or other entity, including a private organization or business; or

(B) if directed by the parent of an eligible child, provided by the school or local educational agency through a school-based program or through the provision of supplemental education services with a tutorial service provider, and in the case that a parent directs that the services be provided through a tutorial assistance provider, the school or local educational agency shall ensure that the provider selected by the parent is reimbursed (not to exceed the per pupil amount) for their tutorial services following notification to the school or local educational agency by the parent that those services were provided in a satisfactory manner.

(b) SCHOOLWIDE PROGRAMS.—

(1) IN GENERAL.—In the case of a public school in which 50 percent of the students enrolled in the school are eligible children, the public school may use funds provided under this subpart, in combination with other Federal, State, and local funds, to carry out a schoolwide program to upgrade the entire educational program in the school.

(2) PLAN.—If the public school elects to use funds provided under this part in accordance with paragraph (1), and does not have a plan approved by the Secretary under section 1114(b)(2), the public school shall develop and adopt a comprehensive plan for reforming the entire educational program of the public school that—

(A) incorporates—

(i) strategies for improving achievement for all children to meet the State's proficient ad advanced levels of performance described in section 1111(b);

(ii) instruction by highly qualified staff;

(iii) professional development for teachers and aides in content areas in which the teachers or aides provide instruction and, where appropriate, professional development for pupil services personnel, parents, and principals, and other staff to enable all children in the school to meet the State's student performance standards; and

(iv) activities to ensure that eligible children who experience difficulty mastering any of the standards described in section 1111(b) during the course of the school year shall be provided with effective, timely additional assistance;

(B) describes the school's use of funds provided under this subpart and from other sources to implement the activities described in subparagraph (A);

(C) includes a list of State and local educational agency programs and other Federal programs that will be included in the schoolwide program;

(D) describes how the school will provide individual student assessment results, including an interpretation of those results, to the parents of an eligible child who participates in the assessment; and

(E) describes how and where the school will obtain technical assistance services and a description of such services.

(3) SPECIAL RULE.—In the case of a public school operating a schoolwide program under this subsection, the Secretary may, through publication of a notice in the Federal Register, exempt child centered programs under this section from statutory or regulatory requirements of any other noncompetitive formula grant program administered by the Secretary, or any discretionary grant program administered by the Secretary (other than formula or discretionary grant programs under the Individuals with Disabilities Education Act), to support the schoolwide program, if the intent and purposes of such other noncompetitive or discretionary programs are met.

(c) PRIVATE SCHOOL CHILDREN.—A State or participating local educational agency carrying out a child centered program under this subpart shall ensure that eligible children who are enrolled in a private school receive supplemental education services in the same manner as such services are provided under section 1120.

(d) OPEN ENROLLMENT.—

(1) IN GENERAL.—In order to be eligible to carry out a child centered program under this subpart a State or participating local educational agency shall operate a statewide or school district wide, respectively, open enrollment program that permits parents to enroll their child in any public school in the State or school district, respectively, if space is available in the public school and the child meets the qualifications for attendance at the public school.

(2) WAIVER.—The Secretary may waive paragraph (1) for a State or participating local education agency if the State or agency, respectively, demonstrates that parents served by the State or agency, respectively—

(A) have sufficient options to enroll their child in multiple public schools; or

(B) will have sufficient options to use the per pupil amount made available under this subpart to purchase supplemental education services from multiple tutorial assistance providers or schools.

(e) PARENT INVOLVEMENT.—

(1) IN GENERAL.—Any public school receiving funds under this subpart shall convene an annual meeting at a convenient time. All parents of eligible children shall be invited and encouraged to attend the meeting, in order to explain to the parents the activities assisted under this subpart and the requirements of this subpart. At the meeting, the public school shall explain to parents how the school will use funds provided under this subpart to enable eligible children enrolled at the school to meet challenging State curriculum, content, and student performance standards. In addition, the public school shall inform parents of their right to choose to have supplemental education services provided under this subpart to an eligible child through a school-based program or a tutorial assistance provider.

(2) INFORMATION.—Any public school receiving funds under this subpart shall provide to parents a description and explanation of the curriculum in use at the school, the forms of assessment used to measure student progress, and the proficiency levels students are expected to meet.

SEC. 1134. APPLICATION.

(a) IN GENERAL.—Each State or participating local educational agency desiring to carry out a child centered program under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each such application shall contain—

(1) a detailed description of the program to be assisted, including an assurance that—

(A) the per pupil amount established under section 1133(a) will follow each eligible child described in that section to the school or tutorial assistance provider of the parent's choice;

(B) funds made available under this subpart will be spent in accordance with the requirements of this subpart; and

(C) parents have the option to select to have their child receive the supplemental education services from multiple tutorial assistance providers and schools;

(2) an assurance that the State or participating local educational agency will publish in a widely read or distributed medium an annual report card that contains—

(A) information regarding the academic progress of all students served by the State or participating local educational agency in meeting State standards, including students assisted under this subpart, with results disaggregated by race, family income, and limited English proficiency, if such disaggregation can be performed in a statistically sound manner; and

(B) such other information as the State or participating local educational agency may require;

(3) a description of how the State or participating local educational agency will make available, to parents of children participating in the child centered program, annual school report cards, with results disaggregated by race, family income, and limited English proficiency, for schools in the State or in the school district of the participating local educational agency;

(4) in the case of an application from a participating local educational agency, an assurance that the participating local educational agency has notified the State regarding the submission of the application;

(5) a description of specific measurable objectives for improving the student performance of students served under this subpart;

(6) a description of the process by which the State or participating local educational agency will measure progress in meeting the objectives;

(7)(A) in the case of an application from a State, an assurance that the State meets the requirements of subsections (a), (b) and (f) of section 1111 as applied to activities assisted under this subpart; and

(B) in the case of an application from a participating local educational agency, an assurance that the State's application under section 1111 met the requirements of subsections (a), (b) and (f) of such section; and

(8) an assurance that each local educational agency serving a school that receives funds under this subpart will meet the requirements of subsections (a) and (c) of section 1116 as applied to activities assisted under this subpart.

SEC. 1135. ADMINISTRATIVE PROVISIONS.

(a) PROGRAM DURATION.—A State or participating local educational agency shall carry out a child centered program under this subpart for a period of 5 years.

(b) ADMINISTRATIVE COSTS.—A State may reserve 2 percent of the funds made available to the State under this subpart, and a participating local educational agency may reserve 5 percent of the funds made available tot he participating local educational agency under this subpart, to pay the costs of administrative expenses of the child centered program. The cost may include costs of providing technical assistance to schools receiving funds under this subpart, in order to increase the opportunity for all students in the schools to meet the State's content standards and student performance standards. The technical assistance may be provided directly by the State educational agency, local educational agency, or, with a local educational agency's approval, by an institution of higher education, by a private nonprofit organization, by an educational service agency, by a comprehensive regional assistance center, or by another entity with experience in helping schools improve student achievement.

(c) REPORTS.—

(1) ANNUAL REPORTS.—

(A) IN GENERAL.—The State educational agency serving each State, and each participating local educational agency, carrying out a child centered program under this sub-

part shall submit to the Secretary an annual report, that is consistent with data provided under section 1134(a)(2)(A), regarding the performance of eligible children receiving supplemental education services under this subpart.

(B) DATA.—Not later than 2 years after establishing a child centered program under this subpart and each year thereafter, each State or participating local educational agency shall include in the annual report data on student achievement for eligible children served under this subpart with results disaggregated by race, family income, and limited English proficiency, demonstrating the degree to which measurable progress has been made toward meeting the objectives described in section 1134(a)(5).

(C) DATA ASSURANCES.—Each annual report shall include—

(i) an assurance from the managers of the child centered program that data used to measure student achievement under subparagraph (B) is reliable, complete, and accurate, as determined by the State or participating local educational agency; or

(ii) a description of a plan for improving the reliability, completeness, and accuracy of such data as determined by the State or participating local educational agency.

(2) SECRETARY'S REPORT.—The Secretary shall make each annual report available to Congress, the public, and the Comptroller General of the United States (for purposes of the evaluation described in section 1136).

(d) TERMINATION.—Three years after the date a State or participating local educational agency establishes a child centered program under this subpart the Secretary shall review the performance of the State or participating local educational agency in meeting the objectives described in section 1134(a)(5). The Secretary, after providing notice and an opportunity for a hearing, may terminate the authority of the State or participating local educational agency to operate a child centered program under this subpart if the State or participating local educational agency submitted data that indicated the State or participating local educational agency has not made any progress in meeting the objectives.

(e) TREATMENT OF AMOUNTS RECEIVED.—The per pupil amount provided under this subpart for an eligible child shall not be treated as income of the eligible child or the parent of the eligible child for purposes of Federal tax laws, or for determining the eligibility for or amount of any other Federal assistance.

SEC. 1136. EVALUATION.

(a) ANNUAL EVALUATION.—

(1) CONTRACT.—The Comptroller General of the United States shall enter into a contract, with an evaluating entity that has demonstrated experience in conducting evaluations, for the conduct of an ongoing rigorous evaluation of child centered programs under this subpart.

(2) ANNUAL EVALUATION REQUIREMENT.—The contract described in paragraph (1) shall require the evaluating entity en-

tering into such contract to annually evaluate each child centered program under this subpart in accordance with the evaluation criteria described in subsection (b).

(3) TRANSMISSION.—The contract described in paragraph (1) shall require the evaluating entity entering into such contract to transmit to the Comptroller General of the United States the findings of each annual evaluation under paragraph (2).

(b) EVALUATION CRITERIA.—The Comptroller General of the United States in consultation with the Secretary, shall establish minimum criteria for evaluating the child centered programs under this subpart. Such criteria shall provide for a description of—

(1) the implementation of each child centered program under this subpart;

(2) the effects of the programs on the level of parental participation and satisfaction with the programs; and

(3) the effects of the programs on the educational achievement of eligible children participating in the programs.

SEC. 1137. REPORTS.

(a) REPORTS BY COMPTROLLER GENERAL.—

(1) INTERIM REPORTS.—Three years after the date of enactment of this subpart the Comptroller General of the United States shall submit an interim report to Congress on the findings of the annual evaluations under section 1136(a)(2) for each child centered program assisted under this subpart. The report shall contain a copy of the annual evaluation under section 1136(a)(2) of each child centered program under this subpart.

(2) FINAL REPORT.—The Comptroller General shall submit a final report to Congress, not later than March 1, 2006, that summarizes the findings of the annual evaluations under section 1136(a)(2).

SEC. 1138. LIMITATION ON CONDITIONS; PREEMPTION.

Nothing in this subpart shall be construed—

(1) to authorize or permit an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific instructional content or student performance standards and assessments, curriculum, or program of instruction, as a condition of eligibility to receive funds under this subpart; and

(2) to preempt any provision of a State constitution or State statute that pertains to the expenditure of State funds in or by religious institutions.

PART B—EVEN START FAMILY LITERACY PROGRAMS

* * * * * * *

SEC. 1202. [20 U.S.C. 6302] PROGRAM AUTHORIZED.

(a) RESERVATION FOR MIGRANT PROGRAMS, OUTLYING AREAS, AND INDIAN TRIBES.—

(1) IN GENERAL.—For each fiscal year, the Secretary shall reserve 5 percent of the amount appropriated under section 1002(b) *(or, if such appropriated amount exceeds $250,000,000, 6 percent of such amount)* for programs, under such terms and conditions as the Secretary shall establish, that are consistent

with the purpose of this part, and according to their relative needs, for—

* * * * * * *

(2) SPECIAL RULE.—[If the amount of funds made available under this subsection exceeds $4,600,000,] *After the date of the enactment of the Educational Opportunities Act,* the Secretary shall award a grant, on a competitive basis, of sufficient size and for a period of sufficient duration to demonstrate the effectiveness of a family literacy program in a prison that houses women and their preschool age children and that has the capability of developing a program of high quality.

(3) COORDINATION OF PROGRAMS FOR AMERICAN INDIANS.—The Secretary shall ensure that programs under paragraph (1)(C) are coordinated with family literacy programs operated by the Bureau of Indian Affairs in order to avoid duplication and to encourage the dissemination of information on high-quality family literacy programs serving American Indians.

[(b) RESERVATION FOR FEDERAL ACTIVITIES.—From amounts appropriated under section 1002(b), the Secretary may reserve not more than three percent of such amounts or the amount reserved to carry out the activities described in paragraphs (1) and (2) of subsection (a) for the fiscal year 1994, whichever is greater, for purposes of—

[(1) carrying out the evaluation required by section 1209; and

[(2) providing, through grants or contracts with eligible organizations, technical assistance, program improvement, and replication activities.]

(b) RESERVATION FOR FEDERAL ACTIVITIES.—

(1) EVALUATION, TECHNICAL ASSISTANCE, PROGRAM IMPROVEMENT, AND REPLICATION ACTIVITIES.—From amounts appropriated under section 1002(b), the Secretary may reserve not more than 3 percent of such amounts or the amount reserved to carry out the activities described in paragraphs (1) and (2) of subsection (a) for the fiscal year 1994, whichever is greater, for purposes of—

(A) carrying out the evaluation required by section 1209; and

(B) providing, through grants or contracts with eligible organizations, technical assistance, program improvement, and replication activities.

(2) RESEARCH.—In the case of fiscal years 2001 through 2005, if the amounts appropriated under section 1002(b) for any of such years exceed such amounts appropriated for the preceding fiscal year, the Secretary shall reserve from such excess amount $2,000,000 or 50 percent, whichever is less, to carry out section 1211.

(c) RESERVATION [FOR GRANTS] *FOR STATEWIDE FAMILY LITERACY INITIATIVES.—*

(1) GRANTS AUTHORIZED.—[From funds reserved under section 2260(b)(3), the Secretary shall] *From funds appropriated under section 1002(b) for any fiscal year, the Secretary may* award grants, on a competitive basis, to States to enable such States to plan and implement statewide family literacy initia-

tives to coordinate and, where appropriate, integrate existing Federal, State, and local literacy resources consistent with the purposes of this part. Such coordination and integration shall include funds available under the Adult Education and Family Literacy Act, the Head Start Act, this part, part A of this title, and part A of title IV of the Social Security Act.

SEC. 1202A. STATE PLAN.

(a) CONTENTS.—Each State that desires to receive a grant under this part shall submit a plan to the Secretary containing such budgetary and other information as the Secretary may require. Each plan shall—

(1) include the State's indicators of program quality developed under section 1210, or if the State has not completed work on those indicators, describe the State's progress in developing the indicators;

(2) describe how the State is using, or will use, the indicators to monitor, evaluate, and improve projects the State assists under this part, and to decide whether to continue to assist those projects;

(3) describe how the State will help each program assisted under this part ensure the full implementation of the program elements described in section 1205, including how the State will encourage local programs to use technology, such as distance learning, to improve program access and the intensity of services, especially for isolated populations;

(4) describe how the State will conduct competition for subgrants, including the application of the criteria described in section 1208; and

(5) describe how the State will coordinate resources, especially among State agencies, to improve family literacy services in the State.

(b) DURATION.—Each State plan shall—

(1) be submitted for the first year for which this part is in effect after the date of enactment of the Educational Opportunities Act;

(2) remain in effect for the duration of the State's participation under this part and

(3) be periodically reviewed and revised by the State, as necessary.

* * * * * * *

SEC. 1204. [20 U.S.C. 6304] USES OF FUNDS.

(a) IN GENERAL.— * * *

(b) FEDERAL SHARE LIMITATION.—

(1) IN GENERAL.—(A) * * *

(i) * * *

* * * * * * *

(iv) 60 percent in the fourth such year; [and]

[(v) 50 percent in any subsequent such year.]

(v) 50 percent in the fifth, sixth, seventh, and eighth such years; and

(vi) 35 percent in any subsequent such year.

* * * * * * *

(c) USE OF FUNDS FOR FAMILY LITERACY SERVICES.—

(1) IN GENERAL.—A State may use a portion of funds received under this part to assist eligible entities receiving a subgrant under section 1203(b) in improving the quality of family literacy services provided under Even Start programs under this part, except that in no case may a State's use of funds for this purpose for a fiscal year result in a decrease from the level of activities and services provided to program participants in the preceding year.

(2) PRIORITY.—In carrying out paragraph (1), a State shall give priority to programs that were of low quality, as evaluated based on the indicators of programs quality developed by the State under section 1210.

(3) TECHNICAL ASSISTANCE AND TRAINING.—Assistance under paragraph (1) shall be in the form of technical assistance and training, provided by a State through a grant, contract, or cooperative agreement with an entity that has experience in offering high quality training and technical assistance to family literacy providers.

SEC. 1205. [20 U.S.C. 6305] PROGRAM ELEMENTS.

Each program assisted under this part shall—

(1) * * *

[(4) include high-quality, intensive instructional programs that promote adult literacy and empower parents to support the educational growth of their children, developmentally appropriate early childhood educational services, and preparation of children for success in regular school programs;]

(4) provide high-quality, intensive family literacy services using instructional approaches that the best available research on reading indicates will be most effective in building adult literacy and children's language development and reading ability;

* * * * * * *

[(7) operate on a year-round basis, including the provision of some program services, instructional or enrichment, during the summer months;]

(7) use methods that ensure that participating families successfully complete the program, including—

(A) operating a year-round program, including continuing to provide some instructional services for participants during the summer months;

(B) providing developmentally appropriate educational services for at least a 3-year age range of children;

(C) encouraging participating families to regularly attend and remain in the program for a sufficient time to meet their programs goals; and

(D) promoting the continuity of family literacy services across critical points in the lives of children and their parents so that those individuals can retain and improve their educational outcomes;";

* * * * * * *

(9) use instructional programs based on scientifically based reading research (as defined in section 2252) for children and, to the extent such research is available, for adults;

[(9)]*(10)* ensure that the programs will serve those families most in need of the activities and services provided by this part; and

[(10) provide for an independent evaluation of the program.]

[(10)](11) provide for an independent evaluation of the program to be used for program improvements;

SEC. 1206. [20 U.S.C. 6366] ELIGIBLE PARTICIPANTS.

(a) IN GENERAL.—* * *

* * * * * * *

(b) ELIGIBILITY FOR CERTAIN OTHER PARTICIPANTS.—

(1) IN GENERAL.—* * *

* * * * * * *

(3) CHILDREN 8 YEARS OF AGE OR OLDER.—If an Even Start program assisted under this part collaborates with a program under part A, and funds received under such part A program contribute to paying the cost of providing programs under this part to children 8 years of age or older, the Even Start program, notwithstanding subsection (a)(2), may permit the participation of children 8 years of age or older.

SEC. 1207. [20 U.S.C. 6367] APPLICATIONS.

(a) SUBMISSION.—* * *

* * * * * * *

(c) PLAN.—

(1) IN GENERAL.—* * *

(A) * * *

* * * * * * *

(F) a description of how the plan is integrated with other programs under this [Act, the Goals 2000: Educate America Act,] *Act* or other Acts, as appropriate, consistent with section [14306] *6506*.

* * * * * * *

(d) CONSOLIDATED APPLICATION.—The plan described in subsection (c)(1)(F) may be submitted as part of a consolidated application under section [14302] *6502*.

* * * * * * *

SEC. 1208. [20 U.S.C. 6368] AWARD OF SUBGRANTS.

(a) SELECTION PROCESS.—

(1) IN GENERAL.—* * *

* * * * * * *

(3) REVIEW PANEL.—A review panel shall consist of at least three members, including one early childhood professional, one adult education professional, *and one individual with expertise in family literacy programs.* [and one or more of the following individuals:] *The review panel may include other individuals such as one or more of the following:*

* * * * * * *

[(3) CONTINUING ELIGIBILITY.—In awarding subgrant funds to continue a program under this part for the second, third, or

fourth year, the State educational agency shall evaluate the program based on the indicators of program quality developed by the State under section 1210. Such evaluation shall take place after the conclusion of the startup period, if any.]

(3) CONTINUING ELIGIBILITY.—In awarding subgrant funds to continue a program under this part after the first year, the State educational agency shall review the progress of each eligible entity in meeting the goals of the program referred to in section 1207(c)(1)(A) and shall evaluate the program based on the indicators of program quality developed by the State under section 1210.

* * * * * * *

(5) GRANT RENEWAL.—(A) An eligible entity that has previously received a subgrant under this part may reapply under this part for additional subgrants. [An eligible recipient may receive funds under this part for a period not to exceed eight years.]

[(B) The Federal share of any subgrant renewed under subparagraph (A) shall not exceed 50 percent in any fiscal year.]

(B) The Federal share of any subgrant renewed under subparagraph (A) shall be limited in accordance with section 1204(b).

* * * * * * *

SEC. 1210. [20 U.S.C. 6369a] INDICATORS OF PROGRAM QUALITY.

[Each] *Not later than September 30, 2000, each* State receiving funds under this part shall develop, based on the best available research and evaluation data, indicators of program quality for programs assisted under this part. Such indicators shall be used to monitor, evaluate, and improve such programs within the State. Such indicators shall include the following:

(1) * * *

* * * * * * *

(3) With respect to a program's implementation of high-quality, intensive family literacy services, specific levels of intensity of those services and the duration of individuals' participation that are necessary to result in the outcomes described in paragraphs (1) and (2), which levels the State periodically shall review and revise as needed to achieve those outcomes.

[SEC. 1211. [20 U.S.C. 6369b] RESEARCH.

[(a) IN GENERAL.—The Secretary shall carry out, through grant or contract, research into the components or successful family literacy services, to use—

[(1) to improve the quality of existing programs assisted under this part or other family literacy programs carried out under this Act or the Adult Education and Family Literacy Act; and

[(2) to develop models for new programs to be carried out under this Act or the Adult Education and Family Literacy Act.

[(b) DISSEMINATION.—The National Institute for Literacy shall disseminate, pursuant to section 2258, the results of the research

described in subsection (a) to States and recipients of subgrants under this part.]

SEC. 1211. RESEARCH.

(a) IN GENERAL.—From amounts reserved under section 1202(b)(2), the Secretary, in consultation with the National Institute for Literacy and other appropriate organizations, may carry out, directly or through grants or contracts, research on family literacy services, including—

(1) scientifically based research on the development of reading and literacy in young children;

(2) the most effective ways of improving the literacy skills of adults with reading difficulties; and

(3) how family literacy services can best provide parents with the knowledge and skills the parents need to support their children's literacy development.

(b) DISSEMINATION.—The Secretary shall ensure the dissemination, through the National Institute for Literacy and other appropriate means, of the results of the research conducted under subsection (a).

* * * * * * *

PART C—EDUCATION OF MIGRATORY CHILDREN

SEC. 1301. [20 U.S.C. 6391] PROGRAM PURPOSE.

It is the purpose of this part to assist States to—

(1) * * *

(2) ensure that migratory children who move among the States are not penalized in any manner by disparities among the States in curriculum, graduation requirements, and State student performance and content standards;

[(2)](*3*) ensure that migratory children are provided with appropriate educational services (including supportive services) that address their special needs in a coordinated and efficient manner;

[(3)](*4*) ensure that migratory children have the opportunity to meet the same challenging State content standards and challenging State student performance standards that all children are expected to meet;

[(4)](*5*) design programs to help migratory children overcome educational disruption, cultural and language barriers, social isolation, various health-related problems, and other factors that inhibit the ability of such children to do well in school, and to prepare such children to make a successful transition to postsecondary education or employment; [and]

[(5)](*6*) ensure that migratory children benefit from State and local systemic reforms[.]; *and*

(7) ensure that migratory children receive full and appropriate opportunities to meet the same challenging State content and student performance standards that all children are expected to meet.

* * * * * * *

SEC. 1304. [20 U.S.C. 6394] STATE APPLICATIONS; SERVICES.

(a) * * *

(b) PROGRAM INFORMATION.—Each such application shall include—

(1) a description of how, in planning, implementing, and evaluating programs and projects assisted under this part, the State and its local operating agencies will ensure that the special educational needs of migratory children, including preschool migratory children, are identified and addressed through [a comprehensive plan for needs assessment and service delivery that meets the requirements of section 1306;] *the full range of services that are available for migratory children from appropriate local, State, and Federal educational programs;*

(2) a description of joint planning efforts that will be made with respect to programs assisted under this Act, local, State, and Federal programs, and bilingual education programs under part A of title VII;

[(2)](*3*) a description of the steps the State is taking to provide all migratory students with the opportunity to meet the same challenging State content standards and challenging State student performance standards that all children are expected to meet;

[(3)](*4*) a description of how the State will use funds received under this part to promote interstate and intrastate coordination of services for migratory children, including how, consistent with procedures the Secretary may require, the State will provide for educational continuity through the timely transfer of pertinent school records, including information on health, when children move from one school to another, whether or not such move occurs during the regular school year;

[(4)](*5*) a description of the State's priorities for the use of funds received under this part, and how such priorities relate to the State's assessment of needs for services in the State;

[(5)](*6*) a description of how the State will determine the amount of any subgrants the State will award to local operating agencies, taking into account the requirements of paragraph (1); and

[(6)](*7*) such budgetary and other information as the Secretary may require.

(c) ASSURANCES.—Each and such application shall also include assurances, satisfactory to the Secretary, that—

(1) * * *

* * * * * * *

[(3) in the planning and operation of programs and projects at both the State and local operating agency level, there is appropriate consultation with parent advisory councils for programs of one school year in duration, and that all such programs and projects are carried out, to the extent feasible, in a manner consistent with section 1118;]

(3) in the planning and operation of programs and projects at both the State and local agency operating level there is consultation with parent advisory councils for programs of one school year in duration, and that all such programs and projects are carried out—

(A) in a manner consistent with section 1118 unless extraordinary circumstances make implementation with such section impractical; and

(B) in a format and language understandable to the parents;

* * * * * * *

SEC. 1306. [20 U.S.C. 6396] COMPREHENSIVE NEEDS ASSESSMENT AND SERVICE-DELIVERY PLAN; AUTHORIZED ACTIVITIES.

(a) COMPREHENSIVE PLAN.—

(1) IN GENERAL.—* * *

(A) is integrated with other programs under this Act, [the Goals 2000: Educate America Act,] or other Acts, as appropriate, consistent with section [14306] *6506*;

(B) may be submitted as a part of consolidated application under section [14302] *6502*, if—

(i) the special needs of migratory children are specifically addressed in the comprehensive State plan;

(ii) the comprehensive State plan is developed in collaboration with parents of migratory children; and

(iii) the comprehensive State planning is not used to supplant State efforts regarding, or administrative funding for, this part;

* * * * * * *

SEC. 1308. [20 U.S.C. 6398] COORDINATION OF MIGRANT EDUCATION ACTIVITIES.

(a) IMPROVEMENT OF COORDINATION.—

* * * * * * *

[(b) ASSISTANCE AND REPORTING.—

[(1) STUDENT RECORDS.—(A) The Secretary shall solicit information on how student records are transferred from one school to another and shall solicit recommendations on whether new procedures and technologies for record transfer should be employed to better meet the needs of the migrant population.

[(B) The Secretary shall also seek recommendations on the most effective means for determining the number of students or full-time equivalent students in each State for the purpose of allocating funds under this part.

[(2) REPORT TO CONGRESS.—(A) Not later than April 30, 1995, the Secretary shall report to the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives the Secretary's findings and recommendations, and shall include in this report, recommendations for interim measures that may be taken to ensure continuity of services in this program.

[(B) The Secretary shall assist States in developing effective methods for the transfer of student records and in determining the number of students or full-time equivalent students in each State if such interim measures are required.]

(b) ACCESS TO INFORMATION ON MIGRANT STUDENTS.—

(1) NATIONAL SYSTEM.—(A) The Secretary shall establish a national system for electronically exchanging, among the States,

health and educational information regarding all students served under this part. Such information shall include—

(i) immunization records and other health information;

(ii) elementary and secondary academic history (including partial credit), credit accrual, and results from State assessments required under this title;

(iii) other academic information essential to ensuring that migrant children achieve to high standards; and

(iv) eligibility for services under the Individuals with Disabilities Education Act.

(B) The Secretary shall publish, not later than 120 days after the date of enactment of the Educational Opportunities Act, a notice in the Federal Register seeking public comment on the proposed data elements that each State receiving funds under this part shall be required to collect for purposes of electronic transfer of migrant student information, the requirements for immediate electronic access to such information, and the educational agencies eligible to access such information.

(C) Such system of electronic access to migrant student information shall be operational not later than 1 year after the date of enactment of the Educational Opportunities Act.

(D) For the purpose of carrying out this subsection in any fiscal year, the Secretary shall reserve not more than $10,000,000 of the amount appropriated to carry out this part of such year.

(2) REPORT TO CONGRESS.—(A) Not later than April 30, 2002, the Secretary shall report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives the Secretary's findings and recommendations regarding services under this part, and shall include in this report, recommendations for the interim measures that may be taken to ensure continuity of services under this part.

(B) The Secretary shall assist States in developing effective methods for the transfer of student records and in determining the number of students or full-time equivalent students in each State if such interim measures are required.

(c) AVAILABILITY OF FUNDS.—For the purpose of carrying out this section in any fiscal year, the Secretary shall reserve not more than **[**$6,000,000**]** *$10,000,000* of the amount appropriated to carry out this part for such year.

(d) INCENTIVE GRANTS.—

(1) IN GENERAL.—From the amounts made available to carry out this section, the Secretary shall reserve not more than **[**$1,500,000**]** *$3,000,000* to award, on a competitive basis, grants in the amount of not more than $250,000 to State educational agencies with consortium agreements under section 1303(d).

* * * * * * *

(e) DATA COLLECTION.—The Secretary shall direct the National Center for Education Statistics to collect data on migratory children.

* * * * * * *

PART D—PREVENTION AND INTERVENTION PROGRAMS FOR CHILDREN AND YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT RISK OF DROPPING OUT

[SEC. 1401. [20 U.S.C. 6421] FINDING; PURPOSE; PROGRAM AUTHORIZED.

[(a) FINDINGS.— Congress finds the following:

[(3) A large percentage of youth in the juvenile justice system have poor academic achievement, are a year or more behind grade level, and have dropped out of school.

[(2) There is a strong correlation between academic failure and involvement in delinquent activities.

[(3) Preventing students from dropping out of local schools and addressing the educational needs of delinquent youth can help reduce the dropout rate and involvement in delinquent activities at the same time.

[(4) Many schools and correctional facilities fail to communicate regarding a youth's academic needs and students often return to their home school ill-prepared to meet current curriculum requirements.

[(5) Schools are often reluctant to deal with youth returning from facilities and receive no funds to deal with the unique educational and other needs of such youth.

[(6) A continuing need exists for activities and programs to reduce the incidence of youth dropping out of school.

[(7) Federal dropout prevention programs have demonstrated effectiveness in keeping children and youth in school.

[(8) Pregnant and parenting teens are a high at-risk group for dropout prevention programs.

[(9) Such youth need a strong dropout prevention program which provides such youth with high level skills and which provides supports to youth returning from correctional facilities in order to keep such youth in school.

[(b) PURPOSE.—It is the purpose of this part—

[(1) to improve educational services to children in local and State institutions for neglected or delinquent children and youth so that such children and youth have the opportunity to meet the same challenging State content standards and challenging State student performance standards that all children in the State will be expected to meet;

[(2) to provide such children and youth the services needed to make a successful transition from institutionalization to further schooling or employment; and

[(3) to prevent at-risk youth from dropping out of school and to provide dropouts and youth returning from institutions with a support system to ensure their continued education.

[(c) PROGRAM AUTHORIZED.—In order to carry out the purpose of this part the Secretary shall make grants to State educational agencies to enable such agencies to award subgrants to State agencies and local educational agencies to establish or improve programs of education for neglected or delinquent children and youth at risk of dropping out of school before graduation.

[SEC. 1402. [20 U.S.C. 6422] PAYMENTS FOR PROGRAMS UNDER THIS PART.

[(a) AGENCY SUBGRANTS.—Based on the allocation amount computed under section 1412, the Secretary shall allocate to each State educational agency amounts necessary to make subgrants to State agencies.

[(b) LOCAL SUBGRANTS.—Each State shall retain, for purposes of subpart 2, funds generated throughout the State under part A based on youth residing in local correctional facilies, or attending community day programs for delinquent children and youth.

[(c) USE OF REMAINING FUNDS.—Each State shall use any funds remaining after allocations are made under subsection (a).

[Subpart 1—State Agency Programs

[SEC. 1411. [20 U.S.C. 6431] ELIGIBILITY.

[A State agency is eligible for assistance under this subpart if such State agency is responsible for providing free public education for children—

[(1) in institutions for neglected or delinquent children;

[(2) attending community day programs for neglected or delinquent children; or

[(3) in adult correctional institutions.

[SEC. 1412. [20 U.S.C. 6432] ALLOCATION OF FUNDS.

[(a) SUBGRANTS TO STATE AGENCIES.—

[(1) IN GENERAL.—Each State agency described in section 1411 (other than an agency in the Commonwealth of Puerto Rico) is eligible to receive a subgrant under this part, for each fiscal year, an amount equal to the product of—

[(A) the number of neglected or delinquent children and youth described in section 1411 who—

[(i) are enrolled for at least 15 hours per week in education programs in adult correctional institutions; and

[(ii) are enrolled for at least 20 hours per week—

[(I) in education programs in institutions for neglected or delinquent children; or

[(II) in community day programs for neglected or delinquent children; and

[(B) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this paragraph shall not be less than 32 percent, or more than 48 percent, of the average per-pupil expenditure in the United States.

[(2) SPECIAL RULE.—The number of neglected or delinquent children and youth determined under paragraph (1) shall—

[(A) be determined by the State agency by a deadline set by the Secretary except that no State agency shall be required to determine the number of such children on a specific date set by the Secretary; and

[(B) be adjusted, as the Secretary determines is appropriate, to reflect the relative length of such agency's annual programs.

[(b) SUBGRANTS TO STATE AGENCIES IN PUERTO RICO.—For each fiscal year, the amount of the subgrant for which a State agency in the Commonwealth of Puerto Rico is eligible under this part shall be equal to—

[(1) the number of children and youth counted under subsection (a)(1) for the Commonwealth of Puerto Rico; multiplied by

[(2) the product of—

[(A) the percentage that the average per-pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States; and

[(B) 32 percent of the average per-pupil expenditure in the United States.

[(c) RATABLE REDUCTIONS IN CASE OF INSUFFICIENT APPROPRIATIONS.—If the amount appropriated for any fiscal year for subgrants under subsections (a) and (b) is insufficient to pay the full amount for which all agencies are eligible under such subsections, the Secretary shall ratably reduce each such amount.

[SEC. 1413. [20 U.S.C. 6433] STATE REALLOCATION OF FUNDS.

[If a State educational agency determines that a State agency does not need the full amount of the subgrant for which such State agency is eligible under this part for any fiscal year, the State educational agency may reallocate the amount that will not be needed to other eligible State agencies that need additional funds to carry out the purpose of this part, in such amounts as the State educational agency shall determine.

[SEC. 1414. [20. U.S.C. 6434] STATE PLAN AND STATE AGENCY APPLICATIONS.

[(a) STATE PLAN.—

[(1) IN GENERAL.—Each State educational agency that desires to receive a grant under this part shall submit, for approval by the Secretary, a plan for meeting the needs of neglected and delinquent youth and, where applicable, youth at risk of dropping out of school which is integrated with other programs under this Act, the Goals 2000: Educate America Act, or other Acts, as appropriate, consistent with section 14306.

[(2) CONTENTS.—Each such State plan shall—

[(A) describe the program goals, objectives, and performance measures established by the State that will be used to assess the effectiveness of the program in improving academic and vocational skills of children in the program;

[(B) provide that, to the extent feasible, such children will have the same opportunities to learn as such children would have if such children were in the schools of local educational agencies in the State; and

[(C) contain assurances that the State educational agency will—

[(i) ensure that programs assisted under this part will be carried out in accordance with the State plan described in this subsection;

[(ii) carry out the evaluation requirements of section 1416;

[(iii) ensure that the State agencies receiving subgrants under this subpart comply with all applicable statutory and regulatory requirements; and

[(iv) provide such other information as the Secretary may reasonably require.

[(3) DURATION OF THE PLAN.—Each such State plan shall—

[(A) remain in effect for the duration of the State's participation under this part; and

[(B) be periodically reviewed and revised by the State, as necessary, to reflect changes in the State's strategies and programs under this part.

[(b) SECRETARIAL APPROVAL; PEER REVIEW.—

[(1) IN GENERAL.—The Secretary shall approve each State plan that meets the requirements of this part.

[(2) PEER REVIEW.—The Secretary may review any State plan with the assistance and advice of individuals with relevant expertise.

[(c) STATE AGENCY APPLICATIONS.—Any State agency that desires to receive funds to carry out a program under this part shall submit an application to the State educational agency that—

[(1) describes the procedures to be used, consistent with the State plan under section 1111, to assess the educational needs of the children to be served;

[(2) provides assurances that in making services available to youth in adult correctional facilities, priority will be given to such youth who are likely to complete incarceration within a 2-year period;

[(3) describes the program, including a budget for the first year of the program, with annual updates to be provided to the State educational agency;

[(4) describes how the program will meet the goals and objectives of the State plan under this subpart;

[(5) describes how the State agency will consult with experts and provide the necessary training for appropriate staff, to ensure that the planning and operation of institution-wide projects under section 1416 are of high quality;

[(6) describes how the agency will carry out the evaluation requirements of section 14701 and how the results of the most recent evaluation are used to plan and improve the program;

[(7) includes data showing that the agency has maintained fiscal effort required of a local educational agency, in accordance with section 14501 of this title;

[(8) describes how the programs will be coordinated with other appropriate State and Federal programs, such as programs under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998, vocational education programs, State and local dropout prevention programs, and special education programs;

[(9) describes how appropriate professional development will be provided to teachers and other staff;

[(10) designates an individual in each affected institution to be responsible for issues relating to the transition of children and youth from the institution to locally operated programs;

[(11) describes how the agency will endeavor to coordinate with businesses for training and mentoring for participating youth;

[(12) provides assurances that the agency will assist in locating alternative programs through which students can continue their education if students are not returning to school after leaving the correctional facility;

[(13) provides assurances that the agency will work with parents to secure parents' assistance in improving the educational achievement of their children and preventing their children's further involvement in delinquent activities;

[(14) provides assurances that the agency works with special education youth in order to meet an existing individualized education program and an assurance that the agency will notify the youth's local school if such youth—

[(A) is identified as in need of special education services while the youth is in the facility; and

[(B) intends to return to the local school;

[(15) provides assurances that the agency will work with youth who dropped out of school before entering the facility to encourage the youth to reenter school once the term of the youth has been completed or provide the youth with the skills necessary to gain employment, continue the education of the youth, or achieve a secondary school diploma or the recognized equivalent if the youth does not intend to return to school;

[(16) provides assurances that teachers and other qualified staff are also trained to work with children with disabilities and other students with special needs taking into consideration the unique needs of such students;

[(17) describes any additional services provided to youth, such as career counseling, and assistance in securing student loans and grants; and

[(18) provides assurance that the program under this subpart will be coordinated with any programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 or other comparable programs, if applicable.

[SEC. 1415. [20 U.S.C. 6435] USE OF FUNDS.

[(a) IN GENERAL.—

[(1) USES.—A State agency shall use funds received under this subpart only for programs and projects that—

[(A) are consistent with the State plan under section 1414(a); and

[(B) concentrate on providing participants with the knowledge and skills needed to make a successful transition to secondary school completion, further education, or employment.

[(2) PROGRAMS AND PROJECTS.—Such programs and projects—

[(A) may include the acquisition of equipment;

[(B) shall be designed to support educational services that—

[(i) except for institution-wide projects under section 1416, are provided to children identified by the State agency as failing, or most at risk of failing, to meet the State's challenging State content standards and challenging State student performance standards;

[(ii) supplement and improve the quality of the educational services provided to such children by the State agency; and

[(iii) afford such children an opportunity to learn to such challenging State standards;

[(C) shall be carried out in a manner consistent with section 1120A and part F of this title; and

[(D) may include the costs of meeting the evaluation requirements of section 14701.

[(b) SUPPLEMENT, NOT SUPPLANT.—A program under this subpart that supplements the number of hours of instruction students receive from State and local sources shall be considered to comply with the supplement , not supplant requirement of section 1120A without regard to the subject areas in which instruction is given during those hours.

[SEC. 1416. [20 U.S.C. 6436] INSTITUTION-WIDE PROJECTS.

[A State agency that provides free public education for children and youth in an institution for neglected or delinquent children (other than an adult correctional institution) or attending a community-day program for such children may use funds received under this part to serve all children in, and upgrade the entire educational effort of, that institution or program if the State agency has developed, and the State educational agency has approved, a comprehensive plan for that institution or program that—

[(1) provides for a comprehensive assessment of the educational needs of all youth in the institution or program serving juveniles;

[(2) provides for a comprehensive assessment of the educational needs of youth aged 20 and younger in adult facilities who are expected to complete incarceration within a two-year period;

[(3) describes the steps the State agency has taken, or will take, to provide all children under age 21 with the opportunity to meet challenging State content standards and challenging State student performance standards in order to improve the likelihood that the students will complete secondary school, attain secondary diploma or its recognized equivalent, or find employment after leaving the institution;

[(4) describes the instructional program, pupil services, and procedures that will be used to meet the needs described in paragraph (1), including, to the extent feasible, the provision of mentors for students;

[(5) specifically describes how such funds will be used;

[(6) describes the measures and procedures that will be used to assess student progress;

[(7) describes how the agency has planned, and will implement and evaluate, the institution-wide or program-wide project in consultation with personnel providing direct instructional services and support services in institutions or commu-

nity-day programs for neglected or delinquent children and personnel from the State educational agency; and

[(8) includes an assurance that the State agency has provided for appropriate training for teachers and other instructional and administrative personnel to enable such teachers and personnel to carry out the project effectively.

[SEC. 1417. [20 U.S.C. 6437] THREE-YEAR PROGRAMS OR PROJECTS.

[If a State agency operates a program or project under this subpart in which individual children are likely to participate for more than one year, the State educational agency may approve the State agency's application for a subgrant under this part for a period of not more than three years.

[SEC. 1418. [20 U.S.C. 6438] TRANSITION SERVICES.

[(a) TRANSITION SERVICES.—Each State agency shall reserve not more than 10 percent of the amount such agency receives under this subpart for any fiscal year to support projects that facilitate the transition of children from State-operated institutions to local educational agencies.

[(b) CONDUCT OF PROJECTS.—A project supported under this section may be conducted directly by the State agency, or through a contract or other arrangement with one or more local educational agencies, other public agencies, or private nonprofit organizations.

[(c) LIMITATION.—Any funds reserved under subsection (a) shall be used only to provide transitional educational services, which may include pupil services and mentoring, to neglected and delinquent children in schools other than State-operated institutions.

[(d) CONSTRUCTION.—Nothing in this section shall be construed to prohibit a school that receives funds under subsection (a) from serving neglected and delinquent children simultaneously with students with similar educational needs, in the same educational settings where appropriate.

[Subpart 2—Local Agency Programs

[SEC. 1421. [20 U.S.C. 6451] PURPOSE.

[The purpose of this subpart is to support the operation of local educational agency programs which involve collaboration with locally operated correctional facilities to—

[(1) carry out high quality education programs to prepare youth for secondary school completion, training, and employment, or further education;

[(2) provide activities to facilitate the transition of such youth from the correctional program to further education or employment; and

[(3) operate dropout prevention programs in local schools for youth at risk of dropping out of school and youth returning from correctional facilities.

[SEC. 1422. [20 U.S.C. 6452] PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES.

[(a) LOCAL SUBGRANTS.—With funds retained made available under section 1402(b), the State educational agency shall award subgrants to local educational agencies with high numbers or percentages of youth residing in locally operated (including county op-

erated) correctional facilities for youth (including facilities involved in day programs).

[(b) SPECIAL RULE.—A local educational agency which includes a correctional facility that operates a school is not required to operate a dropout prevention program if more than 30 percent of the youth attending such facility will reside outside the boundaries of the local educational agency upon leaving such facility.

[(c) NOTIFICATION.—A State educational agency shall notify local educational agencies within the State of the eligibility of such agencies to receive a subgrant under this subpart.

[SEC. 1433. [20 U.S.C. 6453] LOCAL EDUCATIONAL AGENCY APPLICATIONS.

[Eligible local educational agencies desiring assistance under this section shall submit an application to the State educational agency, containing such information as the State educational agency may require. Each such application shall include—

[(1) a description of the program to be assisted;

[(2) a description of formal agreements between—

[(A) the local educational agency; and

[(B) correctional facilities and alternative school programs serving youth involved with the juvenile justice system to operate programs for delinquent youth;

[(3) as appropriate, a description of how participating schools will coordinate with facilities working with delinquent youth to ensure that such youth are participating in an education program comparable to one operating in the local school such youth would attend;

[(4) as appropriate, a description of the dropout prevention program operated by participating schools and the types of services such schools will provide to at-risk youth in participating schools and youth returning from correctional facilities;

[(5) as appropriate, a description of the youth expected to be served by the dropout prevention program and how the school will be coordinating existing educational programs to meet unique education needs;

[(6) as appropriate, a description of how schools will coordinate with existing social and health services to meet the needs of students at risk of dropping out of school and other participating students, including prenatal health care and nutrition services related to the health of the parent and child, parenting and child development classes, child care, targeted reentry and outreach programs, referrals to community resources, and scheduling flexibility;

[(7) as appropriate, a description of any partnerships with local businesses to develop training and mentoring services for participating students;

[(8) as appropriate, a description of how the program will involve parents in efforts to improve the educational achievement of their children, assist in dropout prevention activities, and prevent the involvement of their children in delinquent activities;

[(9) a description of how the program under this subpart will be coordinated with other Federal, State, and local programs, such as programs under the Job Training Partnership Act or

title I of the Workforce Investment Act of 1998 and vocational education programs serving this at-risk population of youth;

[(10) a description of how the program will be coordinated with programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 and other comparable programs, if applicable;

[(11) as appropriate, a description of how schools will work with probation officers to assist in meeting the needs of youth returning from correctional facilities;

[(12) a description of efforts participating schools will make to ensure correctional facilities working with youth are aware of a child's existing individualized education program; and

[(13) as appropriate, a description of the steps participating schools will take to find alternative placements for youth interested in continuing their education but unable to participate in a regular public school program.

[SEC. 1424. [20 U.S.C. 6454] USES OF FUNDS.

[Funds provided to local educational agencies under this subpart may be used, where appropriate, for—

[(1) dropout prevention programs which serve youth at educational risk, including pregnant and parenting teens, youth who have come in contact with the juvenile justice system, youth at least one year behind their expected grade level, migrant youth, immigrant youth, students with limited-English proficiency and gang members;

[(2) the coordination of health and social services for such individuals if there is a likelihood that the provision of such services, including day care and drug and alcohol counseling, will improve the likelihood such individuals will complete their education; and

[(3) programs to meet the unique education needs of youth at risk of dropping out of school, which may include vocational education, special education, career counseling, and assistance in securing student loans or grants.

[SEC. 1425. [20 U.S.C. 6455] PROGRAM REQUIREMENTS FOR CORRECTIONAL FACILITIES RECEIVING FUNDS UNDER THIS SECTION.

[Each correctional facility entering into an agreement with a local educational agency under section 1422(a) to provide services to youth under this section shall—

[(1) where feasible, ensure educational programs in juvenile facilities are coordinated with the student's home school, particularly with respect to special education students with an individualized education program;

[(2) notify the local school of a youth if the youth is identified as in need of special education services while in the facility;

[(3) where feasible, provide transition assistance to help the youth stay in school, including coordination of services for the family, counseling, assistance in accessing drug and alcohol abuse prevention programs, tutoring, and family counseling;

[(4) provide support programs which encourage youth who have dropped out to reenter school once their term has been completed or provide such youth with the skills necessary for

such youth to gain employment or seek a secondary school diploma or its recognized equivalent;

[(5) work to ensure such facilities are staffed with teachers and other qualified staff who are trained to work with children with disabilities and other students with special needs taking into consideration the unique needs of such children and students;

[(6) ensure educational programs in correctional facilities are related to assisting students meet high educational standards;

[(7) use, to the extent possible, technology to assist in coordinating educational programs between the juvenile facility and the community school;

[(8) where feasible, involve parents in efforts to improve the educational achievement of their children and prevent the further involvement of such children in delinquent activities;

[(9) coordinate funds received under this program with other local, State, and Federal funds available to provide services to participating youth, such as funds made available under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998, and vocational education funds;

[(10) coordinate programs operated under this subpart with activities funded under the Juvenile Justice and Delinquency Prevention Act of 1974 and other comparable programs, if applicable; and

[(11) if appropriate, work with local businesses to develop training and mentoring programs for participating youth.

[SEC. 1426. [20 U.S.C. 6456] ACCOUNTABILITY.

[The State educational agency may—

[(1) reduce or terminate funding for projects under this section if a local educational agency does not show progress in reducing dropout rates for male students and for female students over a 3-year period; and

[(2) require juvenile facilities to demonstrate, after receiving assistance under this subpart for 3 years, that there has been an increase in the number of youth returning to school, obtaining a secondary school diploma or its recognized equivalent, or obtaining employment after such youth are released.

[Subpart 3—General Provisions

[SEC. 1431. [20 U.S.C. 6471] PROGRAM EVALUATIONS.

[(a) SCOPE OF EVALUATION.—Each State agency or local educational agency that conducts a program under subpart 1 or 2 shall evaluate the program, disaggregating data on participation by sex, and if feasible, by race, ethnicity, and age, not less than once every three years to determine the program's impact on the ability of participants to—

[(1) maintain and improve educational achievement;

[(2) accrue school credits that meet State requirements for grade promotion and secondary school graduation;

[(3) make the transition to a regular program or other education program operated by a local education agency; and

[(4) complete secondary school (or secondary school equivalency requirements) and obtain employment after leaving the institution.

[(b) EVALUATION MEASURES.—In conducting each evaluation under subsection (a), a State agency or local educational agency shall use multiple and appropriate measures of student progress.

[(c) EVALUATION RESULTS.—Each State agency and local educational agency shall—

[(1) submit evaluation results to the State educational agency; and

[(2) use the results of evaluations under this section to plan and improve subsequent programs for participating children and youth.

[SEC. 1432. [20 U.S.C. 6472] DEFINITIONS.

[For the purpose of this part:

[(1) The term "adult correctional institution" means a facility in which persons are confined as a result of a conviction for a criminal offense, including persons under 21 years of age.

[(2) The term "at-risk youth" means school aged youth who are at risk of academic failure, have drug or alcohol problems, are pregnant or are parents, have come into contact with the juvenile justice system in the past, are at least one year behind the expected grade level for the age of the youth, have limited-English proficiency, [are gang members, have dropped out of school in the past, or have high absenteeism rates at school.

[(3) The term "community day program" means a regular program of instruction provided by a State agency at a community day school operated specifically for neglected or delinquent children.

[(4) The term "institution for delinquent children and youth" means a public or private residential facility for the care of children who have been adjudicated to be delinquent or in need of supervision.

[(5) The term "institution for neglected children" means a public or private residential facility, other than a foster home, that is operated for the care of children who have been committed to the institution or voluntarily placed in the institution under applicable State law, due to abandonment, neglect, or death of their parents or guardians.]

PART D—PARENTAL ASSISTANCE

SEC. 1401. PARENTAL INFORMATION AND RESOURCE CENTERS.

(a) PURPOSE.—The purpose of this part is—

(1) to provide leadership, technical assistance, and financial support to nonprofit organizations and local educational agencies to help the organizations and agencies implement successful and effective parental involvement policies, programs, and activities that lead to improvements in student performance;

(2) to strengthen partnerships among parents (including parents of preschool age children), teachers, principals, administrators, and other school personnel in meeting the educational needs of children;

(3) to develop and strengthen the relationship between parents and the school;

(4) to further the developmental progress primarily of children assisted under this part; and

(5) to coordinate activities funded under this part with parental involvement initiatives funded under section 1118 and other provisions of this Act.

"(b) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants in each fiscal year to nonprofit organizations, and nonprofit organizations in consortia with local educational agencies, to establish school-linked or school-based parental information and resource centers that provide training, information, and support to—

(A) parents of children enrolled in elementary schools and secondary schools;

(B) individuals who work with the parents described in subparagraph (A); and

(C) State educational agencies, local educational agencies, schools, organizations that support family-school partnership (such as parent-teacher associations), and other organizations that carry out parent education and family involvement programs.

(2) AWARD RULE.—In awarding grants under this part, the Secretary shall ensure that such grants are distributed in all geographic regions of the United States.

SEC. 1402. APPLICATIONS.

(a) GRANTS APPLICATIONS.—

(1) IN GENERAL.—Each nonprofit organization or nonprofit organization in consortium with a local educational agency that desires a grant under this part shall submit an application to the Secretary at such time and in such manner as the Secretary shall require.

(2) CONTENTS.—Each application submitted under paragraph (1), at a minimum, shall include assurances that the organization or consortium will—

(A)(i) be governed by a board of directors the membership of which includes parents; or

(ii) be an organization or consortium that represents the interests of parents;

(B) establish a special advisory committee the membership of which includes—

(i) parents described in section 1401(b)(1)(A);

(ii) representatives of education professionals with expertise in improving services for disadvantaged children; and

(iii) representatives of local elementary schools and secondary schools who may include students and representatives from local youth organizations;

(C) use at least ½ of the funds provided under this part in each fiscal year to serve areas with high concentrations of low-income families in order to serve parents who are severely educationally or economically disadvantaged;

(D) operate a center of sufficient size, scope, and quality to ensure that the center is adequate to serve the parents in the area;

(E) serve both urban and rural areas;

(F) design a center that meets the unique training, information, and support needs of parents described in section 1401(b)(1)(A), particularly such parents who are educationally or economically disadvantaged;

(G) demonstrate the capacity and expertise to conduct the effective training, information and support activities for which assistance is sought;

(H) network with—

(i) local educational agencies and schools;

(ii) parents of children enrolled in elementary schools and secondary schools;

(iii) parent training and information centers assisted under section 682 of the Individuals with Disabilities Education Act;

(iv) clearinghouses; and

(v) other organizations and agencies;

(I) focus on serving parents described in section 1401(b)(1)(A) who are parents of low-income, minority, and limited English proficient, children;

(J) use part of the funds received under this part to establish, expand, or operate Parents as Teachers programs or Home Instruction for Preschool Youngsters programs;

(K) provide assistance to parents in such areas as understanding State and local standards and measures of student and school performance; and

(L) work with State and local educational agencies to determine parental needs and delivery of services.

(b) GRANT RENEWAL.—For each fiscal year after the first fiscal year an organization or consortium receives assistance under this part, the organization or consortium shall demonstrate in the application submitted for such fiscal year after the first fiscal year that a portion of the services provided by the organization or consortium is supported through non-Federal contributions, which contributions may be in cash or in kind.

SEC. 1403. USES OF FUNDS.

(a) IN GENERAL.—Grant funds received under this part shall be used—

(1) to assist parents in participating effectively in their children's education and to help their children meet State and local standards, such as assisting parents—

(A) to engage in activities that will improve student performance, including understanding the accountability systems in place within their State educational agency and local educational agency and understanding their children's educational performance in comparison to State and local standards;

(B) to provide followup support for their children's educational achievement;

(C) to communicate effectively with teachers, principals, counselors, administrators, and other school personnel;

(D) to become active participants in the development, implementation, and review of school-parent compacts, parent involvement policies, and school planning and improvement;

(E) to participate in the deign and provision of assistance to students who are not making adequate educational progress;

(F) to participate in State and local decisionmaking; and

(G) to train other parents;

(2) to obtain information about the range of options, programs, services, and resources available at the national, State, and local levels to assist parents and school personnel who work with parents;

(3) to help the parents learn and use the technology applied in their children's education;

(4) to plan, implement, and fund activities for parents that coordinate the education of their children with other Federal programs that serve their children or their families; and

(5) to provide support for State or local educational personnel if the participation of such personnel will further the activities assisted under the grant.

(b) PERMISSIVE ACTIVITIES.—Grant funds received under this part may be used to assist schools with activities such as—

(1) developing and implementing their plans or activities under sections 1118 and 1119; and

(2) developing and implementing school improvement plans, including addressing problems that develop in the implementation of sections 1118 and 1119.

(3) providing information about assessment and individual results to parents in a manner and a language the family can understand;

(4) coordinating the efforts of Federal, State, and local parent education and family involvement initiatives; and

(5) providing training, information, and support to—

(A) State educational agencies;

(B) local educational agencies and schools, especially those local educational agencies and schools that are low performing; and

(C) organizations that support family-school partnerships.

(c) GRANDFATHER CLAUSE.—The Secretary shall use funds made available under this part to continue to make grant or contract payments to each entity that was awarded a multiyear grant or contract under title IV of the Goals 2000: Educate America Act (as such title was in effect on the day before the date of enactment of the Educational Opportunities Act) for the duration of the grant or contract award.

SEC. 1404. TECHNICAL ASSISTANCE.

The Secretary shall provide technical assistance, by grant or contract, for the establishment, development, and coordination of parent training, information, and support programs and parental information and resource centers.

SEC. 1405. REPORTS.

(a) INFORMATION.—Each organization or consortium receiving assistance under this part shall submit to the Secretary, on an annual basis, information concerning the parental information and resource centers assisted under this part, including—

(1) the number of parents (including the number of minority and limited English proficient parents) who receive information and training;

(2) the types and modes of training, information, and support provided under this part;

(3) the strategies used to reach and serve parents of minority and limited English proficient children, parents with limited literacy skills, and other parents in need of the services provided under this part;

(4) the parental involvement policies and practices used by the center and an evaluation of whether such policies and practices are effective in improving home-school communication, student achievement, student and school performance, and parental involvement in school planning, review, and improvement; and

(5) the effectiveness of the activities that local educational agencies and schools are carrying out with regard to parental involvement and other activities assisted under this Act that lead to improved student achievement and improved student and school performance.

(b) DISSEMINATION.—The Secretary annually shall disseminate, widely to the public and to Congress, the information that each organization or consortium submits under subsection (a) to the Secretary.

SEC. 1406. GENERAL PROVISIONS.

Notwithstanding any other provision of this part—

(1) no person, including a parent who educates a child at home, a public school parent, or a private school parent, shall be required to participate in any program of parent education or developmental screening pursuant to the provisions of this part; and

(2) no program or center assisted under this part shall take any action that infringes in any manner on the right of a parent to direct the education of their children.

PART F—COMPREHENSIVE SCHOOL REFORM

SEC. 1601. PURPOSE.

The purpose of this part is to provide financial incentives for schools to develop comprehensive school reforms based upon promising and effective practices and research-based programs that emphasize basic academics and parental involvement so that all children can meet challenging State content and student performance standards.

SEC. 1602. PROGRAM AUTHORIZATION.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants to State educational agencies, from allotments under paragraph (2), to enable the State educational agencies to

award subgrants to local educational agencies to carry out the purpose described in section 1601.

(2) ALLOTMENTS.—

(A) RESERVATIONS.—Of the amount appropriated under section 1002(h) for a fiscal year, the Secretary may reserve—

(i) not more than 1 percent to provide assistance to schools supported by the Bureau of Indian Affairs and in the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands according to their respective needs for assistance under this part; and

(ii) not more than 1 percent to conduct national evaluation activities described in section 1607.

(B) IN GENERAL.—Of the amount appropriated under section 1002(h) that remains after making the reservation under subparagraph (A) for a fiscal year, the Secretary shall allot to each State for the fiscal year an amount that bears the same ratio to the remainder for that fiscal year as the amount made available under section 1124 to the State for the preceding fiscal year bears to the total amount made available under section 1124 to all States for that year.

(C) REALLOTMENT.—If a State does not apply for funds under this section, the Secretary shall reallot such funds to other States that do not apply in proportion to the amount allotted to such other States under subparagraph (B).

SEC. 1603. STATE APPLICATIONS.

"(a) IN GENERAL.—Each State educational agency that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(b) CONTENTS.—Each such application shall describe—

(1) the process and selection criteria by which the State educational agency, using expert review, will select local educational agencies to receive subgrants under this section;

(2) how the State educational agency will ensure that only comprehensive school reforms that are based on promising and effective practices and research-based programs receive funds under this part;

(3) how the State educational agency will disseminate information on comprehensive school reforms that are based on promising and effective practices and research-based programs;

(4) how the State educational agency will evaluate the implementation of such reforms and measure the extent to which the reforms have resulted in increased student academic performance; and

(5) how the State educational agency will make available technical assistance to a local educational agency or consortia of local educational agencies in evaluating, developing, and implementing comprehensive school reform.

SEC. 1604. STATE USE OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (e), a State educational agency that receives a grant under this part shall use the grant funds to award subgrants, on a competitive basis, to local educational agencies or consortia of local educational agencies in the State that receive funds under part A.

(b) SUBGRANT REQUIREMENTS.—A subgrant to a local educational agency or consortium shall be—

(1) of sufficient size and scope to support the initial costs for the particular comprehensive school reform plan selected or designed by each school identified in the application of the local educational agency or consortium;

(2) in an amount not less than $50,000 for each participating school; and

(3) renewable for 2 additional 1-year periods after the initial 1-year grant is made if the school is making substantial progress in the implementation of reforms.

(c) PRIORITY.—A State educational agency, in awarding subgrants under this part, shall give priority to local educational agencies or consortia that—

(1) plan to use the funds in schools identified as being in need of improvement or corrective action under section 1116(c); and

(2) demonstrate a commitment to assist schools with budget allocation, professional development, and other strategies necessary to ensure the comprehensive school reforms are properly implemented and are sustained in the future.

(d) GRANT CONSIDERATION.—In awarding subgrants under this part, the State educational agency shall take into consideration the equitable distribution of subgrants to different geographic regions within the State, including urban and rural areas, and to schools serving elementary school and secondary students.

(e) ADMINISTRATIVE COSTS.—A State educational agency that receives a grant under this part may reserve not more than 5 percent of the grant for administrative, evaluation, and technical assistance expenses.

(f) SUPPLEMENT.—Funds made available under this part shall be used to supplement, and not supplant, any other Federal, State, or local funds that would otherwise be available to carry out the activities assisted under this part.

(g) REPORTING.—Each State educational agency that receives a grant under this part shall provide to the Secretary such information as the Secretary may require, including the names of local educational agencies and schools receiving assistance under this part, the amount of the assistance, and a description of the comprehensive school reform model selected and used.

SEC. 1605. LOCAL APPLICATIONS.

(a) IN GENERAL.—Each local educational agency or consortium of local educational agencies desiring a subgrant under this section shall submit an application to the State educational agency at such time, in such manner, and containing such information as the State educational agency may reasonably require.

(b) CONTENTS.—Each application shall—

(1) identify the schools, that are eligible for assistance under part A, that plan to implement a comprehensive school reform program, including the projected costs of such a program;

(2) describe the promising and effective practices and research-based programs that such schools will implement;

(3) describe how the local educational agency or consortium will provide technical assistance and support for the effective implementation of the promising and effective practices and research-based school reforms selected by such schools; and

(4) describe how the local educational agency or consortium will evaluate the implementation of such reforms and measure the results achieved in improving student academic performance.

SEC. 1606. LOCAL USE OF FUNDS.

(a) USES OF FUNDS.—A local educational agency or consortium that receives a subgrant under this section shall provide the subgrant funds to schools, that are eligible for assistance under part A and served by the agency, to enable the schools to implement a comprehensive school reform program for—

(1) employing innovative strategies for student learning, teaching, and school management that are based on promising and effective practices and research-based programs and have been replicated successfully in schools with diverse characteristics;

(2) integrating a comprehensive design for effective school functioning, including instruction, assessment, classroom management, professional development, parental involvement, and school management, that aligns the school's curriculum, technology, and professional development into a comprehensive reform plan for schoolwide change designed to enable all students to meet challenging State content and student performance standards and addresses needs identified through a school needs assessment;

(3) providing high quality and continuous teacher and staff professional development;

(4) the inclusion of measurable goals for student performance;

(5) support for teachers, principals, administrators, and other school personnel staff;

(6) meaningful community and parental involvement initiatives that will strengthen school improvement activities;

(7) using high quality external technical support and assistance from an entity that has experience and expertise in schoolwide reform and improvement, which may include an institution of higher education;

(8) evaluating school reform implementation and student performance; and

(9) identification of other resources, including Federal, State, local, and private resources, that shall be used to coordinate services that will support and sustain the school reform effort.

(b) SPECIAL RULE.—A school that receives funds to develop a comprehensive school reform program shall not be limited to using the approaches identified or developed by the Secretary, but may develop the school's own comprehensive school reform programs for schoolwide change as described in subsection (a).

SEC. 1607. NATIONAL EVALUATION AND REPORTS.

(a) IN GENERAL.—The Secretary shall develop a plan for a national evaluation of the programs assisted under this part.

(b) EVALUATION.—The national evaluation shall—

(1) evaluate the implementation and results achieved by schools after 3 years of implementing comprehensive school reforms; and

(2) assess the effectiveness of comprehensive school reforms in schools with diverse characteristics.

(c) REPORTS.—Prior to the completion of the national evaluation, the Secretary shall submit an interim report describing implementation activities for the Comprehensive School Reform Program, which began in 1998, to the Committee on Education and the Workforce, and the Committee on Appropriations of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions, and the Committee on Appropriations of the Senate.

PART G—ASSISTANCE TO ADDRESS SCHOOL DROPOUT PROBLEMS

SEC. 1701 PURPOSE.

The purpose of this part is to provide for school drop-out prevention and reentry and to raise academic achievement levels by providing grants, to schools through State educational agencies, that—

(1) challenge all children to attain their highest academic potential; and

(2) ensure that all students have substantial and ongoing opportunities to do so through schoolwide programs proven effective in school dropout prevention.

Subpart 1—Coordinated National Strategy

SEC. 1711. NATIONAL ACTIVITIES.

(a) IN GENERAL.—The Secretary is authorized—

(1) to collect systematic data on the participation in the programs described in paragraph (2)(C) of individuals disaggregated within each State, local educational agency, and school by gender, by each major racial and ethnic group, by English proficiency status, by migrant status, by students with disabilities as compared to nondisabled students, and by economically disadvantaged students as compared to students who are not economically disadvantaged;

(2) to establish and to consult with an intergency working group which shall—

(A) address inter- and intra-agency program coordination issues at the Federal level with respect to school dropout prevention and middle school and secondary school reentry, assess the targeting of existing Federal services to students who are most at risk of dropping out of school, and the cost-effectiveness of various programs and approaches used to address school dropout prevention:

(B) describe the ways in which State and local agencies can implement effective school dropout prevention programs using funds from a variety of Federal programs, including

the programs under this title and the School-to-Work Opportunities Act of 1994; and

(C) address all Federal programs with school dropout prevention or school reentry elements or objectives, programs under title I of this Act, the School-to-Work Opportunities Act of 1994, part B of title IV of the Job Training Partnership Act, subtitle C of title I of the Workforce Investment Act of 1998, and other programs; and

(3) carry out a national recognition program in accordance with subsection (b) that recognizes schools that have made extraordinary progress in lowering school dropout rates under which a public middle school or secondary school from each State will be recognized.

(b) RECOGNITION PROGRAM.—

(1) NATIONAL GUIDELINES.—The Secretary shall develop uniform national guidelines for the recognition program which shall be used to recognize schools from nominations submitted by State educational agencies.

(2) ELIGIBLE SCHOOLS.—The Secretary may recognize under the recognition program any public middle school or secondary school (including a charter school) that has implemented comprehensive reforms regarding the lowering of school dropout rates for all students at that school.

(3) SUPPORT.—The Secretary may make monetary awards to schools recognized under the recognition program in amounts determined by the Secretary. Amounts received under this section shall be used for dissemination activities within the school district or nationally.

Subpart 2—National School Dropout Prevention Initiative

SEC. 1721. PROGRAM AUTHORIZED.

(a) ALLOTMENTS TO STATES.—

(1) IN GENERAL.— From the sum made available under section 1732(b) for a fiscal year the Secretary shall make an allotment to each State in an amount that bears the same relation to the sum as the amount the State received under this title for the preceding fiscal year bears to the amount received by all States under this title for the preceding fiscal year.

(2) DEFINITION OF STATE.—In this subpart, the term 'State' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(b) GRANTS.—From amounts made available to a State under subsection (a), the State educational agency may award grants to public middle schools or secondary schools, that have school dropout rates which are in the highest 1/3 of all school dropout rates in the State, to enable the schools to pay only the startup and implementation costs of effective, sustainable, coordinated, and whole school dropout prevention programs that involve activities such as—

(1) professional development;

(2) obtaining curricular materials;

(3) release time for professional staff;
(4) planning and research;
(5) remedial education;
(6) reduction in pupil-to-teacher ratios;
(7) efforts to meet State student achievement standards;
(8) counseling and mentoring for at-risk students; and
(9) comprehensive school reform models.

(c) AMOUNT.—

(1) IN GENERAL.—Subject to subsection (d) and except as provided in paragraph (2), a grant under this subpart shall be awarded—

(A) in the first year that a school receives a grant payment under this subpart, in an amount that is not less than $50,000 and not more than $100,000, based on factors such as—

(i) school size;

(ii) costs of the model or set of prevention and reentry strategies being implemented; and

(iii) local cost factors such as poverty rates;

(B) in the second such year, in an amount that is not less than 75 percent of the amount the school received under this subpart in the first such year;

(C) in the third year, in an amount that is not less than 50 percent of the amount the school received under this subpart in the first such year; and

(D) in each succeeding year in an amount that is not less than 30 percent of the amount the school received under this subpart in the first such year.

(2) INCREASES.—The Secretary shall increase the amount awarded to a school under this subpart by 10 percent if the school creates smaller learning communities within the school and the creation is certified by the State educational agency.

(d) DURATION.—A grant under this subpart shall be awarded for a period of 3 years, and may be continued for a period of 2 additional years if the State educational agency determines, based on the annual reports described in section 1727(a), that significant progress has been made in lowering the school dropout rate for students participating in the program assisted under this subpart compared to students at similar schools who are not participating in the program.

SEC. 1722. STRATEGIES AND SCHOOL CAPACITY BUILDING.

(a) STRATEGIES.—Each school receiving a grant under this subpart shall implement research-based, sustainable and widely replicated, strategies for school dropout prevention and reentry that address the needs of an entire school population rather than a subset of students. The strategies may include—

(1) specific strategies for targeted purposes, such as effective early intervention programs designed to identify at-risk students, effective programs encompassing traditionally underserved students, including racial and ethnic minorities and pregnant and parenting teenagers, designed to prevent such students from dropping out of school, and effective programs to identify and encourage youth who have already dropped out of

school to reenter school and complete their secondary education; and

(2) approaches such as breaking larger schools down into smaller learning communities and other comprehensive reform approaches, creating alternative school programs, developing clear linkages to career skills and employment, and addressing specific gatekeeper hurdles that often limit student retention and academic success.

(b) CAPACITY BUILDING.—

(1) IN GENERAL.—The Secretary, through a contract with a non-Federal entity, shall conduct a capacity building and design initiative in order to increase the types of proven strategies for dropout prevention and reentry that address the needs of an entire school population rather than a subset of students.

(2) NUMBER AND DURATION.—

(A) NUMBER.—The Secretary shall award not more than 5 contracts under this subsection.

(B) DURATION.—The Secretary shall award a contract under this section for a period of not more than 5 years.

(c) SUPPORT FOR EXISTING REFORM NETWORKS.—

(1) IN GENERAL.—The Secretary shall provide appropriate support to eligible entities to enable the eligible entities to provide training, materials, development, and staff assistance to schools assisted under this subpart.

(2) DEFINITION OF ELIGIBLE ENTITY.—The term 'eligible entity' means an entity that, prior to the date of enactment of the Educational Opportunities Act—

(A) provided training, technical assistance, and materials to 100 or more elementary schools or secondary schools; and

(B) developed and published a specific educational program or design for use by the schools.

SEC. 1723. SELECTION OF SCHOOLS.

(A) SCHOOL APPLICATION.—

(1) IN GENERAL.—Each school desiring a grant under this subpart shall submit an application to the State educational agency at such time, in such manner, and accompanied by such information as the State educational agency may require.

(2) CONTENTS.—Each application submitted under paragraph (1) shall—

(A) contain a certification from the local educational agency serving the school that—

(i) the school has the highest number or rates of school dropouts in the age group served by the local educational agency;

(ii) the local educational agency is committed to providing ongoing operational support, for the school's comprehensive reform plan to address the problem of school dropouts, for a period of 5 years; and

(iii) the local educational agency will support the plan, including—

(I) release time for teacher training;

(II) efforts to coordinate activities for feeder schools; and

(III) encouraging other schools served by the local educational agency to participate in the plan;

(B) demonstrate that the faculty and administration of the school have agreed to apply for assistance under this subpart, and provide evidence of the school's willingness and ability to use the funds under this subpart, including providing an assurance of the support of 80 percent or more of the professional staff at the school;

(C) describe the instructional strategies to be implemented, how the strategies will serve all students, and the effectiveness of the strategies;

(D) describe a budget and timeline for implementing the strategies;

(E) contain evidence of coordination with existing resources;

(F) provide an assurance that funds provide under this subpart will supplement and not supplant other Federal, State, and local funds;

(G) describe how the activities to be assisted conform with research-based knowledge about school dropout prevention and reentry; and

(H) demonstrate that the school and local educational agency have agreed to conduct a schoolwide program under section 1114.

(b) STATE AGENCY REVIEW AND AWARD.—The State educational agency shall review applications and award grants to schools under subsection (a) according to a review by a panel of experts on school dropout prevention.

(c) ELIGIBILITY.—A school is eligible to receive a grant under this subpart if the school is—

(1) a public school (including a public alternative school)—

(A) that is eligible to receive assistance under part A, including a comprehensive secondary school, a vocational or technical secondary school, and a charter school; and

(B)(i) that serves students 50 percent or more of whom are low-income individuals; or

(ii) with respect to which the feeder schools that provide the majority of the incoming students to the school serve students 50 percent or more of whom are low-income individuals; or

(2) participating in a schoolwide program under section 1114 during the grant period.

(d) COMMUNITY-BASED ORGANIZATIONS.—A school that receives a grant under this subpart may use the grant funds to secure necessary services from a community-based organization, including private sector entities, if—

(1) the school approves the use;

(2) the funds are used to provide school dropout prevention and reentry activities related to schoolwide efforts; and

(3) the community-based organization has demonstrated the organization's ability to provide effective services as described in section 107(a) of the Job Training Partnership Act, or section 122 of the Workforce Investment Act of 1998.

(e) COORDINATION.—Each school that receives a grant under this subpart shall coordinate the activities assisted under this subpart with other Federal programs, such as programs assisted under chapter 1 of subpart 2 of part A of title IV of the Higher Education Act of 1965 and the School-to-Work Opportunities Act of 1994.

SEC. 1724. DISSEMINATION ACTIVITIES.

Each school that receives a grant under this subpart shall provide information and technical assistance to other schools within the school district, including presentations, document-sharing, and joint staff development.

SEC. 1725. PROGRESS INCENTIVES.

Notwithstanding any other provision of law, each local educational agency that receives funds under this title shall use such funding to provide assistance to schools served by the agency that have not made progress toward lowering school dropout rates after receiving assistance under this subpart for 2 fiscal years.

SEC. 1726. SCHOOL DROPOUT RATE CALCULATION.

For purposes of calculating a school dropout rate under this subpart, a school shall use—

(1) the annual event school dropout rate for students leaving a school in a single year determined in accordance with the National Center for Education Statistics' Common Core of Data, if available; or

(2) in other cases, a standard method for calculating the school dropout rate as determined by the State educational agency.

SEC. 1727. REPORTING AND ACCOUNTABILITY.

(a) REPORTING.—In order to receive funding under this subpart for a fiscal year after the first fiscal year a school receives funding under this subpart, the school shall provide, on an annual basis, to the Secretary a report regarding the status of the implementation of activities funded under this subpart, the outcome data for students at schools assisted under this subpart disaggregated in the same manner as information under section 1711(a) (such as dropout rates), and certification of progress from the eligible entity whose strategies the school is implementing.

(b) ACCOUNTABILITY.—On the basis of the reports submitted under subsection (a), the Secretary shall evaluate the effect of the activities assisted under this subpart on school dropout prevention compared to a control group.

SEC. 1728. STATE RESPONSIBILITIES.

(a) UNIFORM DATA COLLECTION.—Within 1 year after the date of enactment of the Educational Opportunities Act, a State educational agency that receives funds under this part shall report to the Secretary and statewide, all school district and school data regarding school dropout rates in the State disaggregated in the same manner as information under section 1711(a), according to procedures that conform with the National Center for Education Statistics' Common Core of Data.

(b) ATTENDANCE-NEUTRAL FUNDING POLICIES.—Within 2 years after the date of enactment of the Educational Opportunities Act, a State educational agency that receives funds under this part shall

develop and implement education funding formula policies for public schools that provide appropriate incentives to retain students in school throughout the school year; such as—

(1) a student count methodology that does not determine annual budgets based on attendance on a single day early in the academic year; and

(2) specific incentives for retaining enrolled students throughout each year.

(c) SUSPENSION AND EXPULSION POLICIES.—Within 2 years after the date of enactment of the Educational Opportunities Act, a State educational agency that receives funds under this part shall develop uniform, long-term suspension and explusion policies for serious infractions resulting in more than 10 days of exclusion from school per academic year so that similar violations result in similar penalties.

(d) REGULATIONS.—The Secretary shall promulgate regulations implementing subsections (a) through (c).

Subpart 3—Definitions; Authorization of Appropriations

SEC. 1731. DEFINITIONS.

In this part:

(1) LOW-INCOME.—The term "low-income", used with respect to an individual, means an individual determined to be low-income in accordance with measures described in section 1113(a)(5).

(2) SCHOOL DROPOUT.—The term "school dropout" has the meaning given the term in section 4(17) of the School-to-Work Opportunities Act of 1994.

SEC. 1732. AUTHORIZATION OF APPROPRIATIONS.

(a) SUBPART 1.—There are authorized to be appropriated to carry out subpart 1, $5,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(b) SUBPART 2.—There are authorized to be appropriated to carry out subpart 2, $145,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years, of which—

(1) $125,000,000 shall be available to carry out section 1721; and

(2) $20,000,000 shall be available to carry out section 1722.

PART [F] H—GENERAL PROVISIONS

SEC. [1601] 1901. [**20 U.S.C. 6511**] FEDERAL REGULATIONS.

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SEC. [1602] 1902. [**20 U.S.C. 6542**] COORDINATION OF FEDERAL, STATE, AND LOCAL ADMINISTRATION.

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SEC. [1603] 1903. [**20 U.S.C. 6519**] STATE ADMINISTRATION.

SEC. [1604] 1904. [**20 U.S.C. 6314**] CONSTRUCTION.

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[TITLE II—DWIGHT D. EISENHOWER PROFESSIONAL DEVELOPMENT PROGRAM

[SEC. 2001. [20 U.S.C. 6601] FINDINGS.

[The Congress finds as follows:

[(1) Reaching the National Education Goals, particularly the third, fourth, and fifth National Education Goals, requires a comprehensive educational reform strategy that involves parents, schools, government, communities, and other public and private organizations at all levels.

[(2) A crucial component of the strategy for achieving such goals is ensuring, through sustained and intensive high-quality professional development, that all teachers will provide challenging learning experiences in the core academic subjects for their students.

[(3) Decisionmaking as to what activities a State or local educational agency should undertake to improve teaching and learning are best made by individuals in the schools closest to the classroom and most knowledgeable about the needs of schools and students.

[(4) The potential positive impact of high-quality professional development is underscored by recent research findings that—

[(A) professional development must be focused on teaching and learning in order to improve the opportunities of all students to achieve higher standards;

[(B) effective professional development focuses on discipline-based knowledge and effective subject-specific pedagogical skills, involves teams of teachers, and, where appropriate, administrators and pupil services personnel, in a school and, through professional networks of teachers, and, where appropriate, teacher educators, administrators, pupil services personnel, and parents, is interactive and collaborative, motivates by its intrinsic content and relationship to practice, builds on experience and learning-by-doing, and becomes incorporated into the everyday life of the school;

[(C) professional development can dramatically improve classroom instruction and learning when teachers, and, where appropriate, administrators, pupil services personnel, and parents, are partners in the development and implementation of such professional development; and

[(D) new and innovative strategies for teaching to high standards will require time for teachers, outside of the time spent teaching, for instruction, practice, and collegial collaboration.

[(5) Special attention must be given in professional development activities to ensure that education professionals are knowledgeable of, and make use of, strategies for serving populations that historically have lacked access to equal opportunities for advanced learning and career advancement.

[(6) Professional development is often a victim of budget reductions in fiscally difficult times.

[(7) The Federal Government has a vital role in helping States and local educational agencies to make sustained and intensive high-quality professional development in the core academic subjects become an integral part of the elementary and secondary education system.

[(8) Professional development activities must prepare teachers, pupil services personnel, paraprofessionals and other staff in the collaborative skills needed to appropriately teach children with disabilities, in the core academic subjects.

[(9) Parental involvement is an important aspect of school reform and improvement. There is a need for special attention to ensure the effective involvement of parents in the education of their children. Professional development should include methods and strategies to better prepare teachers and, where appropriate, administrators, to enable parents to participate fully and effectively in their children's education.

[SEC. 2002. [20 U.S.C. 6602] PURPOSES.

[The purposes of this title are to provide assistance to State and local educational agencies and to institutions of higher education with teacher education programs so that such agencies and institutions can determine how best to improve the teaching and learning of all students by—

[(1) helping to ensure that teachers, and, where appropriate, other staff and administrators, have access to sustained and intensive high-quality professional development that is aligned to challenging State content standards and challenging State student performance standards, and to support the development and implementation of sustained and intensive high-quality professional development activities in the core academic subjects; and

[(2) helping to ensure that teachers, and, where appropriate, administrators, other staff, pupil services personnel, and parents, have access to professional development that—

[(A) is tied to challenging State content standards and challenging State student performance standards;

[(B) reflects recent research on teaching and learning;

[(C) includes strong academic content and pedagogical components;

[(D) incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse student populations, including females, minorities, individuals with disabilities, limited-English-proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging State student performance standards;

[(E) is of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom; and

[(F) is part of the everyday life of the school and creates an orientation toward continuous improvement throughout the school.

[SEC. 2003. [20 U.S.C. 6603] AUTHORIZATION OF APPROPRIATIONS; ALLOCATION BETWEEN PARTS.

[(a) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this title (other than part C), there are authorized to be appropriated $800,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(b) ALLOCATION BETWEEN PARTS.—Of the amounts appropriated to carry out this title for any fiscal year, the Secretary shall make available—

[(1) 5 percent of such amounts to carry out subpart 1, of which 5 percent of such 5 percent shall be available to carry out section 2103;

[(2) 94 percent of such amounts to carry out part B; and

[(3) 1 percent of such amounts to carry out part D except that such 1 percent shall not exceed $3,200,000 in any fiscal year.

[PART A—FEDERAL ACTIVITIES

[SEC. 2101. [20 U.S.C. 6621] PROGRAM AUTHORIZED.

[(a) IN GENERAL.—The Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with, local educational agencies, educational service agencies, State educational agencies, State agencies for higher education, institutions of higher education, and other public and private agencies, organizations, and institutions to—

[(1) support activities of national significance that the Secretary determines will contribute to the development and implementation of high-quality professional development activities in the core academic subjects; and

[(2) evaluate activities carried out under this part and parts B and C, in accordance with section 14701.

[(b) REQUIREMENTS.—In carrying out the activities described in subsection (a), the Secretary shall coordinate professional development programs within the Department, particularly with those programs within the Office of Educational Research and Improvement and the Office of Special Education and Rehabilitative Services, and shall consult and coordinate with the National Science Foundation, the National Endowment for the Humanities, the National Endowment for the Arts, the Institute of Museum and Library Services, and other appropriate Federal agencies and entities.

[SEC. 2102. [20 U.S.C. 6622] AUTHORIZED ACTIVITIES.

[(a) ACTIVITIES.—The Secretary shall use funds available to carry out this part for—

[(1) providing seed money to the entities described in section 2101(a) to develop the capacity of such entities to offer sustained and intensive high-quality professional development;

[(2) awarding a grant or contract, in consultation with the Director of the National Science Foundation, to establish an Eisenhower National Clearinghouse for Mathematics and Science Education (hereafter in this section referred to as the "Clearinghouse"); and

[(3) evaluating programs assisted under this part and parts B and C, in accordance with section 14701.

[(b) CLEARINGHOUSE.—

[(1) APPLICATION AND AWARD BASIS.—Each entity desiring to establish and operate the Clearinghouse authorized by subsection (a)(2) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. The grant or contract awarded pursuant to subsection (a)(2) shall be made on a competitive, merit basis.

[(2) DURATION.—The grant or contract awarded under subsection (a)(2) shall be awarded for a period of five years and shall be reviewed by the Secretary not later than 30 months from the date the grant or contract is awarded.

[(3) USE OF FUNDS.—The grant or contract awarded under subsection (a)(2) shall be used to—

[(A) maintain a permanent repository of mathematics and science education instructional materials and programs for elementary and secondary schools, including middle schools (including, to the extent practicable, all materials and programs developed with Federal and non-Federal funds, such as instructional materials developed by the Department, materials developed by State and national mathematics and science programs assisted under this part, and other instructional materials) for use by the regional consortia established under part C of title XIII and by the general public;

[(B) compile information on all mathematics and science education programs administered by each Federal agency or department;

[(C) disseminate information, programs, and instructional materials to the public, dissemination networks, and the regional consortia established under part C of title XIII;

[(D) coordinate with identifiable and existing data bases containing mathematics and science curriculum and instructional materials, including Federal, non-Federal, and, where feasible, international, data bases;

[(E) participate in collaborative meetings of representatives of the Clearinghouse and the regional consortia established under part C of title XIII to discuss issues of common interest and concern, to foster effective collaboration and cooperation in acquiring and distributing curriculum materials and programs, and to coordinate computer network access to the Clearinghouse and the resources of the regional consortia, except that not more than 3 percent of the funds awarded under subsection (a)(2) shall be used to carry out this subparagraph; and

[(F) gather qualitative and evaluative data on submissions to the Clearinghouse.

[(4) SUBMISSION TO CLEARINGHOUSE.—Each Federal agency or department which develops mathematics or science education instructional material or programs, including the National Science Foundation and the Department, shall submit to the Clearinghouse copies of such material or programs.

[(5) PEER REVIEW.—The Secretary shall establish a peer review process to select the recipient of the award under subsection (a)(2).

[(6) STEERING COMMITTEE.—The Secretary may appoint a steering committee to recommend policies and activities for the Clearinghouse.

[(7) APPLICATION OF COPYRIGHT LAWS.—Nothing in this subsection shall be construed to allow the use or copying, in any media, of any material collected by the Clearinghouse that is protected under the copyright laws of the United States unless the permission of the owner of the copyright is obtained. The Clearinghouse, in carrying out the provisions of this subsection, shall ensure compliance with title 17, United States Code.

[(8) DISSEMINATION OF INFORMATION.—The Secretary shall disseminate information concerning the grant or contract awarded under this section to State and local educational agencies and institutions of higher education. Such dissemination of information shall include examples of exemplary national programs in mathematics and science instruction and necessary technical assistance for the establishment of similar programs.

[(c) USES OF FUNDS.—The Secretary may use funds available to carry out this part for—

[(1) the development and maintenance of national clearinghouses for core academic subjects as the Secretary determines are needed and which shall be administered as adjunct clearinghouses of the Educational Resources Information Center Clearinghouses system of clearinghouses supported by the Office of Educational Research and Improvement;

[(2) professional development institutes that provide teachers or teams of teachers, and, where appropriate, administrators, pupil services personnel and other staff, from individual schools, with professional development that contains strong and integrated disciplinary and pedagogical components;

[(3) encouraging the development of local and national professional networks, such as the Teacher Research Dissemination Demonstration Program under section 941(j) of the Educational Research, Development, Dissemination, and Improvement Act of 1994, that provide a forum for interaction among teachers of the core academic subjects and that allow the exchange of information on advances in content and pedagogy;

[(4) efforts to train teachers in the innovative uses and applications of technology to enhance student learning;

[(5) the development and dissemination of model teaching standards in the core academic subjects;

[(6) disseminating standards in the core academic subjects, including information on voluntary national content standards and voluntary national student performance standards and related models of high-quality professional development;

[(7) the dissemination of information about voluntary national content standards, State content standards, voluntary national student performance standards and State student per-

formance standards, and related models of high-quality professional development;

[(8) efforts to train teachers in innovative instructional methodologies designed to meet the diverse learning needs of individual students, including methodologies which integrate academic and vocational learning and applied learning, interactive, interdisciplinary team teaching, and other alternative teaching strategies, such as service learning, experiential learning, career-related education, and environmental education, that integrate real world applications into the core academic subjects;

[(9) disseminating models of high-quality professional development activities that train educators in strategies, techniques, methods, and practices for meeting the educational needs of historically underserved populations, including females, minorities, individuals with disabilities, limited-English-proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging State student performance standards;

[(10) promoting the transferability of licensure and certification of teachers and administrators among State and local jurisdictions;

[(11) supporting the National Board for Professional Teaching Standards;

[(12) developing activities to prepare teachers, and, where appropriate, paraprofessionals, pupil services personnel, and other staff in the collaborative skills needed to appropriately teach children with disabilities in the core academic subjects;

[(13) encouraging the development of innovative models for recruitment, induction, retention, and assessment of new, highly qualified teachers, especially such teachers from historically underrepresented groups; and

[(14) joint activities with other Federal agencies and entities engaged in or supporting similar professional development efforts.

[SEC. 2103. [20 U.S.C. 6623] NATIONAL TEACHER TRAINING PROJECT.

[(a) SHORT TITLE; FINDINGS; DEFINITIONS.—

[(1) SHORT TITLE.—This section may be cited as the "National Teacher Training Project Act of 1994".

[(2) FINDINGS.—The Congress finds that—

[(A) teachers must be major players in educational reform in the United States;

[(B) teachers are isolated from their peers and have virtually no time during the school day to consult with other teachers;

[(C) there is a shortage of sustained, year-round professional development programs for teachers;

[(D) successful teaching methods are not adequately shared among teachers;

[(E) teachers are the best teachers of other teachers because practicing classroom teachers have experience that no outside consultant can match;

[(F) it is important for universities and schools to collaborate on teacher development programs if teaching and learning are to be improved;

[(G) pertinent research is not shared among teachers in a professional setting;

[(H) exemplary teachers should be recognized for their abilities and contributions and encouraged to refine their teaching methods;

[(I) each State should support a nationally based teacher training program, that is modeled after the National Writing Project, for teachers of early childhood education, and for teachers of core academic subjects including teachers of mathematics, science, English, civics and government, foreign languages, and arts;

[(J) the National Writing Project is a nationally recognized and honored nonprofit organization that recognizes there are teachers in every region of the United States who have developed successful methods for teaching writing and that such teachers can be trained and encouraged to train other teachers;

[(K) the National Writing Project is a collaborative university-school program which offers summer and school year inservice teacher training programs and a dissemination network to inform and teach teachers regarding developments in the field of writing;

[(L) each year, over 125,000 teachers voluntarily seek training in National Writing Project intensive summer institutes and workshops and school year inservice programs through one of the 155 sites located within the United States, and in 18 sites located outside of the United States;

[(M) in the 20 years of its existence, over 1,100,000 teachers, administrators, and parents have participated in National Writing Project programs;

[(N) less than $16 per teacher was the average cost in Federal dollars for all teacher training at writing projects in academic year 1991–1992;

[(O) for every dollar in Federal support, the National Writing Project provides over $5 in matching funds from States, local universities and schools, and the private sector;

[(P) private foundation resources, although generous in the past concerning National Writing Project programs, are inadequate to fund all of the National Teacher Training Project sites needed, and the future of the program is in jeopardy without secure financial support;

[(Q) the National Writing Project has become a model for programs in other fields, such as science, mathematics, history, literature, foreign languages, and the performing arts, and the development of programs in other fields should continue with the support of Federal funds; and

[(R) each of the 50 States should participate in the National Teacher Training Project by establishing regional teacher training sites in early childhood development, mathematics, science, English, civics and government, for-

eign languages, and arts to serve all teachers within the State.

[(3) DEFINITIONS.—For the purpose of this section—

[(A) the term "contractor" means—

[(i) a local educational agency;

[(ii) an educational service agency; or

[(iii) an institution of higher education that awards a bachelor's degree; and

[(B) the term "eligible recipient" means a nonprofit educational organization which has as its primary purpose the improvement of student learning in one of the core academic subjects described in subsection (b)(2).

[(b) GRANTS AUTHORIZED.—

[(1) GRANTS TO ELIGIBLE RECIPIENTS.—The Secretary is authorized to award a grant to an eligible recipient to enable such recipient—

[(A) to support and promote the establishment of teacher training programs in early childhood development and one of the nine core subject areas described in paragraph (2), including the dissemination of effective practices and research findings regarding teacher training, and administrative activities;

[(B) to support classroom research on effective teaching practices in such area; and

[(C) to pay the Federal share of the cost of such programs and research.

[(2) CORE SUBJECT AREAS.—To the extent feasible, the Secretary shall award a grant under paragraph (1) for the establishment of a National Teacher Training Project in early childhood development and each of the following core subject areas:

[(A) Mathematics.

[(B) Science.

[(C) English.

[(D) Civics and government.

[(E) Foreign languages.

[(F) Arts.

[(G) Geography.

[(H) History.

[(I) Economics.

[(3) NUMBER OF GRANTS AND ELIGIBLE RECIPIENTS.—The Secretary shall award not more than ten grants under paragraph (1) to ten different eligible recipients.

[(4) EQUITABLE DISTRIBUTION.—The Secretary shall award grants under paragraph (1) to eligible recipients from different geographic areas of the United States.

[(5) SPECIAL RULE.—Each grant under paragraph (1) shall be of sufficient size, scope, and quality to be effective.

[(6) ADMINISTRATIVE COSTS AND TECHNICAL ASSISTANCE.—Each eligible recipient receiving a grant under paragraph (1) may use not more than a total of 5 percent of the grant funds for administrative costs and the costs of providing technical assistance to a contractor.

[(c) GRANT REQUIREMENTS.—Each eligible recipient receiving a grant under subsection (b) shall—

[(1) enter into a contract with a contractor under which such contractor agrees—

[(A) to establish, operate, and provide the non-Federal share of the cost of teacher training programs in effective approaches and processes for the teaching of the core academic subjects for which such eligible recipient was awarded a grant, including approaches and processes to obtain parental involvement in a child's education; and

[(B) to use funds received from the eligible recipient to pay the Federal share of the cost of establishing and operating teacher training programs described in subparagraph (A);

[(2) to submit annual reports to the Secretary and be responsible for oversight of the funds expended at each teacher training program described in subparagraph (A); and

[(3) meet such other conditions and standards as the Secretary determines to be necessary to ensure compliance with this section and provide such technical assistance as may be necessary to carry out this section.

[(d) TEACHER TRAINING PROGRAMS.—The teacher training programs described in subsection (b) shall—

[(1) be conducted during the school year and during the summer months;

[(2) train teachers who teach grades kindergarten through college;

[(3) select teachers to become members of a National Teacher Training Project, which members shall conduct inservice workshops for other teachers in the area subject matter served by the National Teacher Training Project site;

[(4) use teacher training principles and receive technical assistance from the National Writing Project; and

[(5) encourage teachers from all disciplines to participate in such teacher training programs.

[(e) FEDERAL SHARE.—The term "Federal share" means, with respect to the costs of teacher training programs described in subsection (b), 50 percent of such costs to the contractor.

[(f) APPLICATION.—Each eligible recipient desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[(g) PARTICIPANTS AND SELECTION PROCESS.—The selection process for participation in a teacher training program described in subsection (b) shall—

[(1) reward exemplary teachers with varying levels of teaching experience who are nominated by other teachers and administrators;

[(2) involve an application process to select participants for a summer program;

[(3) ensure the selection of a geographically and ethnically diverse group of teachers by soliciting applications from teachers of both public and private institutions in rural, urban, and suburban settings in each State; and

[(4) automatically offer a place in a summer program to the "Teacher of the Year" chosen pursuant to a Federal or State teacher recognition program.

[(h) LIMITATION.—A contractor entering into a contract under subsection (c)(1) shall not spend more than 5 percent of funds received under the contract for administrative costs.

[PART B—STATE AND LOCAL ACTIVITIES

[SEC. 2201. [20 U.S.C. 6641] PROGRAM AUTHORIZED.

[The Secretary is authorized to make grants to State educational agencies for the improvement of teaching and learning through sustained and intensive high-quality professional development activities in the core academic subjects at the State and local levels.

[SEC. 2202. [20 U.S.C. 6642] ALLOCATION OF FUNDS.

[(a) RESERVATION OF FUNDS.—From the amount available to carry out this part for any fiscal year, the Secretary shall reserve—

[(1) ½ of 1 percent for the outlying areas, to be distributed among the outlying areas on the basis of their relative need, as determined by the Secretary in accordance with the purposes of this part; and

[(2) ½ of 1 percent for the Secretary of the Interior for programs under this part for professional development activities for teachers, other staff, and administrators in schools operated or funded by the Bureau of Indian Affairs.

[(b) STATE ALLOCATIONS.—The Secretary shall allocate the amount available to carry out this part and not reserved under subsection (a) to each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico as follows, except that no State shall receive less than ½ of 1 percent of such amount:

[(1) Fifty percent shall be allocated among such jurisdictions on the basis of their relative populations of individuals aged five through 17, as determined by the Secretary on the basis of the most recent satisfactory data.

[(2) Fifty percent shall be allocated among such jurisdictions in accordance with the relative amounts such jurisdictions received under part A of title I for the preceding fiscal year, or for fiscal year 1995 only, such part's predecessor authority.

[(c) REALLOCATION.—If any jurisdiction does not apply for an allotment under subsection (b) for any fiscal year, the Secretary shall reallocate such amount to the remaining jurisdictions in accordance with such subsection.

[SEC. 2203. [20 U.S.C. 6643] WITHIN-STATE ALLOCATIONS.

[Of the amounts received by a State under this part for any fiscal year—

[(1) 84 percent shall be available for local allowable activities under section 2210(b), of which—

[(A) not more than 5 percent may be used for the administrative costs of the State educational agency and for State-level activities described in section 2207; and

[(B) of the remaining amount—

[(i) 50 percent shall be distributed to local educational agencies—

[(I) for use in accordance with section 2210; and

[(II) in accordance with the relative enrollments in public and private nonprofit elementary and secondary schools within the boundaries of such agencies; and

[(ii) 50 percent of such amount shall be distributed to local educational agencies—

[(I) for use in accordance with section 2210; and

[(II) in accordance with the relative amount such agencies received under part A of title I or for fiscal year 1995 for the preceding fiscal year, such part's predecessor authority; and

[(2) 16 percent shall be available to the State agency for higher education for activities under section 2211, of which not more than 5 percent may be used for the administrative costs of the State agency for higher education.

[SEC. 2204. [20 U.S.C. 6644] CONSORTIUM REQUIREMENT.

[(a) IN GENERAL.—A local educational agency receiving a grant under this part of less than $10,000 shall form a consortium with another local educational agency or an educational service agency serving another local educational agency to be eligible to participate in programs assisted under this part.

[(b) WAIVER.—The State educational agency may waive the application of paragraph (1) in the case of any local educational agency that demonstrates that the amount of its allocation under this part is sufficient to provide a program of sufficient size, scope, and quality to be effective. In granting waivers under the preceding sentence, the State educational agency shall—

[(1) give special consideration to local educational agencies serving rural areas if distances or traveling time between schools make formation of the consortium more costly or less effective; and

[(2) consider cash or in-kind contributions provided from State or local sources that may be combined with the local educational agency's allocation for the purpose of providing services under this part.

[(c) SPECIAL RULE.—Each consortium shall rely, as much as possible, on technology or other arrangements to provide staff development programs tailored to the needs of each school or school district participating in a consortium described in subsection (a).

[SEC. 2205. [20 U.S.C. 6645] STATE APPLICATIONS.

[(a) APPLICATIONS REQUIRED.—Each State educational agency that wishes to receive an allotment under this part for any fiscal year shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

[(b) STATE PLAN TO IMPROVE TEACHING AND LEARNING.—

[(1) IN GENERAL.—Each application under this section shall include a State plan that is coordinated with the State's plan under other programs assisted under this Act, the Goals 2000: Educate America Act, and other Acts, as appropriate, consistent with the provisions of section 14306.

[(2) CONTENTS.—Each such State plan shall—

[(A) be developed in conjunction with the State agency for higher education, community-based and other nonprofit organizations of demonstrated effectiveness, institutions of higher education or schools of education, and with the extensive participation of local teachers, administrators and pupil services personnel and show the role of each such entity in implementation of the plan;

[(B) be designed to give teachers, and, where appropriate, administrators and pupil services personnel in the State, the knowledge and skills necessary to provide all students the opportunity to meet challenging State content standards and challenging State student performance standards;

[(C) include an assessment of State and local needs for professional development specifically related to subparagraph (B);

[(D) include a description of how the plan has assessed the needs of local educational agencies serving rural and urban areas, and what actions are planned to meet such needs;

[(E) include a description of how the activities assisted under this part will address the needs of teachers in schools receiving assistance under part A of title I;

[(F) a description of how programs in all core academic subjects, but especially in mathematics and science, will take into account the need for greater access to, and participation in, such disciplines by students from historically underrepresented groups, including females, minorities, individuals with limited English proficiency, the economically disadvantaged, and individuals with disabilities, by incorporating pedagogical strategies and techniques which meet such individuals' educational needs;

[(G) be consistent with the State's needs assessment under subparagraph (C), and describe how the State will work with teachers, including teachers in schools receiving assistance under part A of title I, administrators, parents, local educational agencies, schools, educational service agencies, institutions of higher education, and nonprofit organizations of demonstrated effectiveness, to ensure that such individuals develop the capacity to support sustained and intensive, high-quality professional development programs in the core academic subjects;

[(H) describe how the State requirements for licensure of teachers and administrators, including certification and recertification, support challenging State content standards and challenging State student performance standards and whether such requirements are aligned with such standards;

[(I) address the need for improving teaching and learning through teacher development beginning with recruitment, preservice, and induction, and continuing throughout the professional teaching career, taking into account the need, as determined by the State, for greater access to

and participation in the teaching profession by individuals from historically underrepresented groups;

[(J) describe how the State will prepare all teachers to teach children with diverse learning needs, including children with disabilities;

[(K) describe how the State will prepare teachers, and, where appropriate, paraprofessionals, pupil services personnel, and other staff in the collaborative skills needed to appropriately teach children with disabilities, in the core academic subjects;

[(L) describe how the State will use technology, including the emerging national information infrastructure, to enhance the professional development of teachers, and, where appropriate, administrators and pupil services personnel;

[(M) describe how the State will provide incentives to teachers and administrators to focus their professional development on preparing such teachers and administrators to provide instruction consistent with challenging State content standards and challenging State student performance standards;

[(N) set specific performance indicators for professional development; and

[(O) describe how parents can be involved in professional development programs to enhance the participation of parents in the education of their children.

[(3) DURATION OF THE PLAN.—Each such State plan shall—

[(A) remain in effect for the duration of the State's participation under this part; and

[(B) be periodically reviewed and revised by the State, as necessary, to reflect changes in the State's strategies and programs under this part.

[(c) ADDITIONAL MATERIAL.—Each State application shall include—

[(1) a description of how the activities assisted under this part will be coordinated, as appropriate, with—

[(A) other activities conducted with Federal funds, especially activities supported under part A of title I of this Act and the Individuals with Disabilities Education Act;

[(B) programs supported by State and local funds;

[(C) resources from business and industry, museums, libraries, educational television stations, and public and private nonprofit organizations of demonstrated experience; and

[(D) funds received from other Federal agencies, such as the National Science Foundation, the Departments of Commerce, Energy, and Health and Human Services, the National Endowment for the Arts, the Institute of Museum and Library Services, and the National Endowment for the Humanities; and

[(2) a description of the activities to be sponsored under the State-level activities under section 2207 and the higher education activities under section 2211.

[(d) PEER REVIEW AND SECRETARIAL APPROVAL.—

[(1) IN GENERAL.—The Secretary shall approve an application of a State educational agency under this section if such application meets the requirements of this section and holds reasonable promise of achieving the purposes of this part.

[(2) REVIEW.—In reviewing applications under this section, the Secretary shall obtain the advice of non-Federal experts on education in the core academic subjects and on teacher education, including teachers and administrators.

[SEC. 2206. [20 U.S.C. 6646] PRIORITY FOR PROFESSIONAL DEVELOPMENT IN MATHEMATICS AND SCIENCE.

[(a) APPROPRIATION OF LESS THAN $250,000,000.—In any fiscal year for which the amount appropriated for this title (other than part C) is less than $250,000,000, each State shall ensure that all funds distributed in accordance with section 2203(1)(C) are used for professional development in mathematics and science.

[(b) APPROPRIATION EQUAL TO OR ABOVE $250,000,000.—In any fiscal year for which the amount appropriated for this title (other than part C) is equal to or exceeds $250,000,000, each State and local educational agency shall use for professional development activities in mathematics and science the amount of funds that would have been made available to each such agency in accordance with sections 2202 and 2203 if the amount appropriated was $250,000,000, consistent with subsection (a), and are permitted and encouraged to use the amount of funds in excess of $250,000,000 that is made available in accordance with sections 2202 and 2203 for professional development activities in mathematics and science.

[SEC. 2207. [20 U.S.C. 6647] STATE-LEVEL ACTIVITIES.

[Each State may use funds made available under section 2203(1)(A) to carry out activities described in the plan under section 2205(b), such as—

[(1) reviewing and reforming State requirements for teacher and administrator licensure, including certification and recertification, to align such requirements with the State's challenging State content standards and ensure that teachers and administrators have the knowledge and skills necessary to help students meet challenging State student performance standards;

[(2) developing performance assessments and peer review procedures, as well as other methods, for licensing teachers and administrators;

[(3) providing technical assistance to schools and local educational agencies, especially schools and local educational agencies that receive assistance under part A of title I, to help such schools and agencies provide effective professional development in the core academic subjects;

[(4) developing or supporting professional development networks, either within a State or in a regional consortium of States, that provide a forum for interaction among teachers and that allow exchange of information on advances in content and pedagogy;

[(5) supporting partnerships between schools, consortia of schools, or local educational agencies and institutions of higher education, including schools of education, which encourage—

[(A) teachers to participate in intensive, ongoing professional development programs, both academic and pedagogical, at institutions of higher education; and

[(B) students at institutions of higher education studying to become teachers to have direct, practical experience at the schools;

[(6) providing professional development in the effective use of educational technology as an instructional tool for increasing student understanding of the core academic subjects, including efforts to train teachers in methods of achieving gender equity both in students' access to computers and other educational technology and in teaching practices used in the application of educational technology;

[(7) providing incentives for teachers to be involved in assessment, curriculum development, and technical assistance processes for teachers and students;

[(8) providing professional development to enable teachers, and, where appropriate, pupil services personnel, and other school staff, to ensure that girls and young women, minorities, limited English proficient students, individuals with disabilities, and economically disadvantaged students have the full opportunity to achieve challenging State content standards and challenging State student performance standards in the core academic subjects by, for example, encouraging girls and young women and minorities to pursue advanced courses in mathematics and science;

[(9) professional development and recruitment activities designed to increase the numbers of minorities, individuals with disabilities, and women teaching in the core academic subjects in which such individuals are underrepresented;

[(10) providing financial or other incentives for teachers to become certified by nationally recognized professional teacher enhancement organizations;

[(11) providing professional development activities which prepare teachers, and where appropriate, pupil services personnel, paraprofessionals, and other staff in the collaborative skills needed to appropriately teach children with disabilities, in the core academic subjects;

[(12) identifying, developing, or supporting professional development strategies to better equip parents to assist their children in raising their children's achievement in the core academic subjects; and

[(13) professional development activities designed to increase the number of women and other underrepresented groups in the administration of schools.

[SEC. 2208. [20 U.S.C. 6648] LOCAL PLAN AND APPLICATION FOR IMPROVING TEACHING AND LEARNING.

[(a) LOCAL APPLICATION.—

[(1) IN GENERAL.—Each local educational agency that wishes to receive a subgrant under this part shall submit an application (singly or as a consortium as described in section 2204) to the State educational agency at such time as the State educational agency shall require, but not less frequently than every three years, that is coordinated with other programs

under this Act, the Goals 2000: Educate America Act, or other Acts, as appropriate, consistent with the provisions of section 14306.

[(2) INDICATORS.—A local educational agency shall set specific performance indicators for improving teaching and learning through professional development.

[(b) NEEDS ASSESSMENT.—

[(1) IN GENERAL.—A local educational agency that wishes to receive a subgrant under this part shall include in its application an assessment of local needs for professional development as identified by the local educational agency and school staff.

[(2) REQUIREMENTS.—Such needs assessment shall be carried out with the involvement of teachers, including teachers in schools receiving assistance under part A of title I, and shall take into account what activities need to be conducted in order to give teachers and, where appropriate, administrators, the means, including the knowledge and skills, to provide students with the opportunity to meet challenging State or local student performance standards.

[(c) APPLICATION CONTENTS.—Each application under this section shall include the local educational agency's plan for professional development that—

[(1) focuses on teaching and learning in the core academic subjects; and

[(2) has been developed with the extensive participation of administrators, staff, and pupil services personnel, which teachers shall also be representative of the grade spans within schools to be served and of schools which receive assistance under part A of title I.

[(d) PLAN CONTENTS.—

[(1) IN GENERAL.—Based on the needs assessment required under subsection (b), the local educational agency's plan shall—

[(A) include a description of how the plan contributes to the local educational agency's overall efforts for school reform and educational improvement;

[(B) include a description of how the activities funded under this section will address the needs of teachers in schools receiving assistance under part A of title I;

[(C) be aligned with the State's challenging State content standards and challenging State student performance standards;

[(D) describe a strategy, tied to challenging State content standards and challenging State student performance standards, consistent with the needs assessment under subsection (b);

[(E) be of sufficient intensity and duration to have a positive and lasting impact on the student's performance in the classroom;

[(F) describe how programs in all core academic subjects, but especially in mathematics and science, will take into account the need for greater access to, and participation in, such disciplines by students from historically underrepresented groups, including girls and women, mi-

norities, individuals with limited English proficiency, the economically disadvantaged, and individuals with disabilities, by incorporating pedagogical strategies and techniques which meet such individuals' educational need;

[(G) contain an assurance that the activities conducted with funds received under this part will be assessed at least every three years using the performance indicators;

[(H) describe how the program funded under this part will be coordinated, as appropriate, with—

[(i) activities conducted under section 2131 and other services of institutions of higher education;

[(ii) similar State and local activities;

[(iii) resources provided under part A of title I and other provisions of this Act;

[(iv) resources from business, industry, public and private nonprofit organizations (including museums, libraries, educational television stations, community-based organizations, professional organizations and associations specializing in, or with a demonstrated expertise in the core academic subjects);

[(v) funds or programming from other Federal agencies, such as the National Science Foundation, the Department of Energy, the Department of Health and Human Services, the Institute of Museum and Library Services, the National Endowment for the Humanities, and the National Endowment for the Arts;

[(vi) services of educational service agencies; and

[(vii) resources provided under the Individuals with Disabilities Education Act;

[(I) identify the sources of funding that will provide the local educational agency's contribution under section 2209; and

[(J) describe the professional development strategies to be employed to more fully and effectively involve parents in the education of their children.

[(2) DURATION OF THE PLAN.—Each local plan described in subsection (b)(1) shall—

[(A) remain in effect for the duration of the local educational agency's participation under this part; and

[(B) be periodically reviewed and revised by the local educational agency, as necessary, to reflect changes in the local educational agency's strategies and programs under this part.

[SEC. 2209. [20 U.S.C. 6649] LOCAL COST-SHARING.

[(a) IN GENERAL.—Each local educational agency shall provide not less than 33 percent of the cost of the activities assisted under this part, excluding the cost of services provided to private school teachers.

[(b) AVAILABLE RESOURCES FOR COST-SHARING.—

[(1) IN GENERAL.—A local educational agency may meet the requirement of subsection (a) through one or more of the following:

[(A) Cash expenditures from non-Federal sources, including private contributions, directed toward professional development activities.

[(B) Release time for teachers participating in professional development assisted under this part.

[(C) Funds received under one or more of the following programs, so long as such funds are used for professional development activities consistent with this part and the statutes under which such funds were received, and are used to benefit students and teachers in schools that otherwise would have been served with such funds:

[(i) Helping disadvantaged children meet high standards under part A of title I.

[(ii) The Safe and Drug-Free Schools and Communities program under title IV.

[(iii) Bilingual Education Programs under part A of title VII.

[(iv) Programs under the Women's Educational Equity Act of 1994.

[(v) Programs under title III of the Goals 2000: Educate America Act.

[(vi) Programs that are related to the purposes of this Act that are administered by other Federal agencies, including the National Science Foundation, the National Endowment for the Humanities, the National Endowment for the Arts, the Institute of Museum and Library Services, and the Department of Energy.

[(vii) Programs under the Individuals with Disabilities Education Act.

[(2) SPECIAL RULE.—A local educational agency may meet the requirement of subsection (a) through contributions described in paragraph (1) that are provided in cash or in kind, fairly evaluated.

[(c) WAIVER.—The State educational agency may approve an application which has not fully met the requirements of subsection (a) and waive the requirements of subsection (a) if a local educational agency can demonstrate that such agency is unable to meet the requirements of subsection (a) due to economic hardship and that compliance with such requirements would preclude such agency's participation in the program.

[SEC. 2210. [20 U.S.C. 6650] LOCAL ALLOCATION OF FUNDS AND ALLOWABLE ACTIVITIES.

[(a) LOCAL ALLOCATION OF FUNDS.—Each local educational agency that receives funds under this part for any fiscal year—

[(1) shall use not less than 80 percent of such funds for professional development of teachers, and, where appropriate, administrators, and, where appropriate, pupil services personnel, parents, and other staff of individual schools in a manner that—

[(A) is determined by such teachers and staff;

[(B) to the extent practicable, takes place at the individual school site; and

[(C) is consistent with the local educational agency's application under section 2208, any school plan under part A

of title I, and any other plan for professional development carried out with Federal, State, or local funds that emphasizes sustained, ongoing activities; and

[(2) may use not more than 20 percent of such funds for school district-level professional development activities, including, where appropriate, the participation of administrators, policymakers, and parents, if such activities directly support instructional personnel.

[(b) AUTHORIZED ACTIVITIES.—

[(1) IN GENERAL.—Each local educational agency and school that receives funds under this part shall use such funds for activities that give teachers and administrators the knowledge and skills to provide students with the opportunity to meet challenging State or local content standards and student performance standards.

[(2) PROFESSIONAL DEVELOPMENT ACTIVITIES.—Professional development activities funded under this part shall—

[(A) be tied to challenging State content standards or challenging local content standards, and challenging State student performance standards or challenging local student performance standards;

[(B) take into account recent research on teaching and learning;

[(C) provide professional development which incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse groups of students, including girls and women, minorities, individuals with disabilities, limited English proficient individuals, and economically disadvantaged individuals;

[(D) include strong academic content and pedagogical components; and

[(E) be of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom.

[(3) ACTIVITIES.—Funds under this part may be used for professional development activities such as—

[(A) professional development for teams of teachers, and, where appropriate, administrators, pupil services personnel, or other staff from individual schools, to support teaching consistent with challenging State content standards and challenging State student performance standards;

[(B) support and time, which in the case of teachers may include release time with pay, for teachers, and, where appropriate, pupil services personnel and other school staff to enable such teachers, personnel, and staff to participate in professional development in the core academic subjects that are offered through professional associations, universities, community-based organizations, and other providers, such as educational partnership organizations, science centers, and museums;

[(C) activities that provide followup for teachers who have participated in professional development activities

that are designed to ensure that the knowledge and skills learned by the teacher are implemented in the classroom;

[(D) support for partnerships between schools, consortia of schools, or local educational agencies, and institutions of higher education, including schools of education, which partnerships shall encourage—

[(i) teachers to participate in intensive, ongoing professional development programs, both academic and pedagogical, at institutions of higher education; and

[(ii) students at institutions of higher education studying to become teachers to have direct, practical experience at schools;

[(E) the establishment and maintenance of local professional networks that provide a forum for interaction among teachers and that allow exchange of information on advances in content and pedagogy;

[(F) preparing teachers in the effective use of educational technology and assistive technology as instructional tools for increasing student understanding of the core academic subjects;

[(G) professional development to enable teachers, and, where appropriate, pupil services personnel and other school staff, to ensure that girls and young women, minorities, limited English proficient students, individuals with disabilities, and the economically disadvantaged have full opportunity to achieve the challenging State content standards and challenging State student performance standards in the core academic subjects;

[(H) professional development and recruitment activities designed—

[(i) to increase the number of minorities, individuals with disabilities, and females teaching in the core academic subjects in which such individuals are underrepresented; and

[(ii) to increase the numbers of women and members of other underrepresented groups who are science and mathematics teachers, through such programs as career ladder programs that assist educational paraprofessionals to obtain teaching credentials in the core academic subjects;

[(I) providing financial or other incentives for teachers to become certified by nationally recognized professional teacher enhancement programs;

[(J) support and time for teachers, and, where appropriate, pupil services personnel, and other school staff to learn and implement effective collaboration for the instruction of children with disabilities in the core academic subject areas;

[(K) preparing teachers, and, where appropriate, pupil services personnel to work with parents and families on fostering student achievement in the core academic subjects;

[(L) professional development activities and other support for new teachers as such teachers move into the class-

room to provide such teachers with practical support and to increase the retention of such teachers;

[(M) professional development for teachers, parents, early childhood educators, administrators, and other staff to support activities and services related to preschool transition programs to raise student performance in the core academic subjects;

[(N) professional development activities to train teachers in innovative instructional methodologies designed to meet the diverse learning needs of individual students, including methodologies which integrate academic and vocational learning and applied learning, interactive and interdisciplinary team teaching, and other alternative teaching strategies such as service learning, experiential learning, career-related education, and environmental education, that integrate real world applications into the core academic subjects;

[(O) developing professional development strategies and programs to more effectively involve parents in helping their children achieve in the core academic subjects;

[(P) professional development activities designed to increase the number of women and other underrepresented groups in the administration of schools; and

[(Q) release time with pay for teachers.

[SEC. 2211. [20 U.S.C. 6651] HIGHER EDUCATION ACTIVITIES.

[(a) ACTIVITIES.—

[(1) IN GENERAL.—From amounts made available under section 2203(2), the State agency for higher education, working in conjunction with the State educational agency (if such agencies are separate), shall make grants to, or enter into contracts or cooperative agreements with, institutions of higher education and nonprofit organizations of demonstrated effectiveness, including museums and educational partnership organizations, which must work in conjunction with a local educational agency, consortium of local educational agencies, or schools, for—

[(A) professional development activities in the core academic subjects that contribute to the State plan for professional development;

[(B) developing and providing assistance to local educational agencies, and the teachers and staff of each such agency, for sustained, high-quality professional development activities; and

[(C) improving teacher education programs in order to promote further innovation in teacher education programs within an institution of higher education and to better meet the needs of the local educational agencies for well-prepared teachers.

[(2) COMPETITIVE BASIS.—Each grant, contract, or cooperative agreement described in paragraph (1) shall be awarded on a competitive basis.

[(3) SPECIAL RULE.—No institution of higher education may receive assistance under (a)(1) of this subsection unless the institution enters into an agreement with a local educational agency, or consortium of such agencies, to provide sustained,

high-quality professional development for the elementary and secondary school teachers in the schools of each such agency.

[(4) JOINT EFFORTS.—Each activity assisted under this section, where applicable, shall involve the joint effort of the institution of higher education's school or department of education, if any, and the schools or departments in the specific disciplines in which such professional development will be provided.

[(b) ALLOWABLE ACTIVITIES.—A recipient of funds under this section shall use such funds for—

[(1) sustained and intensive high-quality professional development for teams of teachers, or teachers, and, where appropriate, pupil services personnel and administrators from individual schools or school districts;

[(2) other sustained and intensive professional development activities related to achievement of the State plan for professional development; and

[(3) preservice training activities.

[(c) PARTNERSHIPS.—Each institution of higher education receiving a grant under this section may also enter into a partnership with a private industry, museum, library, educational television station, or public or private nonprofit organization of demonstrated experience to carry out professional development activities assisted under this section.]

TITLE II—TEACHER QUALITY

PART A—TEACHER EMPOWERMENT

SEC. 2001. PURPOSE.

The purpose of this part is to provide grants to States and local educational agencies, in order to assist their efforts to increase student academic achievement and student performance through such strategies as improving teacher quality.

Subpart 1—Grants to States

SEC. 2011. FORMULA GRANTS TO STATES.

(a) IN GENERAL.—In the case of each State that, in accordance with section 2014, submits to the Secretary and obtains approval of an application for a fiscal year, the Secretary shall make a grant for the year to the State for the uses specified in section 2012. The grant shall consist of the allotment determined for the State under subsection (b).

(b) DETERMINATION OF AMOUNT OF ALLOTMENT.—

(1) RESERVATION OF FUNDS.—

(A) IN GENERAL.—From the total amount made available to carry out this subpart for any fiscal year, the Secretary shall reserve—

(i) 1/2 of 1 percent for allotments for the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be distributed among those outlying areas on the

basis of their relative need, as determined by the Secretary in accordance with the purpose of this part; and

(ii) ½ of 1 percent for the Secretary of the Interior for programs under this part for professional development activities for teachers and other staff in schools operated or funded by the Bureau of Indian Affairs.

(B) LIMITATION.—In reserving an amount for the purposes described in clauses (i) and (ii) of subparagraph (A) for a fiscal year, the Secretary shall not reserve more than the total amount the outlying areas and the schools operated or funded by the Bureau of Indian Affairs received under the authorities described in paragraph (2)(A)(i) for fiscal year 2000.

(2) STATE ALLOTMENTS.—

(A) HOLD HARMLESS.—

(i) IN GENERAL.—Subject to subparagraph (B), from the total amount made available to carry out this subpart for any fiscal year and not reserved under paragraph (1), the Secretary shall allot to each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico an amount equal to the total amount that such State received for fiscal year 2000 under—

(I) section 2202(b) of this Act (as in effect on the day before the date of enactment of the Educational Opportunities Act); and

(II) section 310 of the Department of Education Appropriations Act, 2000 (as enacted by section 1000(a)(4) of division B of Public Law 106–113).

(ii) RATABLE REDUCTION.—If the total amount made available to carry out this subpart for any fiscal year and not reserved under paragraph (1) is insufficient to pay the full amounts that all States are eligible to receive under clause (i) for any fiscal year, the Secretary shall ratably reduce such amounts for such fiscal year.

(B) ALLOTMENT OF ADDITIONAL FUNDS.—

(i) IN GENERAL.—Subject to clause (ii), for any fiscal year for which the total amount made available to carry out this subpart and not reserved under paragraph (1) exceeds the total amount made available to the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico for fiscal year 2000 under the authorities described in subparagraph (A)(i), the Secretary shall allot to each of those States the sum of—

(I) an amount that bears the same relationship to 50 percent of the excess amount as the number of individuals age 5 through 17 in the State, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in all such States, as so determined; and

(II) an amount that bears the same relationship to 50 percent of the excess amount as the number

of individuals age 5 through 17 from families with incomes below the poverty line in the State, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in all such States, as so determined.

(ii) EXCEPTION.—No State receiving an allotment under clause (i) may receive less than ½ of 1 percent of the total excess amount allotted under clause (i) for a fiscal year.

(3) REALLOTMENT.—If any State does not apply for an allotment under this subsection for any fiscal year, the Secretary shall reallot such amount to the remaining States in accordance with this subsection.

SEC. 2012. ALLOCATIONS WITHIN STATES.

(a) USE OF FUNDS.—Each State receiving a grant under this subpart shall use the funds provided under the grant in accordance with this section to carry out activities for the improvement of teaching and learning.

(b) REQUIRED AND AUTHORIZED EXPENDITURES.—

(1) REQUIRED EXPENDITURES.—The Secretary may make a grant to a State under this subpart only if the State agrees to expend not less than 90 percent of the amount of the funds provided under the grant for the purpose of making subgrants to local educational agencies and eligible partnerships (as defined in section 2021(e)), in accordance with subsection (c).

(2) AUTHORIZED EXPENDITURES.—A State that receives a grant under this subpart may expend a portion equal to not more than 10 percent of the amount of the funds provided under the grant for 1 or more of the authorized State activities described in section 2013 or to make grants to eligible partnerships to enable the partnerships to carry out subpart 2 (but not more than 5 percent of such portion may be used for planning and administration related to carrying out such purpose).

(c) DISTRIBUTION OF SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES AND ELIGIBLE PARTNERSHIPS.—

(1) ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—

(A) IN GENERAL.—A State receiving a grant under this subpart shall distribute a portion equal to 95 percent of the amount described in subsection (b)(1) by allocating to each eligible local educational agency the sum of—

(i) an amount that bears the same relationship to 25 percent of the portion as the number of individuals enrolled in public and private nonprofit elementary schools and secondary schools in the geographic area served by the agency bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State; and

(ii) an amount that bears the same relationship to 75 percent of the portion as the number of individuals age 5 through 17 from families with incomes below the poverty line, in the geographic area served by the agency, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of

those individuals in the geographic areas served by all the local educational agencies in the State, as so determined.

(B) USE OF FUNDS.—The State shall make subgrants to local educational agencies from allocations made under this paragraph to enable the agencies to carry out subpart 3.

(2) COMPETITIVE SUBGRANTS TO ELIGIBLE PARTNERSHIPS.—

(A) COMPETITIVE PROCESS.—A State receiving a grant under this subpart shall transfer a portion equal to 5 percent of the amount described in subsection (b)(1) to the State agency for higher education, which shall distribute the portion through a competitive process.

(B) PARTICIPANTS.—The competitive process carried out under subparagraph (A) shall be open to eligible partnerships (as defined in section 2021(e)).

(C) USE OF FUNDS.—In distributing funds under this paragraph, the State agency for higher education shall make subgrants to the eligible partnerships to enable the partnerships to carry out subpart 2 (but not more than 5 percent of the funds made available to the eligible partnerships through the subgrants may be used for planning and administration related to carrying out such purpose).

SEC. 2013. STATE USE OF FUNDS.

(a) AUTHORIZED STATE ACTIVITIES.—The authorized State activities referred to in section 2012(b)(2) are the following:

(1) Reforming teacher certification (including recertification) or licensing requirements to ensure that—

(A) teachers have the necessary teaching skills and academic content knowledge in the academic subjects in which the teachers are assigned to teach;

(B) the requirements are aligned with the State's challenging State content standards; and

(C) teachers have the knowledge and skills necessary to help students meet challenging State student performance standards.

(2) Carrying out programs that—

(A) include support during the initial teaching experience, such as mentoring programs; and

(B) establish, expand, or improve alternative routes to State certification of teachers for highly qualified individuals with a baccalaureate degree, including mid-career professionals from other occupations, paraprofessionals, former military personnel, and recent college or university graduates with records of academic distinction who demonstrate the potential to become highly effective teachers.

(3) Developing and implementing effective mechanisms to assist local educational agencies and schools in effectively recruiting and retaining highly qualified and effective teachers and principals.

(4) Developing or improving systems of performance measures to evaluate the effectiveness of professional development programs and activities in improving teacher quality, skills, and

content knowledge, and increasing student academic achievement and student performance.

(5) Developing or improving systems to evaluate the impact of teachers on student academic achievement and student performance.

(6) Providing technical assistance to local educational agencies consistent with this part.

(7) Funding projects to promote reciprocity of teacher certification or licensure between or among States, except that no reciprocity agreement developed under this paragraph or developed using funds provided under this part may lead to the weakening of any State teaching certification or licensing requirement.

(8) Developing or assisting local educational agencies or eligible partnerships (as defined in section 2021(e)) in the development and utilization of proven, innovative strategies to deliver intensive professional development programs and activities that are both cost-effective and easily accessible, such as through the use of technology and distance learning.

(9) Supporting activities to encourage and support teachers seeking national board certification from the National Board for Professional Teaching Standards or other recognized entities.

(10) Providing professional development activities involving training in advanced placement instruction.

(b) COORDINATION.—A State that receives a grant to carry out this subpart and a grant under section 202 of the Higher Education Act of 1965 shall coordinate the activities carried out under this section and the activities carried out under that section 202.

SEC. 2014. APPLICATIONS BY STATES.

(a) IN GENERAL.—To be eligible to receive a grant under this subpart, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(b) CONTENTS.—Each application submitted under this section shall include the following:

(1) A description of how the State will ensure that a local educational agency receiving a subgrant to carry out subpart 3 will comply with the requirements of such subpart.

(2)(A) An assurance that the State will measure the annual progress of the local educational agencies and schools in the State with respect to—

(i) improving student academic achievement and student performance, in accordance with content standards and student performance standards established under part A of title I;

(ii) closing academic achievement gaps, reflected in disaggregated data described in section 1111(b)(3)(I), between minority and non-minority groups and low-income and non-low-income groups; and

(iii) improving performance on other specific indicators for professional development, such as increasing the percentage of classes in core academic subjects that are taught by highly qualified teachers.

(B) An assurance that the State will require each local educational agency and school in the State receiving funds under this part to publicly report information on the agency's or school's annual progress, measured as described in subparagraph (A).

(3) A description of how the State will hold the local educational agencies and schools accountable for making annual progress as described in paragraph (2), subject to part A of title I.

(4)(A) A description of how the State will coordinate professional development activities authorized under this part with professional development activities provided under other Federal, State, and local programs, including those authorized under—

(i) titles I and IV, part A of title V, and part A of title VII; and

(ii) where applicable, the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, and title II of the Higher Education Act of 1965.

(B) A description of the comprehensive strategy that the State will use as part of the effort to carry out the coordination, to ensure that teachers, paraprofessionals, and principals are trained in the utilization of technology so that technology and technology applications are effectively used in the classroom to improve teaching and learning in all curriculum areas and academic subjects, as appropriate.

(5) A description of how the State will encourage the development of proven, innovative strategies to deliver intensive professional development programs that are both cost-effective and easily accessible, such as through the use of technology and distance learning.

(6) A description of how the activities to be carried out by the State under this subpart will be based on a review of relevant research and an explanation of why the activities are expected to improve student performance and outcomes.

(c) APPLICATION SUBMISSION.—A State application submitted to the Secretary under this section shall be approved by the Secretary unless the Secretary makes a written determination, within 90 days after receiving the application, that the application is in violation of the provisions of this Act.

Subpart 2—Subgrants to Eligible Partnerships

SEC. 2021. PARTNERSHIP GRANTS.

(a) IN GENERAL.—From the portion described in section 2012(c)(2)(A), the State agency for higher education, working in conjunction with the State educational agency (if such agencies are separate), shall award subgrants on a competitive basis under section 2012(c) to eligible partnerships to enable such partnerships to carry out activities described in subsection (b). The State agency for higher education shall ensure that such subgrants shall be equitably distributed by geographic area within the State, or ensure that eligi-

ble partnerships in all geographic areas within the State are served through the grants.

(b) USE OF FUNDS.—An eligible partnership that receives funds under section 2012 shall use the funds for—

(1) professional development activities in core academic subjects to ensure that teachers, paraprofessionals, and, if appropriate, principals have content knowledge in the academic subjects that the teachers teach; and

(2) developing and providing assistance to local educational agencies and individuals who are teachers, paraprofessionals or principals of public and private schools served by each such agency, for sustained, high-quality professional development activities that—

(A) ensure that the agencies and individuals are able to use State content standards, performance standards, and assessments to improve instructional practices and improve student academic achievement and student performance; and

(B) may include intensive programs designed to prepare such individuals who will return to a school to provide such instruction to other such individuals within such school.

(c) SPECIAL RULE.—No single participant in an eligible partnership may use more than 50 percent of the funds made available to the partnership under section 2012.

(d) COORDINATION.—An eligible partnership that receives a grant to carry out this subpart and a grant under section 203 of the Higher Education Act of 1965 shall coordinate the activities carried out under this section and the activities carried out under that section 203.

(e) ELIGIBLE PARTNERSHIP.—In this section, the term "eligible partnership" means an entity that—

(1) shall include—

(A) a private or State institution of higher education and the division of the institution that prepares teachers;

(B) a school of arts and sciences; and

(C) a high need local educational agency; and

(2) may include other local educational agencies, a public charter school, a public or private elementary school or secondary school, an educational service agency, a public or private nonprofit educational organization, other institutions of higher education, a school of arts and sciences within such an institution, the division of such an institution that prepares teachers, a nonprofit cultural organization, an entity carrying out a prekindergarten program, a teacher organization, or a business.

Subpart 3—Subgrants to Local Educational Agencies

SEC. 2031. LOCAL USE OF FUNDS.

(a) REQUIRED ACTIVITIES.—

(1) IN GENERAL.—Each local educational agency that receives a subgrant to carry out this subpart shall use the subgrant to carry out the activities described in this subsection.

(2) REQUIRED PROFESSIONAL DEVELOPMENT ACTIVITIES.—

(A) MATHEMATICS AND SCIENCE.—

(i) IN GENERAL.—Each local educational agency that receives a subgrant to carry out this subpart shall use a portion of the funds made available through the subgrant for professional development activities in mathematics and science in accordance with section 2032.

(ii) GRANDFATHER OF OLD WAIVERS.—A waiver provided to a local educational agency under part D of title XIV prior to the date of enactment of the Educational Opportunities Act shall be deemed to be in effect until such time as the waiver otherwise would have ceased to be effective.

(B) PROFESSIONAL DEVELOPMENT ACTIVITIES.—Each local educational agency that receives a subgrant to carry out this subpart shall use a portion of the funds made available through the subgrant for professional development activities that give teachers, paraprofessionals, and principals the knowledge and skills to provide students with the opportunity to meet challenging State or local content standards and student performance standards. Such activities shall be consistent with section 2032.

(b) ALLOWABLE ACTIVITIES.—Each local educational agency that receives a subgrant to carry out this subpart may use the funds made available through the subgrant to carry out the following activities:

(1) Recruiting and hiring certified or licensed teachers, including teachers certified through State and local alternative routes, in order to reduce class size, or hiring special education teachers.

(2) Initiatives to assist in recruitment of highly qualified teachers who will be assigned teaching positions within their fields, including—

(A) providing signing bonuses or other financial incentives, such as differential pay, for teachers to teach in academic subjects in which there exists a shortage of such teachers within a school or the area served by the local educational agency;

(B) establishing programs that—

(i) recruit professionals from other fields and provide such professionals with alternative routes to teacher certification; and

(ii) provide increased opportunities for minorities, individuals with disabilities, and other individuals underrepresented in the teaching profession; and

(C) implementing hiring policies that ensure comprehensive recruitment efforts as a way to expand the applicant pool of teachers, such as identifying teachers certified through alternative routes, and by implementing a system

of intensive screening designed to hire the most qualified applicants.

(3) Initiatives to promote retention of highly qualified teachers and principals, including—

(A) programs that provide mentoring to newly hired teachers, such as mentoring from master teachers, and to newly hired principals; and

(B) programs that provide other incentives, including financial incentives, to retain teachers who have a record of success in helping low-achieving students improve their academic success.

(4) Programs and activities that are designed to improve the quality of the teacher force, and the abilities of paraprofessionals and principals, such as—

(A) innovative professional development programs (which may be through partnerships including institutions of higher education), including programs that train teachers, paraprofessionals, and principals to utilize technology to improve teaching and learning, that are consistent with the requirements of section 2032;

(B) development and utilization of proven, cost-effective strategies for the implementation of professional development activities, such as through the utilization of technology and distance learning;

(C) professional development programs that provide instruction in how to teach children with different learning styles, particularly children with disabilities and children with special learning needs (including children who are gifted and talented); and

(D) professional development programs that provide instruction in how best to discipline children in the classroom and identify early and appropriate interventions to help children described in subparagraph (C) to learn.

(5) Activities that provide teacher opportunity payments, consistent with section 2033.

SEC. 2032. PROFESSIONAL DEVELOPMENT FOR TEACHERS.

(a) LIMITATION RELATING TO CURRICULUM AND ACADEMIC SUBJECTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), funds made available to carry out this subpart may be provided for a teacher, paraprofessional, or principal, and a professional development activity, only if the activity is—

(A) directly related to the curriculum and academic subjects in which a teacher provides instruction; or

(B) designed to enhance the ability of a teacher, paraprofessional, or principal to understand and use State standards for the academic subjects in which a teacher provides instruction.

(2) EXCEPTION.—Paragraph (1) shall not be construed to prohibit the use of the funds for professional development activities that provide instruction described in subparagraphs (C) and (D) of section 2031(b)(4).

(b) OTHER REQUIREMENTS.—Professional development activities provided under this subpart—

(1) shall be tied to challenging State or local content standards and student performance standards;

(2) shall be tied to strategies and programs that demonstrate effectiveness in increasing student academic achievement and student performance, or substantially increasing the knowledge and teaching skills of the teachers participating in the activities;

(3) in the case of activities for teachers, shall be of sufficient intensity and duration to have a positive and lasting impact on the performance of a teacher in the classroom (which shall not include 1-day or short-term workshops and conferences), except that this paragraph shall not apply to an activity if such activity is 1 component described in a long-term comprehensive professional development plan established by the teacher and the teacher's supervisor based upon an assessment of the needs of the teacher, the students of the teacher, and the local educational agency involved; and

(4) shall be developed with extensive participation of teachers, paraprofessionals, and principals of schools to be served under this part.

(c) ACCOUNTABILITY AND REQUIRED PAYMENTS.—

(1) IN GENERAL.—If, at the end of any fiscal year, a State determines that a local educational agency has failed to make progress in accordance with section 2014(b)(2) during the fiscal year, the State shall notify the local educational agency that the agency shall be subject to the requirement of paragraph (3).

(2) TECHNICAL ASSISTANCE.—A local educational agency that receives notification pursuant to paragraph (1) may request technical assistance from the State in order to provide the opportunity for such local educational agency to make progress in accordance with section 2014(b)(2).

(3) REQUIREMENT TO PROVIDE TEACHER OPPORTUNITY PAYMENTS.—

(A) IN GENERAL.—A local educational agency that receives notification pursuant to paragraph (1) with respect to any 2 consecutive fiscal years shall expend under section 2033 for the succeeding fiscal year a proportion of the funds made available to the agency to carry out this subpart equal to the proportion of such funds expended by the agency for professional development activities for the second fiscal year for which the agency received the notification.

(B) REQUESTS.—On request by a group of teachers in schools served by the local educational agency, the agency shall use a portion of the funds provided to the agency to carry out this subpart, to provide payments in accordance with section 2033.

(4) SPECIAL RULE.—

(A) SUBSEQUENT YEARS OF PROGRESS.—A local educational agency that receives notification from the State pursuant to paragraph (1) with respect to a fiscal year and makes progress in accordance with section 2014(b)(2) for at least the 2 subsequent years shall not be required to pro-

vide payments in accordance with section 2033 for the next subsequent year.

(B) SUBSEQUENT YEARS WITHOUT PROGRESS.—A local educational agency that receives notification from the State pursuant to paragraph (1) with respect to a fiscal year and fails to make progress in accordance with section 2014(b)(2) for at least the 2 subsequent fiscal years shall request the technical assistance described in paragraph (2) from the State for the next subsequent year.

(d) DEFINITION.—In this section, the term "professional development activity" means an activity described in subsection (a)(2) or (b)(4) of section 2031.

SEC. 2033. TEACHER OPPORTUNITY PAYMENTS.

(a) IN GENERAL.—A local educational agency receiving funds to carry out this subpart may (or in the case of section 2032(c)(3), shall) provide payments directly to a teacher or a group of teachers seeking opportunities to participate in a professional development activity of their choice that meets the criteria set forth in subsections (a) and (b) of section 2032.

(b) NOTICE TO TEACHERS.—Each local educational agency distributing payments under this section—

(1) shall establish and implement a timely process through which proper notice of availability of the payments will be given to all teachers in schools served by the agency; and

(2) shall develop a process through which teachers will be specifically recommended by principals to participate in such opportunities by virtue of—

(A) the teachers' lack of full certification or licensing to teach the academic subjects in which the teachers teach; or

(B) the teachers' need for additional assistance to ensure that their students make progress toward meeting challenging State content standards and student performance standards.

(c) SELECTION OF TEACHERS.—In the event adequate funding is not available to provide payments under this section to all teachers seeking such payments, or recommended under subsection (b)(2), a local educational agency shall establish procedures for selecting teachers for the payments, which shall provide priority for those teachers recommended under subsection (b)(2).

(d) ELIGIBLE ACTIVITY.—A teacher receiving a payment under this section shall have the choice of attending any professional development activity that meets the criteria set forth in subsections (a) and (b) of section 2032, as determined by the State involved.

SEC. 2034. LOCAL APPLICATIONS.

(a) IN GENERAL.—A local educational agency seeking to receive a subgrant from a State to carry out this subpart shall submit an application to the State at such time as the State shall require.

(b) LOCAL APPLICATION CONTENTS.—The local application described in subsection (a) shall include, at a minimum, the following:

(1) A description of how the local educational agency intends to use funds provided to carry out this subpart.

(2) An assurance that the local educational agency will target funds to schools served by the local educational agency that—

(A) have the lowest proportions of highly qualified teachers;

(B) are identified for school improvement under section 1116(c); or

(C) are identified for school improvement in accordance with other measures of school quality as determined and documented by the local educational agency.

(3) A description of how the local educational agency will coordinate professional development activities authorized under this subpart with professional development activities provided through other Federal, State, and local programs, including those authorized under—

(A) titles I and IV, part A of title V, and part A of title VII; and

(B) where applicable, the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, and title II of the Higher Education Act of 1965.

(4) A description of how the local educational agency will integrate funds received to carry out this subpart with funds received under part A of title V that are used for professional development to train teachers, paraprofessionals, and principals in how to use technology to improve learning and teaching.

(5) A description of how the local educational agency has collaborated with teachers, paraprofessionals, principals, and parents in the preparation of the application.

(6) A description of how the activities to be carried out by the local educational agency under this subpart will be based on a review of relevant research and an explanation of why the activities are expected to improve student performance and outcomes.

Subpart 4—National Activities

SEC. 2041. ALTERNATIVE ROUTES TO TEACHING AND PROMOTING EXCELLENCE IN TEACHING.

(a) TEACHER EXCELLENCE ACADEMIES.—

(1) IN GENERAL.—The Secretary may award grants on a competitive basis to eligible consortia to carry out activities described in this subsection.

(2) USE OF FUNDS.—

(A) IN GENERAL.—An eligible consortium receiving funds under this subsection shall use the funds to pay the costs associated with the establishment or expansion of a teacher academy, in an elementary school or secondary school facility, that carries out—

(i) the activities promoting alternative routes to teacher certification specified in subparagraph (B); or

(ii) the model professional development activities specified in subparagraph (C).

(B) PROMOTING ALTERNATIVE ROUTES TO TEACHER CERTIFICATION.—The activities promoting alternative routes to teacher certification shall, to the extent practicable, provide opportunities for highly qualified individuals with a bacca-

laureate degree (including mid-career professionals from other occupations, paraprofessionals, former military personnel, and recent college or university graduates with records of academic distinction) to enter the teaching field, through activities such as—

(i) providing stipends, in exchange for fulfillment of a reasonable service requirement, to the highly qualified individuals, to permit the individuals to fill teaching needs in academic subjects in which there is a demonstrated shortage of teachers;

(ii) providing for the recruitment and hiring of master teachers to mentor and train student teachers within such academies; or

(iii) carrying out other activities that promote and strengthen alternative routes to teacher certification.

(C) MODEL PROFESSIONAL DEVELOPMENT.—The model professional development activities shall be activities providing ongoing professional development opportunities for teachers, such as—

(i) innovative programs and model curricula in the area of professional development, which may serve as models to be disseminated to other schools and local educational agencies; and

(ii) the development of innovative techniques for evaluating the effectiveness of professional development programs.

(3) GRANT FOR SPECIAL CONSORTIUM.—In making grants under this subsection, the Secretary shall award not less than 1 grant to an eligible consortium that—

(A) includes a high need local educational agency located in a rural area; and

(B) proposes activities that involve the extensive use of distance learning in order to provide the applicable course work to student teachers.

(4) SPECIAL RULE.—No single participant in an eligible consortium may use more than 50 percent of the funds made available to the consortium under this subsection.

(5) APPLICATION.—To be eligible to receive a grant under this subsection, an eligible consortium shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(6) ELIGIBLE CONSORTIUM.—In this subsection, the term "eligible consortium" means a consortium for a State that—

(A) shall include—

(i) the State agency responsible for certifying or licensing teachers;

(ii) not less than 1 high need local educational agency;

(iii) a school of arts and sciences; and

(iv) an institution that prepares teachers; and

(B) may include local educational agencies, public charter schools, public or private elementary schools or secondary schools, educational service agencies, public or pri-

vate nonprofit educational organizations, museums, or businesses.

(b) NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS.—

(1) NATIONAL BOARD CERTIFICATION.—The Secretary may award grants to the National Board for Professional Teaching Standards to enable the Board to complete a system of national board certification. The Secretary may award grants for fiscal year 2001.

(2) ADVANCED CERTIFICATION OR CREDENTIALING.—The Secretary may support activities to encourage and support teachers seeking advanced certification or advanced credentialing through high quality professional teacher enhancement programs designed to improve teaching and learning.

(c) TEACHER TRAINING IN MATHEMATICS AND SCIENCE.—

(1) IN GENERAL.—The Secretary may award grants, on a competitive basis, to eligible entities to support and promote the establishment of teacher training programs relating to the core subject areas of mathematics and science.

(2) USE OF FUNDS.—The programs shall include teacher training with respect to the establishment of mentoring programs, model programs, or other programs, that encourage students, including young women, to pursue demanding careers and postsecondary degrees in mathematics and science, including engineering and technology.

(3) DEVELOPMENT.—In carrying out a teacher training program under this section, the eligible entity may carry out a program jointly developed by the entity and by a business, an industry, or an institution of higher education.

(4) APPLICATION.—To be eligible to receive a grant under this subsection, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(d) EISENHOWER NATIONAL CLEARINGHOUSE FOR MATHEMATICS AND SCIENCE EDUCATION.—

(1) IN GENERAL.—The Secretary may award a grant or contract, in consultation with the Director of the National Science Foundation, to an entity to continue the Eisenhower National Clearinghouse for Mathematics and Science Education (referred to in this subsection as the 'Clearinghouse').

(2) USE OF FUNDS.—

(A) IN GENERAL.—The Clearinghouse may use the funds made available through the grant or contract to carry out the functions of the Clearinghouse, as of the date of enactment of the Educational Opportunities Act.

(B) LANGUAGE ARTS; SOCIAL STUDIES.—The Clearinghouse may also use the funds to provide information and resources in the areas of language arts and social studies.

(C) QUALITATIVE AND EVALUATIVE MATERIALS AND PROGRAMS.—The Clearinghouse may also use the funds to collect (in consultation with the Secretary, national teacher associations, professional associations, and other reviewers and developers of educational materials and programs) qualitative and evaluative materials and programs for the Clearinghouse, review the evaluation of the materials and

programs, rank the effectiveness of the materials and programs on the basis of the evaluations, and distribute the results of the reviews to teachers in an easily accessible manner. Nothing in this subparagraph shall be construed to permit the Clearinghouse to directly conduct an evaluation of the qualitative and evaluative materials or programs.

(e) TROOPS-TO-TEACHERS PROGRAM.—

(1) PURPOSE.—The purpose of this subsection is to authorize a mechanism for the funding and administration of the Troops-to-Teachers Program established by the Troops-to-Teachers Program Act of 1999 (title XVII of the National Defense Authorization Act for Fiscal Year 2000).

(2) TRANSFER OF FUNDS FOR ADMINISTRATION OF PROGRAM.—To the extent that funds are made available under this Act for the Troops-to-Teachers Program, the Secretary of Education shall use the funds to enter into a contract with the Defense Activity for Non-Traditional Education Support of the Department of Defense. The Defense Activity shall use the amounts made available through the contract to perform the actual administration of the Troops-to-Teachers Program, including the selection of participants in the Program under section 1704 of the Troops-to-Teachers Program Act of 1999. The Secretary of Education may retain a portion of the funds to identify local educational agencies with concentrations of children from low-income families or with teacher shortages and States with alternative certification or licensure requirements, as required by section 1702 of such Act.

Subpart 5—Funding

SEC. 2051. AUTHORIZATION OF APPROPRIATIONS.

(a) FISCAL YEAR 2001.—There are authorized to be appropriated to carry out this part $2,000,000,000 for fiscal year 2001, of which $40,000,000 shall be available to carry out subpart 4.

(b) OTHER FISCAL YEARS.—There are authorized to be appropriated to carry out this part such sums as may be necessary for each of fiscal years 2002 through 2005.

Subpart 6—General Provisions

SEC. 2061. DEFINITIONS.

In this part:

(1) ARTS AND SCIENCES.—The term "arts and sciences" has the meaning given the term in section 201(b) of the Higher Education Act of 1965.

(2) CORE ACADEMIC SUBJECTS.—The term "core academic subjects" means those subjects listed under the third of the America's Education Goals.

(3) HIGHLY QUALIFIED.—The term "highly qualified" means—

(A) with respect to an elementary school teacher, a teacher—

(i) with an academic major in the arts and sciences; or

(ii) who can demonstrate competence through a high level of performance in core academic subjects; and

(B) with respect to a secondary school teacher, a teacher—

(i) with an academic major in the academic subject in which the teacher teaches or in a related field;

(ii) who can demonstrate a high level of competence through rigorous academic subject tests; or

(iii) who can demonstrate competence through a high level of performance in relevant content areas.

(4) HIGH NEED LOCAL EDUCATIONAL AGENCY.—The term "high need local educational agency" has the meaning given the term in section 201(b) of the Higher Education Act of 1965.

(5) OUT-OF-FIELD TEACHER.—The term "out-of-field teacher" means a teacher—

(A) teaching an academic subject for which the teacher is not highly qualified, as determined by the State involved; or

(B) who did not receive a degree from an institution of higher education with a major or minor in the field in which the teacher teaches.

(6) POVERTY LINE.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act) applicable to a family of the size involved.

(7) STATE.—The term "State", used with respect to an individual, entity, or agency, means—

(A) except as provided in subparagraph (B), the Governor of a State (as defined in section 3); or

(B) in the case of a State (as so defined) for which the constitution or law of the State designates another individual, entity, or agency in the State to be responsible for elementary and secondary education programs, such individual, entity, or agency.

PART B—LEADERSHIP EDUCATION AND DEVELOPMENT PROGRAM

SEC. 2201. LEADERSHIP PROGRAMS.

(a) DEFINITION.—In this section, the term "school leader" means an elementary school or secondary school superintendent, principal, assistant principal, or teacher, or another individual in a management or leadership position with a State or region of a State whose work directly impacts teaching and learning relating to elementary or secondary education.

(b) GRANTS.—The Secretary shall award grants to eligible entities (including State educational agencies, institutions of higher education, local educational agencies, and nonprofit educational organizations) and consortia of such entities to enable such entities or consortia to pay for the Federal share of the cost of providing professional development services for school leaders to develop or enhance the leadership skills of the school leaders. In providing the services,

the entities and consortia shall work in cooperation with school leaders and other appropriate individuals.

(c) AWARD BASIS.—The Secretary shall award a grant under this section to an eligible entity or consortium on the basis of criteria that include—

(1) the quality of the proposed use of the grant funds;

(2) the educational need of the State, community, or region to be served under the grant; and

(3) the need for equitable distribution of the grants among urban and rural communities and school districts, and equitable geographic representation of regions of the United States.

(d) APPLICATION.—To be eligible to receive a grant under this section, an eligible entity or consortium shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including an assurance that school leaders were involved in developing the application and determining the proposed use of the grant funds.

(e) USE OF FUNDS.—

(1) IN GENERAL.—An eligible entity or consortium that receives a grant under this section shall use funds received through the grant to provide assistance for training, education, and other activities to increase the leadership and other skills of school leaders.

(2) SPECIFIC ACTIVITIES.—In order to improve the quality of education delivered to the children in the State, community, or region in which the entity or consortium is located, the entity or consortium shall use the funds received through the grant for activities that include—

(A) providing school leaders with effective leadership, management, and instructional skills and practices;

(B) enhancing and developing the school management and business skills of school leaders;

(C) improving the understanding of school leaders of the effective use of educational technology;

(D) improving the knowledge of school leaders regarding challenging State content and performance standards;

(E) encouraging highly qualified individuals to become school leaders and developing and enhancing the instructional, leadership, school management, parent and community involvement, mentoring, and staff evaluation skills of school leaders; and

(F) establishing sustained and rigorous support for mentorships and for developing a network of school leaders within the State with the goal of strengthening and improving the leadership of school leaders.

(f) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share of the cost described in subsection (b) shall be not more than 80 percent.

(2) NON-FEDERAL SHARE.—An entity or consortium may provide the non-Federal share of the cost in cash or in kind, fairly evaluated, including plant, equipment, or services.

(3) WAIVERS.—The Secretary may grant waivers of paragraph (1) for entities or consortia serving low-income areas, as determined by the Secretary.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $100,000,000 for fiscal year 2001 and such sums as may be necessary for the 4 subsequent fiscal years.

[PART C—READING AND LITERACY GRANTS]

PART C—READING EXCELLENCE ACT

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SEC. 2260. [20 U.S.C. 6661 i] AUTHORIZATIONS OF APPROPRIATIONS; RESERVATIONS FROM APPROPRIATIONS; SUNSET.

(a) AUTHORIZATIONS.—

(1) FY 1999.—

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(3) FISCAL YEARS 2001 THROUGH 2004.—There are authorized to be appropriated to carry out this part $280,000,000 for fiscal year 2001 and such sums as may be necessary for the 4 subsequent fiscal years.

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SEC. 2261. SHORT TITLE.

This part may be cited as the "Reading Excellence Act".

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[PART D—PROFESSIONAL DEVELOPMENT DEMONSTRATION PROJECT

[SEC. 2301. [20 U.S.C. 6671] FINDINGS AND PURPOSE.

[(a) FINDINGS.—The Congress finds that—

[(1) underlying the standards-driven framework of the Goals 2000: Educate America Act and the high academic standards for eligible students under title I is a widespread need to prepare teachers to teach to higher standards;

[(2) prospective and current teachers need knowledge and skills beyond what such teachers currently possess;

[(3) while both the Goals 2000: Educate America Act and titles I and II of this Act have extensive references to professional development of teachers, there are no provisions to incorporate "on-the-ground" planning and implementation to serve as models for local educational agencies across the Nation; and

[(4) better prepared teachers can lead to improved student achievement, especially for students who are furthest from reaching high standards.

[(b) PURPOSE.—It is the purpose of this part—

[(1) to address the need for professional development with a primary focus on teachers;

[(2) to provide both prospective teachers and current teachers opportunities to learn both the content and the pedagogy needed to teach to high standards; and

[(3) to build models, in a few cities and States, that demonstrate new organizational arrangements and deep invest-

ments in teachers necessary to better prepare teachers for new standards and assessments.

[SEC. 2302. [20 U.S.C. 6672] DEMONSTRATION PROGRAM AUTHORIZED.

[(a) GENERAL AUTHORITY.—

[(1) IN GENERAL.—The Secretary shall carry out a demonstration project under which the Secretary awards grants in accordance with this part to eligible partnerships to enable such partnerships to plan and implement professional development programs.

[(2) PROGRAM REQUIREMENTS.—The programs described in paragraph (1)—

[(A) shall focus on increasing teachers' knowledge and understanding of content by providing teachers opportunities to improve their knowledge and to improve their classroom practice in order to help students meet high academic standards;

[(B) shall include teachers at all career stages, from student teachers or interns through senior team leaders or department chairs; and

[(C) may incorporate professional development for principals, pupil services personnel, aides, other school-based staff, and parents.

[(b) ELIGIBLE PARTNERSHIPS.—For the purpose of this part, the term "eligible partnership" means a partnership consisting of—

[(1) a local educational agency, a subunit of such agency, or a consortium of such agencies, in which not less than 50 percent of the schools served by such agency, subunit, or consortium are eligible to participate in schoolwide programs under section 1114; or

[(2) other partners that—

[(A) shall include, at a minimum, a teachers' union (if appropriate), one or more institutions of higher education which may include faculty from schools of education and faculty from schools of arts and sciences, and a local parent or community council; and

[(B) may include a business partner or a nonprofit organization with a demonstrated record in staff development.

[SEC. 2303. [20 U.S.C. 6673] GRANTS.

[(a) AUTHORITY.—

[(1) IN GENERAL.—The Secretary shall award grants for planning, and grants for the implementation of, professional development programs under this part.

[(2) DISTRIBUTION.—The Secretary shall award not less than 75 percent of the funds available for grants under this part to eligible partnerships serving the schools with the greatest number of poor students. To the extent possible, such grants shall be awarded to eligible partnerships serving both rural and urban school districts and in a manner that reflects geographic and racial diversity.

[(3) NUMBER OF GRANTS.—In the first year that the Secretary awards grants under this part, the Secretary shall award at least twice as many planning grants as implementa-

tion grants in order to receive well-developed plans for long-term funding under this part.

[(b) GRANT REQUIREMENTS.—

[(1) DURATION.—The Secretary shall award—

[(A) planning grants under this part for a period of not less than six months and not more than nine months; and

[(B) implementation grants under this part for a period of four fiscal years.

[(2) AMOUNT.—The Secretary shall award grants under this part in an amount determined on the basis of the size of the program and the level of investment the eligible partnership is making in teacher development in the area served by the eligible partnership, including local, State, and Federal funds and existing higher education resources, except that no grant under this part shall exceed $500,000 in any one fiscal year.

[SEC. 2304. [U.S.C. 6674] PLAN.

[Each eligible partnership desiring assistance under this part shall develop a plan for the program to be assisted under this part. Such plan shall—

[(1) identify clearly how such plan will support an overall systemic reform strategy giving special attention to the role of teacher preparation for new standards and assessment;

[(2) describe the eligible partnership's instructional objectives and how the professional development activities will support such objectives;

[(3) specify the organizational arrangements and delivery strategies to be used, such as teacher centers, professional development schools, teacher networks, and academic alliances, as well as the curriculum for teachers;

[(4) specify the commitments the local educational agencies, teacher's union, institutions of higher education, or any other entity participating in such partnership are prepared to make, not only to support program activities such as release time, contractual flexibility, support for interns or student teachers if applicable, but also to sustain the central aspects of the plan after the expiration of the grant; and

[(5) describe how the activities described under this part will lead to districtwide policy and budget changes.

[SEC. 2305. [20 U.S.C. 6675] TECHNICAL ASSISTANCE.

[The Secretary is authorized to enter into an arrangement with an intermediary organization to enable such organization to provide technical assistance to eligible partnerships receiving assistance under this part.

[SEC. 2306. [20 U.S.C. 6676] MATCHING FUNDS.

[The Secretary shall give special priority to awarding grants under this part to eligible partnerships that demonstrate such partnership's ability to raise matching funds from private sources.]

PART D—NATIONAL WRITING PROJECT

SEC. 2301. PURPOSE.

The purpose of this part is—

(1) to support and promote the expansion of the National Writing Project network of sites so that teachers in every region of the United States will have access to a National Writing Project program;

(2) to ensure the consistent high quality of the programs through ongoing review, evaluation, and provision of technical assistance;

(3) to support and promote the establishment of programs to disseminate information on effective practices and research findings about the teaching of writing; and

(4) to coordinate activities assisted under this part with other activities assisted under this Act.

SEC. 2302. NATIONAL WRITING PROJECT.

(a) AUTHORIZATION.—The Secretary is authorized to make a grant to the National Writing Project (referred to in this section as the "grantee"), a nonprofit educational organization that has, as the primary purpose of the organization, the improvement of the quality of student writing and learning, to support the establishment and operation of teacher training programs to improve the teaching and uses of writing for learning in the Nation's classrooms.

(b) REQUIREMENTS OF GRANT.—The grant agreement for the grant shall provide that—

(1) the grantee will enter into contracts with institutions of higher education or other nonprofit educational providers (referred to individually in this section as a 'contractor') under which the contractors will agree to establish, operate, and provide the non-Federal share of the cost of establishing and operating teacher training programs concerning effective approaches and processes for the teaching of writing;

(2) funds made available by the Secretary to the grantee under this section will be used to pay for the Federal share of the cost of establishing and operating teacher training programs as provided in paragraph (1); and

(3) the grantee will meet such other conditions and standards as the Secretary determines to be necessary to assure compliance with the provisions of this section and will provide such technical assistance as may be necessary to carry out the provisions of this section.

(c) TEACHER TRAINING PROGRAMS.—In operating a teacher training program authorized in subsection (a), a contractor shall—

(1) conduct the program during the school year and during the summer months;

(2) train teachers who teach kindergarten, grades 1 through 12, and college;

(3) select teachers to become members of a National Writing Project teacher network, for which each member will conduct writing workshops for other teachers in the area served by a National Writing Project site; and

(4) encourage teachers from all disciplines to participate in such a teacher training program.

(d) FEDERAL SHARE.—

(1) IN GENERAL.—In this section, except as provided in paragraph (2) or (3), the term "Federal share" means, with respect to the cost of establishing and operating teacher training pro-

grams authorized in subsection (a), 50 percent of such cost to the contractor.

(2) WAIVER.—The Secretary may waive the provisions of paragraph (1) on a case-by-case basis if the National Advisory Board described in subsection (e) determines, on the basis of financial need, that such waiver is necessary.

(3) MAXIMUM.—The Federal share of the cost described in subsection (b) may not exceed $100,000 for any 1 contractor, or $200,000 for a statewide program administered by any 1 contractor in at least 5 sites throughout the State.

(e) NATIONAL ADVISORY BOARD.—

(1) ESTABLISHMENT.—The National Writing Project shall establish and operate a National Advisory Board.

(2) COMPOSITION.—The National Advisory Board established pursuant to paragraph (1) shall consist of—

(A) national educational leaders;

(B) leaders in the field of writing; and

(C) such other individuals as the National Writing Project determines to be necessary.

(3) DUTIES.—The National Advisory Board established pursuant to paragraph (1) shall—

(A) advise the National Writing Project on national issues related to student writing and the teaching of writing;

(B) review the activities and programs of the National Writing Project; and

(C) support the continued development of the National Writing Project.

(f) TEACHER TRAINING EVALUATION.—

(1) IN GENERAL.—

(A) EVALUATION.—The Secretary shall conduct an independent evaluation by grant or contract of the teacher training programs administered pursuant to this section in accordance with part B of title X. In conducting the evaluation, the Secretary shall determine the amount of funds expended by the National Writing Project and each contractor receiving assistance under this section for administrative costs.

(B) REPORT.—The Secretary shall submit a report containing the results of such evaluation, including the amount determined by the Secretary under subparagraph (A), to the appropriate committees of Congress.

(2) FUNDING LIMITATION.—The Secretary shall reserve not more than $150,000 from the total amount appropriated pursuant to the authority of subsection (h) for fiscal year 2001 and the 4 subsequent fiscal years to conduct the evaluation described in paragraph (1).

(g) APPLICATION REVIEW.—

(1) REVIEW BOARD.—The National Writing Project shall establish and operate a National Review Board that shall consist of—

(A) leaders in the field of research in writing; and

(B) such other individuals as the National Writing Project determines to be necessary.

(2) DUTIES.—The National Review Board shall—

(A) review all applications for assistance submitted under this section; and

(B) recommend applications for assistance submitted under this section for funding by the National Writing Project.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $15,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 subsequent fiscal years.

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PART E—THE NEW CENTURY PROGRAM FOR DISTRIBUTED TEACHER PROFESSIONAL DEVELOPMENT

SEC. 2401. PROJECT AUTHORIZED.

(a) PURPOSE.—It is the purpose of this part to carry out a program designed to assist elementary school and secondary school teachers in preparing all students for achieving State content standards.

(b) GRANTS.—The Secretary may make a grant to a nonprofit telecommunications entity, or a partnership of such entities, for the purpose of carrying out a national telecommunications-based program to improve teaching in core curriculum areas to achieve the purpose described in subsection (a).

SEC. 2402. APPLICATION.

(a) IN GENERAL.—Each nonprofit telecommunications entity, or partnership of such entities, desiring a grant under this part shall submit an application to the Secretary. Each such application shall—

(1) demonstrate that the applicant will use the public broadcasting infrastructure and school digital networks, where available, to deliver video and data in an integrated service to train teachers in the use of standards-based curricula materials and learning technologies;

(2) provide an assurance that the project for which the assistance is being sought will be conducted in cooperation with appropriate State educational agencies, local educational agencies, national, State, or local nonprofit public telecommunications entities, and national education professional associations that have developed content standards in the relevant subject areas;

(3) provide an assurance that a significant portion of the benefits available for elementary schools and secondary schools from the project for which the assistance is being sought will be available to schools of local educational agencies which have a high percentage of children counted under section 1124(c); and

(4) contain such additional assurances as the Secretary may reasonably require.

(b) APPROVAL, NUMBER OF SITES.—In approving applications under this section, the Secretary shall ensure that the program authorized by this part is conducted at elementary school and secondary school sites in at least 15 States.

SEC. 2403. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part, $20,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 subsequent fiscal years.

PART F—DIGITAL EDUCATION CONTENT COLLABORATIVE

SEC. 2501. DIGITAL EDUCATION CONTENT COLLABORATIVE.

(a) IN GENERAL.—The Secretary may award grants to, or enter into contracts or cooperative agreements with, eligible entities described in section 2502(b) to develop, produce, and distribute educational and instructional video programming that is designed for use by kindergarten through grade 12 schools and based on State standards.

(b) AVAILABILITY.—In awarding grants, contracts, or cooperative agreements under subsection (a), the Secretary shall ensure that eligible entities enter into multiyear content development collaborative arrangements with State educational agencies, local educational agencies, institutions of higher education, businesses, or other agencies and organizations.

SEC. 2502. EDUCATIONAL PROGRAMMING.

(a) AWARDS.—The Secretary shall award grants, contracts, or cooperative agreements under this part to eligible entities to facilitate the development of educational programming that shall—

(1) include student assessment tools to provide feedback on student performance;

(2) include built-in teacher utilization and support components to ensure that teachers understand and can easily use the content of the programming with group instruction or for individual student use;

(3) be created for, or adaptable to, State content standards; and

(4) be capable of distribution through digital broadcasting and school digital networks.

(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant, contract, or cooperative agreement under section 2501(a), an entity shall be a local public telecommunications entity as defined in section 397(12) of the Communications Act of 1934 that is able to demonstrate a capacity for the development and distribution of educational and instructional television programming of high quality.

(c) COMPETITIVE BASIS.—Grants, contracts, or cooperative agreements under this part shall be awarded on a competitive basis as determined by the Secretary.

(d) DURATION.—Each grant, contract, or cooperative agreement under this part shall be awarded for a period of 3 years in order to allow time for the creation of a substantial body of significant content.

SEC. 2503. APPLICATIONS.

Each eligible entity desiring a grant, contract, or cooperative agreement under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

SEC. 2504. MATCHING REQUIREMENT.

An eligible entity receiving a grant, contract, or cooperative agreement under this part shall contribute to the activities assisted under this part non-Federal matching funds in an amount equal to not less than 100 percent of the amount of the grant, contract, or cooperative agreement. Non-Federal funds may include funds provided from a non-Federal source for the transition to digital broadcasting, as well as in-kind contributions.

SEC. 2505. ADMINISTRATIVE COSTS.

With respect to the implementation of this part, entities receiving a grant, contract, or cooperative agreement under this part may use not more than 5 percent of the amounts received under the grant, contract, or cooperative agreement for the normal and customary expenses of administering the grant.

SEC. 2506. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part, $25,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 subsequent fiscal years.

PART [E]*G*—GENERAL PROVISIONS

SEC. 2401. [20 U.S.C. 2401] REPORTING AND ACCOUNTABILITY.

[(a) STATES.—Each State that receives funds under this title (other than part C) shall submit a report to the Secretary every three years, beginning with fiscal year 1997, on the State's progress toward the performance indicators identified in such State's plan, as well as on the effectiveness of State and local activities assisted under this title (other than part C).

[(b) LOCAL EDUCATIONAL AGENCIES.—Each local educational agency that receives funds under this part shall submit a report to the State every three years, beginning with fiscal year 1997, regarding the progress of such agency toward performance indicators identified in such agency's local plan, as well as on the effectiveness of such agency's activities under this part.

[(c) FEDERAL EVALUATION.—The Secretary shall report to the President and the Congress on the effectiveness of programs and activities assisted under this part in accordance with section 14701.

[(d) PROHIBITION ON FUNDS BEING USED FOR CONSTRUCTION OR RENOVATION.—Funds received under this part shall not be used for construction or renovation of buildings, rooms, or any other facilities.

[SEC. 2402. [20 U.S.C. 6702] DEFINITIONS.

As used in this title (other than part C)—

[(1) the term "core academic subjects" means those subjects listed in the State plan under title III of the Goals 2000: Educate America Act or under the third National Education Goal as set forth in section 102(3) of such Act;

[(2) the term "performance indicators" means measures of specific outcomes that the State or local educational agency identifies as assessing progress toward the goal of ensuring that all teachers have the knowledge and skills necessary to assist their students to meet challenging State content stand-

ards and challenging State student performance standards in the core academic subjects, such as—

[(A) the degree to which licensure requirements are tied to challenging State content standards and challenging State student performance standards;

[(B) specific increases in the number of elementary and secondary teachers with strong content backgrounds in the core academic subjects;

[(C) incorporating effective strategies, techniques, methods, and practices for meeting the educational needs of diverse students, including females, minorities, individuals with disabilities, limited English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging student performance standards;

[(D) specific increases in the number of teachers who are certified by the National Board for Professional Teaching Standards or other nationally recognized professional teacher enhancement organizations; and

[(E) specific increases in the number of teachers licensed in each core academic subject;

[(3) the term "sustained and intensive high-quality professional development" means professional development activities that—

[(A) are tied to challenging State content standards, challenging State student performance standards, voluntary national content standards or voluntary national student performance standards;

[(B) reflect up-to-date research in teaching and learning and include integrated content and pedagogical components appropriate for students with diverse learning needs;

[(C) incorporate effective strategies, techniques, methods, and practices for meeting the educational needs of diverse students, including females, minorities, individuals with disabilities, limited English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging student performance standards;

[(D) are of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom or the administrator's performance on the job; and

[(E) recognize teachers as an important source of knowledge that should inform and help shape professional development; and

[(4) the term "local", when used with respect to standards, means challenging content and student performance standards in the core academic subjects (in addition to challenging State content and student performance standards approved by the State for title I).]

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SEC. 2601. PROHIBITION ON MANDATORY NATIONAL CERTIFICATION OR LICENSING OF TEACHERS.

(a) PROHIBITION ON MANDATORY TESTING, CERTIFICATION, OR LICENSING.—Notwithstanding any other provision of law, the Secretary may not use Federal funds to plan, develop, implement, or administer any mandatory national teacher test or mandatory method of certification or licensing.

(b) PROHIBITION ON WITHHOLDING FUNDS.—The Secretary may not withhold funds from any State or local educational agency if such State or local educational agency fails to adopt a specific method of teacher certification or licensing.

SEC. 2602. HOME SCHOOLS.

Nothing in this title shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school, whether a home school is treated as a private school or home school under the law of the State involved, except that the Secretary may require that funds provided to a school under this title be used for the purposes described in this title. This section shall not be construed to bar private, religious, or home schools from participating in or receiving programs or services under this title.

[TITLE III—TECHNOLOGY FOR EDUCATION

[SEC. 3101. [20 U.S.C. 6801] SHORT TITLE.

[This title may be cited as the "Technology for Education Act of 1994".

[PART A—TECHNOLOGY FOR EDUCATION OF ALL STUDENTS

[SEC. 3111. [20 U.S.C. 6811] FINDINGS.

[The Congress finds that—

[(1) technology can produce far greater opportunities for all students to learn to high standards, promote efficiency and effectiveness in education, and help propel our Nation's school systems into very immediate and dramatic reform, without which our Nation will not meet the National Education Goals by the target year 2000;

[(2) the use of technology as a tool in the teaching and learning process is essential to the development and maintenance of a technologically literate citizenry and an internationally competitive workforce;

[(3) the acquisition and use of technology in education throughout the United States has been inhibited by—

[(A) the absence of Federal leadership;

[(B) the inability of many State and local educational agencies to invest in and support needed technologies;

[(C) the limited exposure of students and teachers to the power of technology as a cost-effective tool to improve student learning and achievement;

[(D) the lack of appropriate electrical and telephone connections in the classroom; and

[(E) the limited availability of appropriate technology-enhanced curriculum, instruction, professional development, and administrative support resources and services in the educational marketplace;

[(4) policies at the Federal, State, and local levels concerning technology in education must address disparities in the availability of technology to different groups of students, give priority to serving students in greatest need, and recognize that educational telecommunications and technology can address educational equalization concerns and school restructuring needs by providing universal access to high-quality teaching and programs, particularly in urban and rural areas;

[(5) the increasing use of new technologies and telecommunications systems in business has increased the gap between schooling and work force preparation, and underscores the need for technology policies at the Federal, State, tribal, and local levels that address preparation for school-to-work transitions;

[(6) technology can enhance the ongoing professional development of teachers and administrators by providing constant access to updated research in teaching and learning by means of telecommunications, and, through exposure to technology advancements, keep teachers and administrators excited and knowledgeable about unfolding opportunities for the classroom;

[(7) planned and creative uses of technology, combined with teachers adequately trained in the use of technology, can reshape our Nation's traditional method of providing education and empower teachers to create an environment in which students are challenged through rigorous, rich classroom instruction provided at a pace suited to each student's learning style, and in which students have increased opportunities to develop higher order thinking and technical skills;

[(8) schools need new ways of financing the acquisition and maintenance of educational technology;

[(9) the needs for educational technology differ from State to State;

[(10) technology can provide students, parents, teachers, other education professionals, communities, and industry with increased opportunities for partnerships and with increased access to information, instruction, and educational services in schools and other settings, including homes, libraries, preschool and child-care facilities, adult and family education programs, and postsecondary institutions;

[(11) the Department, consistent with the overall national technology policy established by the President, must assume a vital leadership and coordinating role in developing the national vision and strategy to infuse advanced technology throughout all educational programs;

[(12) Federal support can ease the burden at the State and local levels by enabling the acquisition of advanced technology and initiating the development of teacher training and support as well as new educational products;

[(13) leadership at the Federal level should consider guidelines to ensure that educational technology is accessible to all users with maximum interoperability nationwide;

[(14) the rapidly changing nature of technology requires coordination and flexibility in Federal leadership; and

[(15) technology has the potential to assist and support the improvement of teaching and learning in schools and other settings.

SEC. 3112. [20 U.S.C. 6812] STATEMENT OF PURPOSE.

[The purpose of this part is to support a comprehensive system for the acquisition and use by elementary and secondary schools in the United States of technology and technology-enhanced curricula, instruction, and administrative support resources and services to improve the delivery of educational services. Such system shall include—

[(1) national leadership with respect to the need for, and the provision of, appropriate technology-enhanced curriculum, instruction, and administrative programs to improve learning in the United States, and to promote equal access for all students to educational opportunities in order to achieve the National Education Goals by the year 2000;

[(2) funding mechanisms which will support the development, interconnection, implementation, improvement, and maintenance of an effective educational technology infrastructure, including activities undertaken by State and local educational agencies to promote and provide equipment, training for teachers and school library and media personnel, and technical support;

[(3) support for technical assistance, professional development, information and resource dissemination, in order to help States, local educational agencies, teachers, school library and media personnel, and administrators successfully integrate technology into kindergarten through 12th grade classrooms and library media centers;

[(4) support for the development of educational and instructional programming in core subject areas, which shall address the National Education Goals;

[(5) strengthening and building upon, but not duplicating, existing telecommunications infrastructures dedicated to educational purposes;

[(6) development and evaluation of new and emerging educational technologies, telecommunications networks, and state-of-the-art educational technology products that promote the use of advanced technologies in the classroom and school library media center;

[(7) assessment data regarding state-of-the-art uses of technologies in United States education upon which commercial and noncommercial telecommunications entities, and governments can rely for decisionmaking about the need for, and provision of, appropriate technologies for education in the United States;

[(8) ensuring that uses of educational technology are consistent with the overall national technology policy established by the President, and ensuring that Federal technology-related

policies and programs will facilitate the use of technology in education;

[(9) ensuring that activities supported under this part will form the basis for sound State and local decisions about investing in, sustaining, and expanding uses of technology in education;

[(10) establishing working guidelines to ensure maximum interoperability nationwide and ease of access for the emerging technologies so that no school system will be excluded from the technological revolution;

[(11) ensuring that, as technological advances are made, the educational uses of these advances are considered and their applications are developed; and

[(12) encouragement of collaborative relationships among the State agency for higher education, the State library administrative agency, the State telecommunications agency, and the State educational agency, in the area of technology support to strengthen the system of education.

[SEC. 3113. [20 U.S.C. 6813] DEFINITIONS.

[For purposes of this title—

[(1) the term "adult education" has the same meaning given such term by section 203 of the Adult Education and Family Literacy Act;

[(2) the term "all students" means students from a broad range of backgrounds and circumstances, including disadvantaged students, students with diverse racial, ethnic, and cultural backgrounds, students with disabilities, students with limited English proficiency, students who have dropped out of school, and academically talented students;

[(3) the term "information infrastructure" means a network of communication systems designed to exchange information among all citizens and residents of the United States;

[(4) the term "instructional programming" means the full range of audio and video data, text, graphics, or additional state-of-the-art communications, including multimedia based resources distributed through interactive, command and control, or passive methods for the purpose of education and instruction;

[(5) the terms "interoperable" and "interoperability" mean the ability to exchange easily data with, and connect to, other hardware and software in order to provide the greatest accessibility for all students and other users;

[(6) the term "Office" means the Office of Educational Technology;

[(7) the term "public telecommunications entity" has the same meaning given to such term by section 397(12) of the Communications Act of 1934;

[(8) the term "regional educational laboratory" means a regional educational laboratory supported under section 941(h) of the Educational, Research, Development, Dissemination, and Improvement Act of 1994;

[(9) the term "State educational agency" includes the Bureau of Indian Affairs for purposes of serving schools funded by the Bureau of Indian Affairs in accordance with this part;

[(10) the term "State library administrative agency" has the same meaning given to such term in section 3 of the Library Services and Construction Act; and

[(11) the term "technology" means state-of-the-art technology products and services, such as closed circuit television systems, educational television and radio programs and services, cable television, satellite, copper and fiber optic transmission, computer hardware and software, video and audio laser and CD-ROM discs, and video and audio tapes.

[SEC. 3114. [20 U.S.C. 6814] AUTHORIZATION OF APPROPRIATIONS; FUNDING RULE.

[(a) AUTHORIZATION OF APPROPRIATIONS.—

[(1) SUBPARTS 1, 2, AND 3.—There are authorized to be appropriated $200,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years to carry out subparts 1, 2, and 3, of which—

[(A)(i) $3,000,000 shall be available to carry out subpart 1 (National Programs for Technology in Education) for any such year for which the amount appropriated under this subsection is less than $75,000,000; and

[(ii) $5,000,000 shall be available to carry out subpart 1 for any such year for which the amount appropriated under this subsection is equal to or greater than $75,000,000;

[(B) $10,000,000 shall be available to carry out subpart 3 (Regional Technical Support and Professional Development) for each such year; and

[(C) the remainder shall be available to carry out subpart 2 (State and Local Programs for School Technology Resources) for each such year.

[(2) SUBPART 4.—For the purpose of carrying out subpart 4, there are authorized to be appropriated $50,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(b) FUNDING RULE.—

[(1) APPROPRIATIONS OF LESS THAN $75,000,000.—For any fiscal year for which the amount appropriated under subsection (a)(1) is less than $75,000,000, from the remainder of funds made available under subsection (a)(1)(C) the Secretary shall award grants for the National Challenge Grants in accordance with section 3136.

[(2) APPROPRIATIONS EQUAL TO OR GREATER THAN $75,000,000.—For any fiscal year for which the amount appropriated under subsection (a)(1) is equal to or greater than $75,000,000, from the remainder of funds made available under subsection (a)(1)(C) the Secretary shall award grants to State educational agencies from allotments under section 3131, except that the Secretary may reserve, from such remainder, such funds as the Secretary determines necessary to meet outstanding obligations for such fiscal year to continue the National Challenge Grants for Technology awarded under section 3136.

[SEC. 3115. [20 U.S.C. 6815] LIMITATION ON COSTS.

[Not more than 5 percent of the funds under this part that are made available to a recipient of funds under this part for any fiscal year may be used by such recipient for administrative costs or technical assistance.

[Subpart 1—National Programs for Technology in Education

[SEC. 3121. [20 U.S.C. 6831] NATIONAL LONG-RANGE TECHNOLOGY PLAN.

[(a) IN GENERAL.—The Secretary shall develop and publish not later than 12 months after the date of the enactment of the Improving America's Schools Act of 1994, and update when the Secretary determines appropriate, a national long-range plan that supports the overall national technology policy and carries out the purposes of this part.

[(b) PLAN REQUIREMENTS.—The Secretary shall—

[(1) develop the national long-range plan in consultation with other Federal departments or agencies, State and local education practitioners and policymakers, experts in technology and the applications of technology to education, representatives of distance learning consortia, representatives of telecommunications partnerships receiving assistance under the Star Schools Act, and providers of technology services and products;

[(2) transmit such plan to the President and to the appropriate committees of the Congress; and

[(3) publish such plan in a form that is readily accessible to the public.

[(c) CONTENTS OF THE PLAN.—The national long-range plan shall describe the Secretary's activities to promote the purposes of this title, including—

[(1) how the Secretary will encourage the effective use of technology to provide all students the opportunity to achieve State content standards and State student performance standards, especially through programs administered by the Department;

[(2) joint activities in support of the overall national technology policy with other Federal departments or agencies, such as the Office of Science and Technology Policy, the National Endowment for the Humanities, the National Endowment for the Arts, the National Institute for Literacy, the National Aeronautics and Space Administration, the National Science Foundation, the Bureau of Indian Affairs, and the Departments of Commerce, Energy, Health and Human Services, and Labor—

[(A) to promote the use of technology in education, training, and lifelong learning, including plans for the educational uses of a national information infrastructure; and

[(B) to ensure that the policies and programs of such departments or agencies facilitate the use of technology for educational purposes, to the extent feasible;

[(3) how the Secretary will work with educators, State and local educational agencies, and appropriate representatives of

the private sector to facilitate the effective use of technology in education;

[(4) how the Secretary will promote—

[(A) higher achievement of all students through the integration of technology into the curriculum;

[(B) increased access to the benefits of technology for teaching and learning for schools with a high number or percentage of children from low-income families;

[(C) the use of technology to assist in the implementation of State systemic reform strategies;

[(D) the application of technological advances to use in education;

[(E) increased access to high quality adult and family education services through the use of technology for instruction and professional development; and

[(F) increased opportunities for the professional development of teachers in the use of new technologies;

[(5) how the Secretary will determine, in consultation with appropriate individuals, organizations, industries, and agencies, the feasibility and desirability of establishing guidelines to facilitate an easy exchange of data and effective use of technology in education;

[(6) how the Secretary will promote the exchange of information among States, local educational agencies, schools, consortia, and other entities concerning the effective use of technology in education;

[(7) how the Secretary will utilize the outcomes of the evaluation undertaken pursuant to section 3123 to promote the purposes of this part; and

[(8) the Secretary's long-range measurable goals and objectives relating to the purposes of this part.

[SEC. 3122. [20 U.S.C. 6832] FEDERAL LEADERSHIP.

[(a) PROGRAM AUTHORIZED.—In order to provide Federal leadership in promoting the use of technology in education, the Secretary, in consultation with the National Science Foundation, the Department of Commerce, the United States National Commission on Libraries and Information Sciences, and other appropriate Federal agencies, may carry out activities designed to achieve the purposes of this part directly or by awarding grants or contracts competitively and pursuant to a peer review process to, or entering into contracts with, State educational agencies, local educational agencies, institutions of higher education, or other public and private nonprofit or for-profit agencies and organizations.

[(b) ASSISTANCE.—

[(1) IN GENERAL.—The Secretary shall provide assistance to the States to enable such States to plan effectively for the use of technology in all schools throughout the State in accordance with the purpose and requirements of section 317 of the Goals 2000: Educate America Act.

[(2) OTHER FEDERAL AGENCIES.—For the purpose of carrying out coordinated or joint activities consistent with the purposes of this part, the Secretary may accept funds from, and transfer funds to, other Federal agencies.

[(c) USES OF FUNDS.—The Secretary shall use funds made available to carry out this section for activities designed to carry out the purpose of this part, such as—

[(1) providing assistance to technical assistance providers to enable such providers to improve substantially the services such providers offer to educators regarding the uses of technology for education, including professional development;

[(2) providing development grants to technical assistance providers, to enable such providers to improve substantially the services such providers offer to educators on the educational uses of technology, including professional development;

[(3) consulting with representatives of industry, elementary and secondary education, higher education, adult and family education, and appropriate experts in technology and educational applications of technology in carrying out activities under this subpart;

[(4) research on, and the development of, guidelines to facilitate maximum interoperability, efficiency and easy exchange of data for effective use of technology in education;

[(5) research on, and the development of, applications for education of the most advanced and newly emerging technologies which research shall be coordinated, when appropriate, with the Office of Educational Research and Improvement, and other Federal agencies;

[(6) the development, demonstration, and evaluation of the educational aspects of high performance computing and communications technologies and of the national information infrastructure, in providing professional development for teachers, school librarians, and other educators; enriching academic curricula for elementary and secondary schools; facilitating communications among schools, local educational agencies, libraries, parents, and local communities and in other such areas as the Secretary deems appropriate;

[(7) the development, demonstration, and evaluation of applications of existing technology in preschool education, elementary and secondary education, training and lifelong learning, and professional development of educational personnel;

[(8) the development and evaluation of software and other products, including multimedia television programming, that incorporate advances in technology and help achieve the National Education Goals, State content standards and State student performance standards;

[(9) the development, demonstration, and evaluation of model strategies for preparing teachers and other personnel to use technology effectively to improve teaching and learning;

[(10) the development of model programs that demonstrate the educational effectiveness of technology in urban and rural areas and economically distressed communities;

[(11) research on, and the evaluation of, the effectiveness and benefits of technology in education;

[(12) a biennial assessment of, and report to the public regarding, the uses of technology in elementary and secondary education throughout the United States upon which private

businesses and Federal, State, tribal, and local governments may rely for decisionmaking about the need for, and provision of, appropriate technologies in schools, which assessment and report shall use, to the extent possible, existing information and resources;

[(13) conferences on, and dissemination of information regarding, the uses of technology in education;

[(14) the development of model strategies to promote gender equity concerning access to, and the use of, technology in the classroom;

[(15) encouraging collaboration between the Department and other Federal agencies in the development, implementation, evaluation and funding of applications of technology for education, as appropriate; and

[(16) such other activities as the Secretary determines will meet the purposes of this subpart.

[(d) NON-FEDERAL SHARE.—

[(1) IN GENERAL.—Subject to paragraphs (2) and (3), the Secretary may require any recipient of a grant or contract under this section to share in the cost of the activities assisted under such grant or contract, which non-Federal share shall be announced through a notice in the Federal Register and may be in the form of cash or in-kind contributions, fairly valued.

[(2) INCREASE.—The Secretary may increase the non-Federal share that is required of a recipient of a grant or contract under this section after the first year such recipient receives funds under such grant or contract.

[(3) MAXIMUM.—The non-Federal share required under this section shall not exceed 50 percent of the cost of the activities assisted pursuant to a grant or contract under this section.

[SEC. 3123. [20 U.S.C. 6833] STUDY, EVALUATION AND REPORT OF FUNDING ALTERNATIVES.

[The Secretary, through the Office of Educational Technology, shall conduct a study to evaluate, and report to the Congress on, the feasibility of several alternative models for providing sustained and adequate funding for schools throughout the United States so that such schools are able to acquire and maintain technology-enhanced curriculum, instruction, and administrative support resources and services. Such report shall be submitted to the Congress not later than one year after the date of enactment of the Improving America's Schools Act of 1994.

[Subpart 2—State and Local Programs for School Technology Resources

[SEC. 3131. [20 U.S.C. 6841] ALLOTMENT AND REALLOTMENT.

[(a) ALLOTMENT.—

[(1) IN GENERAL.—Except as provided in paragraph (2), each State educational agency shall be eligible to receive a grant under this subpart for a fiscal year in an amount which bears the same relationship to the amount made available under section 3114(a)(1)(C) for such year as the amount such State re-

ceived under part A of title I for such year bears to the amount received for such year under such part by all States.

[(2) MINIMUM.—No State educational agency shall be eligible to receive a grant under paragraph (1) in any fiscal year in an amount which is less than one-half of one percent of the amount made available under section 3115(a)(1)(C) for such year.

[(b) REALLOTMENT OF UNUSED FUNDS.—

[(1) IN GENERAL.—The amount of any State educational agency's allotment under subsection (a) for any fiscal year which the Secretary determines will not be required for such fiscal year to carry out this subpart shall be available for reallotment from time to time, on such dates during such year as the Secretary may determine, to other State educational agencies in proportion to the original allotments to such State educational agencies under subsection (a) for such year, but with such proportionate amount for any of such other State educational agencies being reduced to the extent such amount exceeds the sum the Secretary estimates such State needs and will be able to use for such year.

[(2) OTHER REALLOTMENTS.—The total of reductions under paragraph (1) shall be similarly reallotted among the State educational agencies whose proportionate amounts were not so reduced. Any amounts reallotted to a State educational agency under this subsection during a year shall be deemed a subpart of such agencies allotment under subsection (a) for such year.

[SEC. 3132. [20 U.S.C. 6842] SCHOOL TECHNOLOGY RESOURCE GRANTS.

[(a) GRANTS TO STATES.—

[(1) IN GENERAL.—From amounts made available under section 3131, the Secretary, through the Office of Educational Technology, shall award grants to State educational agencies having applications approved under section 3133.

[(2) USE OF GRANTS.—(A) Each State educational agency receiving a grant under paragraph (1) shall use such grant funds to award grants, on a competitive basis, to local educational agencies to enable such local educational agencies to carry out the activities described in section 3134.

[(B) In awarding grants under subparagraph (A), each State educational agency shall ensure that each such grant is of sufficient duration, and of sufficient size, scope, and quality, to carry out the purposes of this part effectively.

[(b) TECHNICAL ASSISTANCE.—Each State educational agency receiving a grant under paragraph (1) shall—

[(1) identify the local educational agencies served by the State educational agency that—

[(A) have the highest number or percentage of children in poverty; and

[(B) demonstrate to such State educational agency the greatest need for technical assistance in developing the application under section 3133; and

[(2) offer such technical assistance to such local educational agencies.

[SEC. 3133. [20 U.S.C. 6843] STATE APPLICATION.

[To receive funds under this subpart, each State educational agency shall submit a statewide educational technology plan which may include plans submitted under the Goals 2000: Educate America Act or other statewide technology plans which meet the requirements of this section. Such application shall be submitted to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Each such application shall contain a systemic statewide plan that—

[(1) outlines long-term strategies for financing technology education in the State and describes how business, industry, and other public and private agencies, including libraries, library literacy programs, and institutions of higher education, can participate in the implementation, ongoing planning, and support of the plan; and

[(2) meets such other criteria as the Secretary may establish in order to enable such agency to provide assistance to local educational agencies that have the highest numbers or percentages of children in poverty and demonstrate the greatest need for technology, in order to enable such local educational agencies, for the benefit of school sites served by such local educational agencies, to carry out activities such as—

[(A) purchasing quality technology resources;

[(B) installing various linkages necessary to acquire connectivity;

[(C) integrating technology into the curriculum in order to improve student learning and achievement;

[(D) providing teachers and library media personnel with training or access to training;

[(E) providing administrative and technical support and services that improve student learning through enriched technology-enhanced resources, including library media resources;

[(F) promoting in individual schools the sharing, distribution, and application of educational technologies with demonstrated effectiveness;

[(G) assisting schools in promoting parent involvement;

[(H) assisting the community in providing literacy-related services;

[(I) establishing partnerships with private or public educational providers or other entities to serve the needs of children in poverty; and

[(J) providing assurances that financial assistance provided under this part shall supplement, not supplant, State and local funds.

[SEC. 3134. [20 U.S.C. 6844] LOCAL USES OF FUNDS.

[Each local educational agency, to the extent possible, shall use the funds made available under section 3132(a)(2) for—

[(1) developing, adapting, or expanding existing and new applications of technology to support the school reform effort;

[(2) funding projects of sufficient size and scope to improve student learning and, as appropriate, support professional development, and provide administrative support;

[(3) acquiring connectivity linkages, resources, and services, including the acquisition of hardware and software, for use by teachers, students and school library media personnel in the classroom or in school library media centers, in order to improve student learning by supporting the instructional program offered by such agency to ensure that students in schools will have meaningful access on a regular basis to such linkages, resources and services;

[(4) providing ongoing professional development in the integration of quality educational technologies into school curriculum and long-term planning for implementing educational technologies;

[(5) acquiring connectivity with wide area networks for purposes of accessing information and educational programming sources, particularly with institutions of higher education and public libraries; and

[(6) providing educational services for adults and families.

[SEC. 3135. [20 U.S.C. 6845] LOCAL APPLICATIONS.

[Each local educational agency desiring assistance from a State educational agency under section 3132(a)(2) shall submit an application, consistent with the objectives of the systemic statewide plan, to the State educational agency at such time, in such manner and accompanied by such information as the State educational agency may reasonably require. Such application, at a minimum, shall—

[(1) include a strategic, long-range (three- to five-year), plan that includes—

[(A) a description of the type of technologies to be acquired, including specific provisions for interoperability among components of such technologies and, to the extent practicable, with existing technologies;

[(B) an explanation of how the acquired technologies will be integrated into the curriculum to help the local educational agency enhance teaching, training, and student achievement;

[(C) an explanation of how programs will be developed in collaboration with existing adult literacy services providers to maximize the use of such technologies;

[(D)(i) a description of how the local educational agency will ensure ongoing, sustained professional development for teachers, administrators, and school library media personnel served by the local educational agency to further the use of technology in the classroom or library media center; and

[(ii) a list of the source or sources of ongoing training and technical assistance available to schools, teachers and administrators served by the local educational agency, such as State technology offices, intermediate educational support units, regional educational laboratories or institutions of higher education;

[(E) a description of the supporting resources, such as services, software and print resources, which will be acquired to ensure successful and effective use of technologies acquired under this section;

[(F) the projected timetable for implementing such plan in schools;

[(G) the projected cost of technologies to be acquired and related expenses needed to implement such plan; and

[(H) a description of how the local educational agency will coordinate the technology provided pursuant to this subpart with other grant funds available for technology from State and local sources;

[(2) describe how the local educational agency will involve parents, public libraries, business leaders and community leaders in the development of such plan;

[(3) describe how the acquired instructionally based technologies will help the local educational agency—

[(A) promote equity in education in order to support State content standards and State student performance standards that may be developed; and

[(B) provide access for teachers, parents and students to the best teaching practices and curriculum resources through technology; and

[(4) describe a process for the ongoing evaluation of how technologies acquired under this section—

[(A) will be integrated into the school curriculum; and

[(B) will affect student achievement and progress toward meeting the National Education Goals and any challenging State content standards and State student performance standards that may be developed.

[(d) FORMATION OF CONSORTIA.—A local educational agency for any fiscal year may apply for financial assistance as part of a consortium with other local educational agencies, institutions of higher education, intermediate educational units, libraries, or other educational entities appropriate to provide local programs. The State educational agency may assist in the formation of consortia among local educational agencies, providers of educational services for adults and families, institutions of higher education, intermediate educational units, libraries, or other appropriate educational entities to provide services for the teachers and students in a local educational agency at the request of such local educational agency.

[(e) COORDINATION OF APPLICATION REQUIREMENTS.—If a local educational agency submitting an application for assistance under this section has developed a comprehensive education improvement plan, in conjunction with requirements under this Act or the Goals 2000: Educate America Act, the State educational agency may approve such plan, or a component of such plan, notwithstanding the requirements of subsection (e) if the State educational agency determines that such approval would further the purposes of this subpart.

[SEC. 3136. [20 U.S.C. 6846] NATIONAL CHALLENGE GRANTS FOR TECHNOLOGY IN EDUCATION.

[(a) GRANTS AUTHORIZED.—

[(1) IN GENERAL.—From amounts made available under section 3115(b)(1) for any fiscal year the Secretary is authorized to award grants, on a competitive basis, to consortia having applications approved under subsection (d), which consortia shall include at least one local educational agency with a high per-

centage or number of children living below the poverty line and may include other local educational agencies, State educational agencies, institutions of higher education, businesses, academic content experts, software designers, museums, libraries, or other appropriate entities.

[(2) DURATION.—Grants under this section shall be awarded for a period of 5 years.

[(b) USE OF GRANTS.—Grants awarded under subsection (a) shall be used for activities similar to the activities described in section 3134.

[(c) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to consortia which demonstrate in the application submitted under subsection (d) that—

[(1) the project for which assistance is sought is designed to serve areas with a high number or percentage of disadvantaged students or the greatest need for educational technology;

[(2) the project will directly benefit students by, for example, integrating the acquired technologies into curriculum to help the local educational agency enhance teaching, training, and student achievement;

[(3) the project will ensure ongoing, sustained professional development for teachers, administrators, and school library media personnel served by the local educational agency to further the use of technology in the classroom or library media center;

[(4) the project will ensure successful, effective, and sustainable use of technologies acquired under this subsection; and

[(5) members of the consortia or other appropriate entities will contribute substantial financial and other resources to achieve the goals of the project.

[(d) APPLICATION.—Each local educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[SEC. 3137. [20 U.S.C. 6847] FEDERAL ADMINISTRATION.

[(a) EVALUATION PROCEDURES.—The Secretary shall develop procedures for State and local evaluations of the programs under this subpart.

[(b) EVALUATION SUMMARY.—The Secretary shall submit to the Congress four years after the enactment of the Improving America's Schools Act of 1994 a summary of the State evaluations of programs under this subpart in accordance with the provisions of section 14701.

[Subpart 3—Regional Technical Support and Professional Development

[SEC. 3141. [20 U.S.C. 6861] REGIONAL TECHNICAL SUPPORT AND PROFESSIONAL DEVELOPMENT.

[(a) GRANTS AUTHORIZED.—

[(1) AUTHORITY.—The Secretary, through the Office of Educational Technology, shall make grants in accordance with the provisions of this section, to regional entities such as the Ei-

senhower Mathematics and Science Regional Consortia under part C of title XIII, the regional education laboratories, the comprehensive regional assistance centers, or such other regional entities as may be designated or established by the Secretary. In awarding grants under this section, the Secretary shall give priority to such consortia and shall ensure that each geographic region of the United States shall be served by such a consortium.

[(2) REQUIREMENTS.—Each consortium receiving a grant under this section shall—

[(A) be composed of State educational agencies, institutions of higher education, nonprofit organizations, or a combination thereof;

[(B) in cooperation with State and local educational agencies, develop a regional program that addresses professional development, technical assistance, and information resource dissemination, with special emphasis on meeting the documented needs of educators and learners in the region; and

[(C) foster regional cooperation and resource and coursework sharing.

[(b) FUNCTIONS.—

[(1) TECHNICAL ASSISTANCE.—Each consortium receiving a grant under this section shall, to the extent practicable—

[(A) collaborate with State educational agencies and local educational agencies requesting collaboration, particularly in the development of strategies for assisting those schools with the highest numbers or percentages of disadvantaged students with little or no access to technology in the classroom;

[(B) provide information, in coordination with information available from the Secretary, to State educational agencies, local educational agencies, schools and adult education programs, on the types and features of various educational technology equipment and software available, evaluate and make recommendations on equipment and software that support the National Education Goals and are suited for a school's particular needs, and compile and share information regarding creative and effective applications of technology in the classroom and school library media centers in order to support the purposes of this part;

[(C) collaborate with such State educational agencies, local educational agencies, or schools requesting to participate in the tailoring of software programs and other supporting materials to meet challenging State content standards or challenging State student performance standards that may be developed; and

[(D) provide technical assistance to facilitate use of the electronic dissemination networks by State and local educational agencies and schools throughout the region.

[(2) PROFESSIONAL DEVELOPMENT.—Each consortium receiving a grant under this section shall, to the extent practicable—

[(A) develop and implement, in collaboration with State educational agencies and institutions of higher education,

technology-specific, ongoing professional development, such as—

[(i) intensive school year and summer workshops that use teachers, school librarians, and school library personnel to train other teachers, school librarians, and other school library media personnel; and

[(ii) distance professional development, including—

[(I) interactive training tele-courses using researchers, educators, and telecommunications personnel who have experience in developing, implementing, or operating educational and instructional technology as a learning tool;

[(II) onsite courses teaching teachers to use educational and instructional technology and to develop their own instructional materials for effectively incorporating technology and programming in their own classrooms;

[(III) methods for successful integration of instructional technology into the curriculum in order to improve student learning and achievement;

[(IV) video conferences and seminars which offer professional development through peer interaction with experts as well as other teachers using technologies in their classrooms; and

[(V) mobile education technology and training resources;

[(B) develop training resources that—

[(i) are relevant to the needs of the region and schools within the region;

[(ii) are relevant to the needs of adult literacy staff and volunteers, including onsite courses on how to—

[(I) use instructional technology; and

[(II) develop instructional materials for adult learning; and

[(iii) are aligned with the needs of teachers and administrators in the region;

[(C) establish a repository of professional development and technical assistance resources;

[(D) identify and link technical assistance providers to State and local educational agencies, as needed;

[(E) ensure that training, professional development, and technical assistance meet the needs of educators, parents, and students served by the region;

[(F) assist colleges and universities within the region to develop and implement preservice training programs for students enrolled in teacher education programs; and

[(G) assist local educational agencies and schools in working with community members and parents to develop support from communities and parents for educational technology programs and projects.

[(3) INFORMATION AND RESOURCE DISSEMINATION.—Each consortium receiving a grant under this section shall, to the extent practicable—

[(A) assist State and local educational agencies in the identification and procurement of financial, technological and human resources needed to implement technology plans;

[(B) provide outreach and, at the request of a State or local educational agency, work with such agency to assist in the development and validation of instructionally based technology education resources; and

[(C) coordinate activities and establish partnerships with organizations and institutions of higher education that represent the interests of the region as such interests pertain to the application of technology in teaching, learning, instructional management, dissemination, collection and distribution of educational statistics, and the transfer of student information.

[(4) COORDINATION.—Each consortium receiving a grant under this section shall work collaboratively, and coordinate the services the consortium provides, with appropriate regional and other entities assisted in whole or in part by the Department.

Subpart 4—Product Development

SEC. 3151. [20 U.S.C. 6871] EDUCATIONAL TECHNOLOGY PRODUCT DEVELOPMENT.

[(a) PURPOSE.—It is the purpose of this subpart to—

[(1) support development of curriculum-based learning resources using state-of-the-art technologies and techniques designed to improve student learning; and

[(2) support development of long-term comprehensive instructional programming and associated support resources that ensure maximum access by all educational institutions.

[(b) FEDERAL ASSISTANCE AUTHORIZED.—

[(1) IN GENERAL.—The Secretary shall provide assistance, on a competitive basis, to eligible consortia to enable such entities to develop, produce, and distribute state-of-the-art technology-enhanced instructional resources and programming for use in the classroom or to support professional development for teachers.

[(2) GRANTS AND LOANS AUTHORIZED.—In carrying out the purposes of this section, the Secretary is authorized to pay the Federal share of the cost of the development, production, and distribution of state-of-the-art technology enhanced instructional resources and programming—

[(A) by awarding grants to, or entering into contracts or cooperative agreements with, eligible consortia; or

[(B) by awarding loans to eligible consortia which—

[(i) shall be secured in such manner and be repaid within such period, not exceeding 20 years, as may be determined by the Secretary;

[(ii) shall bear interest at a rate determined by the Secretary which shall be not more than the total of one-quarter of 1 percent per annum added to the rate

of interest paid by the Secretary on funds obtained from the Secretary of the Treasury; and

[(iii) may be forgiven by the Secretary, in an amount not to exceed 25 percent of the total loan, under such terms and conditions as the Secretary may consider appropriate.

[(3) MATCHING REQUIREMENT.—The Secretary may require any recipient of a grant or contract under this subpart to share in the cost of the activities assisted under such grant or contract, which non-Federal share shall be announced through a notice in the Federal Register and may be in the form of cash or in-kind contributions, fairly valued.

[(4) ELIGIBLE CONSORTIUM.—For the purpose of this subsection, the term "eligible consortium" means a consortium—

[(A) that shall include—

[(i) a State or local educational agency; and

[(ii) a business, industry, or telecommunications entity; and

[(B) that may include—

[(i) a public or private nonprofit organization; or

[(ii) a postsecondary institution.

[(5) PRIORITIES.—In awarding assistance under this section, the Secretary shall give priority to applications describing programs or systems that—

[(A) promote the acquisition of higher-order thinking skills and promise to raise the achievement levels of all students, particularly disadvantaged students who are not realizing their potential;

[(B) are aligned with challenging State content standards and State and local curriculum frameworks;

[(C) may be adapted and applied nationally at a reasonable cost over a broad technology platform;

[(D) convert technology resources developed with support from the Department of Defense and other Federal agencies for effective use in the classroom;

[(E) show promise of reducing the costs of providing high-quality instruction;

[(F) show promise of expanding access to high-quality instruction in content areas which would otherwise not be available to students in rural and urban communities or who are served by other educational agencies with limited financial resources;

[(G) are developed in consultation with classroom teachers;

[(H) are developed through consultation and collaboration with appropriate education entities in designing the product to ensure relevance to the voluntary national content standards, the voluntary national student performance standards and State curriculum frameworks; and

[(I) are developed so that the product can be adapted for use by adults in need of literacy services, including English as a second language and preparation for a secondary school diploma or its recognized equivalent.

[(6) REQUIREMENTS FOR FEDERAL ASSISTANCE.—Each eligible consortium desiring Federal assistance under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe. Each application shall include—

[(A) a description of how the product will improve the achievement levels of students;

[(B) a description of how the activities assisted under this section will promote professional development of teachers and administrators in the uses and applications of the product, including the development of training materials;

[(C) a description of design, development, field testing, evaluation, and distribution of products, where appropriate;

[(D) an assurance that the product shall effectively serve a significant number or percentage of economically disadvantaged students;

[(E) plans for dissemination of products to a wide audience of learners;

[(F) a description of how the product can be adapted for use by students with disabilities including provisions for closed captioning or descriptive video, where appropriate;

[(G) a description of how ownership and rights to the use and marketing of any product developed by the consortium, including intellectual property rights, will be allocated among consortium participants; and

[(H) a description of the contributions, including services and funds, to be made by each member of the consortium, and how any revenues derived from the sale of any product developed by the consortium shall be distributed.

[(c) CONSUMER REPORT.—The Secretary shall provide for the independent evaluation of products developed under this section and shall disseminate information about products developed pursuant to provisions of this section to State and local educational agencies, and other organizations or individuals that the Secretary determines to be appropriate, through print and electronic media that are accessible to the education community at large.

[(d) PROCEEDS.—The Secretary shall not prohibit an eligible consortium or any of the members of such consortium from receiving financial benefits from the distribution of any products resulting from the assistance received under this section. Notwithstanding any other provision of law, any profits or royalties received by a State educational agency, local educational agency, or other nonprofit member of an eligible consortium receiving assistance under this section shall be used to support further development of curriculum-based learning resources, services, and programming or to provide access to such products for a wider audience.

[PART B—STAR SCHOOLS PROGRAM

[SEC. 3201. [20 U.S.C. 6891] SHORT TITLE.

[This part may be cited as the "Star Schools Act".

[SEC. 3202. [20 U.S.C. 6892] FINDINGS.

[The Congress finds that—

[(1) the Star Schools program has helped to encourage the use of distance learning strategies to serve multi-State regions primarily by means of satellite and broadcast television;

[(2) in general, distance learning programs have been used effectively to provide students in small, rural, and isolated schools with courses and instruction, such as science and foreign language instruction, that the local educational agency is not otherwise able to provide; and

[(3) distance learning programs may also be used to—

[(A) provide students of all ages in all types of schools and educational settings with greater access to high-quality instruction in the full range of core academic subjects that will enable such students to meet challenging, internationally competitive, educational standards;

[(B) expand professional development opportunities for teachers;

[(C) contribute to achievement of the National Education Goals; and

[(D) expand learning opportunities for everyone.

[SEC. 3203. [20 U.S.C. 6893] PURPOSE.

[It is the purpose of this part to encourage improved instruction in mathematics, science, and foreign languages as well as other subjects, such as literacy skills and vocational education, and to serve underserved populations, including the disadvantaged, illiterate, limited-English proficient, and individuals with disabilities, through a star schools program under which grants are made to eligible telecommunication partnerships to enable such partnerships to—

[(1) develop, construct, acquire, maintain and operate telecommunications audio and visual facilities and equipment;

[(2) develop and acquire educational and instructional programming; and

[(3) obtain technical assistance for the use of such facilities and instructional programming.

[SEC. 3204. [20 U.S.C. 6894] GRANTS AUTHORIZED.

[(a) AUTHORITY.—The Secretary, through the Office of Educational Technology, is authorized to make grants, in accordance with the provisions of this part, to eligible entities to pay the Federal share of the cost of—

[(1) the development, construction, acquisition, maintenance and operation of telecommunications facilities and equipment;

[(2) the development and acquisition of live, interactive instructional programming;

[(3) the development and acquisition of preservice and inservice teacher training programs based on established research regarding teacher-to-teacher mentoring, effective skill transfer, and ongoing, in-class instruction;

[(4) the establishment of teleconferencing facilities and resources for making interactive training available to teachers;

[(5) obtaining technical assistance; and

[(6) the coordination of the design and connectivity of telecommunications networks to reach the greatest number of schools.

[(b) DURATION.—

[(1) IN GENERAL.—The Secretary shall award grants pursuant to subsection (a) for a period of 5 years.

[(2) RENEWAL.—Grants awarded pursuant to subsection (a) may be renewed for one additional three-year period.

[(c) AUTHORIZATION OF APPROPRIATIONS.—

[(1) IN GENERAL.—There are authorized to be appropriated $35,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this part.

[(2) AVAILABILITY.—Funds appropriated pursuant to the authority of subsection (a) shall remain available until expended.

[(d) LIMITATIONS.—

[(1) IN GENERAL.—A grant under this section shall not exceed—

[(A) five years in duration; and

[(B) $10,000,000 in any one fiscal year.

[(2) INSTRUCTIONAL PROGRAMMING.—Not less than 25 percent of the funds available to the Secretary in any fiscal year under this part shall be used for the cost of instructional programming.

[(3) SPECIAL RULE.—Not less than 50 percent of the funds available in any fiscal year under this part shall be used for the cost of facilities, equipment, teacher training or retraining, technical assistance, or programming, for local educational agencies which are eligible to receive assistance under part A of title I.

[(e) FEDERAL SHARE.—

[(1) IN GENERAL.—The Federal share of the cost of projects funded under this section shall not exceed—

[(A) 75 percent for the first and second years for which an eligible telecommunications partnership receives a grant under this part;

[(B) 60 percent for the third and fourth such years; and

[(C) 50 percent for the fifth such year.

[(2) REDUCTION OR WAIVER.—The Secretary may reduce or waive the requirement of the non-Federal share under paragraph (1) upon a showing of financial hardship.

[(f) AUTHORITY TO ACCEPT FUNDS FROM OTHER AGENCIES.—The Secretary is authorized to accept funds from other Federal departments or agencies to carry out the purposes of this section, including funds for the purchase of equipment.

[(g) COORDINATION.—The Department, the National Science Foundation, the Department of Agriculture, the Department of Commerce, and any other Federal department or agency operating a telecommunications network for educational purposes, shall coordinate the activities assisted under this part with the activities of such department or agency relating to a telecommunications network for educational purposes.

[(h) CLOSED CAPTIONING AND DESCRIPTIVE VIDEO.—Each entity receiving funds under this part is encouraged to provide—

[(1) closed captioning of the verbal content of such program, where appropriate, to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies; and

[(2) descriptive video of the visual content of such program, as appropriate.

[SEC. 3205. [20 U.S.C. 6895] ELIGIBLE ENTITIES.

[(a) ELIGIBLE ENTITIES.—

[(1) REQUIRED PARTICIPATION.—The Secretary may make a grant under section 3204 to any eligible entity, if at least one local educational agency is participating in the proposed project.

[(2) ELIGIBLE ENTITY.—For the purpose of this part, the term "eligible entity" may include—

[(A) a public agency or corporation established for the purpose of developing and operating telecommunications networks to enhance educational opportunities provided by educational institutions, teacher training centers, and other entities, except that any such agency or corporation shall represent the interests of elementary and secondary schools that are eligible to participate in the program under part A of title I; or

[(B) a partnership that will provide telecommunications services and which includes 3 or more of the following entities, at least 1 of which shall be an agency described in clause (i) or (ii):

[(i) a local educational agency that serves a significant number of elementary and secondary schools that are eligible for assistance under part A of title I, or elementary and secondary schools operated or funded for Indian children by the Department of the Interior eligible under section 1121(b)(2);

[(ii) a State educational agency;

[(iii) adult and family education programs;

[(iv) an institution of higher education or a State higher education agency;

[(v) a teacher training center or academy that—

[(I) provides teacher pre-service and in-service training; and

[(II) receives Federal financial assistance or has been approved by a State agency;

[(vi) (I) a public or private entity with experience and expertise in the planning and operation of a telecommunications network, including entities involved in telecommunications through satellite, cable, telephone, or computer; or

[(II) a public broadcasting entity with such experience; or

[(vii) a public or private elementary or secondary school.

[(b) SPECIAL RULE.—An eligible entity receiving assistance under this part shall be organized on a statewide or multistate basis.

[SEC. 3206. [20 U.S.C. 6896] APPLICATIONS.

[(a) APPLICATIONS REQUIRED.—Each eligible entity which desires to receive a grant under section 3204 shall submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

[(b) STAR SCHOOL AWARD APPLICATIONS.—Each application submitted pursuant to subsection (a) shall—

[(1) describe how the proposed project will assist in achieving the National Education Goals, how such project will assist all students to have an opportunity to learn to challenging State standards, how such project will assist State and local educational reform efforts, and how such project will contribute to creating a high quality system of lifelong learning;

[(2) describe the telecommunications facilities and equipment and technical assistance for which assistance is sought, which may include—

[(A) the design, development, construction, acquisition, maintenance and operation of State or multistate educational telecommunications networks and technology resource centers;

[(B) microwave, fiber optics, cable, and satellite transmission equipment or any combination thereof;

[(C) reception facilities;

[(D) satellite time;

[(E) production facilities;

[(F) other telecommunications equipment capable of serving a wide geographic area;

[(G) the provision of training services to instructors who will be using the facilities and equipment for which assistance is sought, including training in using such facilities and equipment and training in integrating programs into the classroom curriculum; and

[(H) the development of educational and related programming for use on a telecommunications network;

[(3) in the case of an application for assistance for instructional programming, describe the types of programming which will be developed to enhance instruction and training and provide assurances that such programming will be designed in consultation with professionals (including classroom teachers) who are experts in the applicable subject matter and grade level;

[(4) describe how the eligible entity has engaged in sufficient survey and analysis of the area to be served to ensure that the services offered by the eligible entity will increase the availability of courses of instruction in English, mathematics, science, foreign languages, arts, history, geography, or other disciplines;

[(5) describe the professional development policies for teachers and other school personnel to be implemented to ensure the effective use of the telecommunications facilities and equipment for which assistance is sought;

[(6) describe the manner in which historically underserved students (such as students from low-income families, limited

English proficient students, students with disabilities, or students who have low literacy skills) and their families, will participate in the benefits of the telecommunications facilities, equipment, technical assistance, and programming assisted under this part;

[(7) describe how existing telecommunications equipment, facilities, and services, where available, will be used;

[(8) provide assurances that the financial interest of the United States in the telecommunications facilities and equipment will be protected for the useful life of such facilities and equipment;

[(9) provide assurances that a significant portion of any facilities and equipment, technical assistance, and programming for which assistance is sought for elementary and secondary schools will be made available to schools or local educational agencies that have a high number or percentage of children eligible to be counted under part A of title I;

[(10) provide assurances that the applicant will use the funds provided under this part to supplement and not supplant funds otherwise available for the purposes of this part;

[(11) if any member of the consortia receives assistance under subpart 3 of part A, describe how funds received under this part will be coordinated with funds received for educational technology in the classroom under such section;

[(12) describe the activities or services for which assistance is sought, such as—

[(A) providing facilities, equipment, training services, and technical assistance;

[(B) making programs accessible to students with disabilities through mechanisms such as closed captioning and descriptive video services;

[(C) linking networks around issues of national importance (such as elections) or to provide information about employment opportunities, job training, or student and other social service programs;

[(D) sharing curriculum resources between networks and development of program guides which demonstrate cooperative, cross-network listing of programs for specific curriculum areas;

[(E) providing teacher and student support services including classroom and training support materials which permit student and teacher involvement in the live interactive distance learning telecasts;

[(F) incorporating community resources such as libraries and museums into instructional programs;

[(G) providing professional development for teachers, including, as appropriate, training to early childhood development and Head Start teachers and staff and vocational education teachers and staff, and adult and family educators;

[(H) providing programs for adults to maximize the use of telecommunications facilities and equipment;

[(I) providing teacher training on proposed or established voluntary national content standards in mathe-

matics and science and other disciplines as such standards are developed; and

[(J) providing parent education programs during and after the regular school day which reinforce a student's course of study and actively involve parents in the learning process;

[(13) describe how the proposed project as a whole will be financed and how arrangements for future financing will be developed before the project expires;

[(14) provide an assurance that a significant portion of any facilities, equipment, technical assistance, and programming for which assistance is sought for elementary and secondary schools will be made available to schools in local educational agencies that have a high percentage of children counted for the purpose of part A of title I;

[(15) provide an assurance that the applicant will provide such information and cooperate in any evaluation that the Secretary may conduct under this part; and

[(16) include such additional assurances as the Secretary may reasonably require.

[(c) PRIORITIES.—The Secretary, in approving applications for grants authorized under section 3204, shall give priority to applications describing projects that—

[(1) propose high-quality plans to assist in achieving one or more of the National Education Goals, will provide instruction consistent with State content standards, or will otherwise provide significant and specific assistance to States and local educational agencies undertaking systemic education reform;

[(2) will provide services to programs serving adults, especially parents, with low levels of literacy;

[(3) will serve schools with significant numbers of children counted for the purposes of part A of title I;

[(4) ensure that the eligible entity will—

[(A) serve the broadest range of institutions, programs providing instruction outside of the school setting, programs serving adults, especially parents, with low levels of literacy, institutions of higher education, teacher training centers, research institutes, and private industry;

[(B) have substantial academic and teaching capabilities, including the capability of training, retraining, and inservice upgrading of teaching skills and the capability to provide professional development;

[(C) provide a comprehensive range of courses for educators to teach instructional strategies for students with different skill levels;

[(D) provide training to participating educators in ways to integrate telecommunications courses into existing school curriculum;

[(E) provide instruction for students, teachers, and parents;

[(F) serve a multistate area; and

[(G) give priority to the provision of equipment and linkages to isolated areas; and

[(5) involve a telecommunications entity (such as a satellite, cable, telephone, computer, or public or private television stations) participating in the eligible entity and donating equipment or in-kind services for telecommunications linkages.

[(d) GEOGRAPHIC DISTRIBUTION.—In approving applications for grants authorized under section 3204, the Secretary shall, to the extent feasible, ensure an equitable geographic distribution of services provided under this part.

[SEC. 3207. [20 U.S.C. 6897] LEADERSHIP AND EVALUATION ACTIVITIES.

[(a) RESERVATION.—From the amount appropriated pursuant to the authority of section 3204(c)(1) in each fiscal year, the Secretary may reserve not more than 5 percent of such amount for national leadership, evaluation, and peer review activities.

[(b) METHOD OF FUNDING.—The Secretary may fund the activities described in subsection (a) directly or through grants, contracts, and cooperative agreements.

[(c) USES OF FUNDS.—

[(1) LEADERSHIP.—Funds reserved for leadership activities under subsection (a) may be used for—

[(A) disseminating information, including lists and descriptions of services available from grant recipients under this part; and

[(B) other activities designed to enhance the quality of distance learning activities nationwide.

[(2) EVALUATION.—Funds reserved for evaluation activities under subsection (a) may be used to conduct independent evaluations of the activities assisted under this part and of distance learning in general, including—

[(A) analyses of distance learning efforts, including such efforts that are assisted under this part and such efforts that are not assisted under this part; and

[(B) comparisons of the effects, including student outcomes, of different technologies in distance learning efforts.

[(3) PEER REVIEW.—Funds reserved for peer review activities under subsection (a) may be used for peer review of—

[(A) applications for grants under this part; and

[(B) activities assisted under this part.

[SEC. 3208. [20 U.S.C. 6898] DEFINITIONS.

[As used in this part—

[(1) the term "educational institution" means an institution of higher education, a local educational agency, or a State educational agency;

[(2) the term "instructional programming" means courses of instruction and training courses for elementary and secondary students, teachers, and others, and materials for use in such instruction and training that have been prepared in audio and visual form on tape, disc, film, or live, and presented by means of telecommunications devices; and

[(3) the term "public broadcasting entity" has the same meaning given such term in section 397 of the Communications Act of 1934.

[SEC. 3209. [20 U.S.C. 6899] ADMINISTRATIVE PROVISIONS.

[(a) CONTINUING ELIGIBILITY.—

[(1) IN GENERAL.—In order to be eligible to receive a grant under section 3204 for a second 3-year grant period an eligible entity shall demonstrate in the application submitted pursuant to section 3206 that such partnership shall—

[(A) continue to provide services in the subject areas and geographic areas assisted with funds received under this part for the previous 5-year grant period; and

[(B) use all grant funds received under this part for the second 3-year grant period to provide expanded services by—

[(i) increasing the number of students, schools or school districts served by the courses of instruction assisted under this part in the previous fiscal year;

[(ii) providing new courses of instruction; and

[(iii) serving new populations of underserved individuals, such as children or adults who are disadvantaged, have limited-English proficiency, are individuals with disabilities, are illiterate, or lack secondary school diplomas or their recognized equivalent.

[(2) SPECIAL RULE.—Grant funds received pursuant to paragraph (1) shall be used to supplement and not supplant services provided by the grant recipient under this part in the previous fiscal year.

[(b) FEDERAL ACTIVITIES.—The Secretary may assist grant recipients under section 3204 in acquiring satellite time, where appropriate, as economically as possible.

[SEC. 3210. [20 U.S.C. 6900] OTHER ASSISTANCE.

[(a) SPECIAL STATEWIDE NETWORK.—

[(1) IN GENERAL.—The Secretary, through the Office of Educational Technology, may provide assistance to a statewide telecommunications network under this subsection if such network—

[(A) provides 2-way full motion interactive video and audio communications;

[(B) links together public colleges and universities and secondary schools throughout the State; and

[(C) meets any other requirements determined appropriate by the Secretary.

[(2) STATE CONTRIBUTION.—A statewide telecommunications network assisted under paragraph (1) shall contribute, either directly or through private contributions, non-Federal funds equal to not less than 50 percent of the cost of such network.

[(b) SPECIAL LOCAL NETWORK.—

[(1) IN GENERAL.—The Secretary may provide assistance, on a competitive basis, to a local educational agency or consortium thereof to enable such agency or consortium to establish a high technology demonstration program.

[(2) PROGRAM REQUIREMENTS.—A high technology demonstration program assisted under paragraph (1) shall—

[(A) include 2-way full motion interactive video, audio and text communications;

[(B) link together elementary and secondary schools, colleges, and universities;

[(C) provide parent participation and family programs;

[(D) include a staff development program; and

[(E) have a significant contribution and participation from business and industry.

[(3) SPECIAL RULE.—Each high technology demonstration program assisted under paragraph (1) shall be of sufficient size and scope to have an effect on meeting the National Education Goals.

[(4) MATCHING REQUIREMENT.—A local educational agency or consortium receiving a grant under paragraph (1) shall provide, either directly or through private contributions, non-Federal matching funds equal to not less than 50 percent of the amount of the grant.

[(c) TELECOMMUNICATIONS PROGRAMS FOR CONTINUING EDUCATION.—

[(1) AUTHORITY.—The Secretary is authorized to award grants, on a competitive basis, to eligible entities to enable such partnerships to develop and operate one or more programs which provide on-line access to educational resources in support of continuing education and curriculum requirements relevant to achieving a secondary school diploma or its recognized equivalent. The program authorized by this section shall be designed to advance adult literacy, secondary school completion and the acquisition of specified competency by the end of the 12th grade, as envisioned by the Goals 2000: Educate America Act.

[(2) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary. Each such application shall—

[(A) demonstrate that the applicant will use publicly funded or free public telecommunications infrastructure to deliver video, voice and data in an integrated service to support and assist in the acquisition of a secondary school diploma or its recognized equivalent;

[(B) assure that the content of the materials to be delivered is consistent with the accreditation requirements of the State for which such materials are used;

[(C) incorporate, to the extent feasible, materials developed in the Federal departments and agencies and under appropriate federally funded projects and programs;

[(D) assure that the applicant has the technological and substantive experience to carry out the program; and

[(E) contain such additional assurances as the Secretary may reasonably require.

[PART C—READY-TO-LEARN TELEVISION

[SEC. 3301. [20 U.S.C. 6921] READY-TO-LEARN.

[(a) IN GENERAL.—The Secretary is authorized to award grants to or enter into contracts or cooperative agreements with eligible entities described in section 3302(b) to develop, produce, and distribute educational and instructional video programming for pre-

school and elementary school children and their parents in order to facilitate the achievement of the National Education Goals.

[(b) AVAILABILITY.—In making such grants, contracts, or cooperative agreements, the Secretary shall ensure that recipients make programming widely available with support materials as appropriate to young children, their parents, child care workers, and Head Start providers to increase the effective use of such programming.

[SEC. 3302. [20 U.S.C. 6922] EDUCATIONAL PROGRAMMING.

[(a) AWARDS.—The Secretary shall award grants, contracts, or cooperative agreements to eligible entities to—

[(1) facilitate the development directly or through contracts with producers of children and family educational television programming, educational programming for preschool and elementary school children, and accompanying support materials and services that promote the effective use of such programming; and

[(2) enable such entities to contract with entities (such as public telecommunications entities and those funded under the Star Schools Act) so that programs developed under this section are disseminated and distributed to the widest possible audience appropriate to be served by the programming by the most appropriate distribution technologies.

[(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant, contract, or cooperative agreement under subsection (a), an entity shall be—

[(1) a nonprofit entity (including a public telecommunications entity) able to demonstrate a capacity for the development and distribution of educational and instructional television programming of high quality for preschool and elementary school children; and

[(2) able to demonstrate a capacity to contract with the producers of children's television programming for the purpose of developing educational television programming of high quality for preschool and elementary school children.

[(c) CULTURAL EXPERIENCES.—Programming developed under this section shall reflect the recognition of diverse cultural experiences and the needs and experiences of both boys and girls in engaging and preparing young children for schooling.

[SEC. 3303. [20 U.S.C. 6923] DUTIES OF SECRETARY.

[The Secretary is authorized—

[(1) to establish and administer a Special Projects of National Significance program to award grants, contracts, or cooperative agreements to public and nonprofit private entities, or local public television stations or such public television stations that are part of a consortium with one or more State educational agencies, local educational agencies, local schools, institutions of higher education, or community-based organizations of demonstrated effectiveness, for the purpose of—

[(A) addressing the learning needs of young children in limited English proficient households, and developing appropriate educational and instructional television programming to foster the school readiness of such children;

[(B) developing programming and support materials to increase family literacy skills among parents to assist parents in teaching their children and utilizing educational television programming to promote school readiness; and

[(C) identifying, supporting, and enhancing the effective use and outreach of innovative programs that promote school readiness;

[(2) to establish within the Department a clearinghouse to compile and provide information, referrals and model program materials and programming obtained or developed under this part to parents, child care providers, and other appropriate individuals or entities to assist such individuals and entities in accessing programs and projects under this part; and

[(3) to develop and disseminate training materials, including—

[(A) interactive programs and programs adaptable to distance learning technologies that are designed to enhance knowledge of children's social and cognitive skill development and positive adult-child interactions; and

[(B) support materials to promote the effective use of materials developed under paragraph (2);

among parents, Head Start providers, in-home and center based day care providers, early childhood development personnel, and elementary school teachers, public libraries, and after school program personnel caring for preschool and elementary school children;

[(4) coordinate activities with the Secretary of Health and Human Services in order to—

[(A) maximize the utilization of quality educational programming by preschool and elementary school children, and make such programming widely available to federally funded programs serving such populations; and

[(B) provide information to recipients of funds under Federal programs that have major training components for early childhood development, including Head Start, Even Start, and State training activities funded under the Child Care Development Block Grant Act of 1990 regarding the availability and utilization of materials developed under paragraph (3) to enhance parent and child care provider skills in early childhood development and education.

[SEC. 3304. [20 U.S.C. 6924] APPLICATIONS.

[Each eligible entity desiring a grant, contract, or cooperative agreement under section 3301 or 3303 shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[SEC. 3305. [20 U.S.C. 6925] REPORTS AND EVALUATION.

[(a) ANNUAL REPORT TO SECRETARY.—An entity receiving funds under section 3301 shall prepare and submit to the Secretary an annual report which contains such information as the Secretary may require. At a minimum, the report shall describe the program activities undertaken with funds received under this section, including—

[(1) the programming that has been developed directly or indirectly by the entity, and the target population of the programs developed;

[(2) the support materials that have been developed to accompany the programming, and the method by which such materials are distributed to consumers and users of the programming;

[(3) the means by which programming developed under this section has been distributed, including the distance learning technologies that have been utilized to make programming available and the geographic distribution achieved through such technologies; and

[(4) the initiatives undertaken by the entity to develop public-private partnerships to secure non-Federal support for the development and distribution and broadcast of educational and instructional programming.

[(b) REPORT TO CONGRESS.—The Secretary shall prepare and submit to the relevant committees of Congress a biannual report which includes—

[(1) a summary of the information made available under section 3302(a); and

[(2) a description of the training materials made available under section 3303(3), the manner in which outreach has been conducted to inform parents and child care providers of the availability of such materials, and the manner in which such materials have been distributed in accordance with such section.

[SEC. 3306. [20 U.S.C. 6926] ADMINISTRATIVE COSTS.

[With respect to the implementation of section 3302, entities receiving a grant, contract, or cooperative agreement from the Secretary may use not more than 5 percent of the amounts received under such section for the normal and customary expenses of administering the grant, contract, or cooperative agreement.

[SEC. 3307. [20 U.S.C. 6927] DEFINITION.

[For the purposes of this part, the term "distance learning" means the transmission of educational or instructional programming to geographically dispersed individuals and groups via telecommunications.

[SEC. 3308. [20 U.S.C. 6928] AUTHORIZATION OF APPROPRIATIONS.

[(a) IN GENERAL.—There are authorized to be appropriated to carry out this part, $30,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years. Not less than 60 percent of the amounts appropriated under this subsection for each fiscal year shall be used to carry out section 3302.

[(b) SPECIAL PROJECTS.—Of the amount appropriated under subsection (b) for each fiscal year, at least 10 percent of such amount shall be used for each such fiscal year for activities under section 3303(1)(C).

[PART D—TELECOMMUNICATIONS DEMONSTRATION PROJECT FOR MATHEMATICS

[SEC. 3401. [20 U.S.C. 6951] PROJECT AUTHORIZED.

[The Secretary is authorized to make grants to a nonprofit telecommunications entity, or partnership of such entities, for the purpose of carrying out a national telecommunications-based demonstration project to improve the teaching of mathematics. The demonstration project authorized by this part shall be designed to assist elementary and secondary school teachers in preparing all students for achieving State content standards.

[SEC. 3402. [20 U.S.C. 6952] APPLICATION REQUIRED.

[(a) IN GENERAL.—Each nonprofit telecommunications entity, or partnership of such entities, desiring a grant under this part shall submit an application to the Secretary. Each such application shall—

[(1) demonstrate that the applicant will use the existing publicly funded telecommunications infrastructure to deliver video, voice and data in an integrated service to train teachers in the use of new standards-based curricula materials and learning technologies;

[(2) assure that the project for which assistance is sought will be conducted in cooperation with appropriate State educational agencies, local educational agencies, State or local nonprofit public telecommunications entities, and a national mathematics education professional association that has developed content standards;

[(3) assure that a significant portion of the benefits available for elementary and secondary schools from the project for which assistance is sought will be available to schools of local educational agencies which have a high percentage of children counted for the purpose of part A of title I; and

[(4) contain such additional assurances as the Secretary may reasonably require.

[(b) APPROVAL OF APPLICATIONS; NUMBER OF DEMONSTRATION SITES.—In approving applications under this section, the Secretary shall assure that the demonstration project authorized by this part is conducted at elementary and secondary school sites in at least 15 States.

[SEC. 3403. [20 U.S.C. 6953] AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this part, $5,000,000 for the fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years.

[PART E—ELEMENTARY MATHEMATICS AND SCIENCE EQUIPMENT PROGRAM

[SEC. 3501. [20 U.S.C. 6971] SHORT TITLE.

[This part may be cited as the "Elementary Mathematics and Science Equipment Act".

[SEC. 3502. [20 U.S.C. 6972] STATEMENT OF PURPOSE.

[It is the purpose of this part to raise the quality of instruction in mathematics and science in the Nation's elementary schools by providing equipment and materials necessary for hands-on instruction through assistance to State and local educational agencies.

[SEC. 3503. [20 U.S.C. 6973] PROGRAM AUTHORIZED.

[The Secretary is authorized to make allotments to State educational agencies under section 3504 to enable such agencies to award grants to local educational agencies for the purpose of providing equipment and materials to elementary schools to improve mathematics and science education in such schools.

[SEC. 3504. [20 U.S.C. 6974] ALLOTMENTS OF FUNDS.

[(a) IN GENERAL.—From the amount appropriated under section 3509 for any fiscal year, the Secretary shall reserve—

[(1) not more than one-half of 1 percent for allotment among Guam, American Samoa, the Virgin Islands, and the Northern Mariana Islands according to their respective needs for assistance under this part; and

[(2) one-half of 1 percent for programs for Indian students served by schools funded by the Secretary of the Interior which are consistent with the purposes of this part.

[(b) ALLOTMENT.—

[(1) IN GENERAL.—The remainder of the amount so appropriated (after meeting requirements in subsection (a)) shall be allotted among State educational agencies so that—

[(A) one-half of such remainder shall be distributed by allotting to each State educational agency an amount which bears the same ratio to such one-half of such remainder as the number of children aged 5 to 17, inclusive, in the State bears to the number of such children in all States; and

[(B) one-half of such remainder shall be distributed according to each State's share of allocations under part A of title I.

[(2) MINIMUM.—Except as provided in paragraph (3), no State educational agency shall receive an allotment under this subsection for any fiscal year in an amount that is—

[(A) less than one-half of 1 percent of the amount made available under this subsection for such fiscal year; or

[(B) less than the amount allotted to such State for fiscal year 1988 under title II of the Education for Economic Security Act.

[(3) RATABLE REDUCTIONS.—(A) If the sums made available under this part for any fiscal year are insufficient to pay the full amounts that all State educational agencies are eligible to receive under paragraph (2)(B) for such year, the Secretary shall ratably reduce the allotment to such agencies for such year.

[(B) If additional funds become available for making payments under paragraph (2)(B) for such fiscal year, allotments that were reduced under subparagraph (A) shall be increased on the same basis as such allotments were reduced.

[(c) REALLOTMENT OF UNUSED FUNDS.—The amount of any State educational agency's allotment under subsection (b) for any fiscal year to carry out this part which the Secretary determines will not be required for that fiscal year to carry out this part shall be available for reallotment from time to time, on such dates during that year as the Secretary may determine, to other State educational agencies in proportion to the original allotments to those State educational agencies under subsection (b) for that year but with such proportionate amount for any of those other State educational agencies being reduced to the extent it exceeds the sum the Secretary estimates that the State educational agency needs and will be able to use for that year, and the total of those reductions shall be similarly reallotted among the State educational agencies whose proportionate amounts were not so reduced. Any amounts reallotted to a State educational agency under this subsection during a year shall be deemed a part of the State educational agency's allotment under subsection (b) for that year.

[(d) DEFINITION.—For the purposes of this part the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

[(e) DATA.—The number of children aged 5 to 17, inclusive, in the State and in all States shall be determined by the Secretary on the basis of the most recent satisfactory data available to the Secretary.

SEC. 3505. [20 U.S.C. 6975] STATE APPLICATION.

[(a) APPLICATION.—Each State educational agency desiring to receive an allotment under this part shall file an application with the Secretary which covers a period of 5 fiscal years. Such application shall be filed at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

[(b) CONTENTS OF APPLICATION.—Each application described in subsection (a) shall—

[(1) provide assurances that—

[(A) the State educational agency shall use the allotment provided under this part to award grants to local educational agencies within the State to enable such local educational agencies to provide assistance to schools served by such agency to carry out the purpose of this part;

[(B) the State educational agency will provide such fiscal control and funds accounting as the Secretary may require;

[(C) every public elementary school in the State is eligible to receive assistance under this part once over the 5-year duration of the program assisted under this part;

[(D) funds provided under this part will supplement, not supplant, State and local funds made available for activities authorized under this part;

[(E) during the 5-year period described in the application, the State educational agency will evaluate its standards and programs for teacher preparation and inservice professional development for elementary mathematics and science;

[(F) the State educational agency will take into account the needs for greater access to and participation in mathematics and science by students and teachers from historically underrepresented groups, including females, minorities, individuals with limited English proficiency, the economically disadvantaged, and individuals with disabilities; and

[(G) that the needs of teachers and students in areas with high concentrations of low-income students and sparsely populated areas will be given priority in awarding assistance under this part;

[(2) provide, if appropriate, a description of how funds paid under this part will be coordinated with State and local funds and other Federal resources, particularly with respect to programs for the professional development and inservice training of elementary school teachers in science and mathematics; and

[(3) describe procedures—

[(A) for submitting applications for programs described in section 3506 for distribution of assistance under this part within the State; and

[(B) for approval of applications by the State educational agency, including appropriate procedures to assure that such agency will not disapprove an application without notice and opportunity for a hearing.

[(c) STATE ADMINISTRATION.—Not more than 5 percent of the funds allotted to each State educational agency under this part shall be used for the administrative costs of such agency associated with carrying out the program assisted under this part.

[SEC. 3506. [20 U.S.C. 6976] LOCAL APPLICATION.

[(a) APPLICATION.—A local educational agency that desires to receive a grant under this part shall submit an application to the State educational agency. Each such application shall contain assurances that each school served by the local educational agency shall be eligible for assistance under this part only once.

[(b) CONTENTS OF APPLICATION.—Each application described in subsection (a) shall—

[(1) describe how the local educational agency plans to set priorities on the use and distribution among schools of grant funds received under this part to meet the purpose of this part;

[(2) include assurances that the local educational agency has made every effort to match on a dollar-for-dollar basis from private or public sources the funds received under this part, except that no such application shall be penalized or denied assistance under this part based on failure to provide such matching funds;

[(3) describe, if applicable, how funds under this part will be coordinated with State, local, and other Federal resources, especially with respect to programs for the professional development and inservice training of elementary school teachers in science and mathematics; and

[(4) describe the process which will be used to determine different levels of assistance to be awarded to schools with different needs.

[(c) PRIORITY.—In awarding grants under this part, the State educational agency shall give priority to applications that—

[(1) assign highest priority to providing assistance to schools which—

[(A) are most seriously underequipped; or

[(B) serve large numbers or percentages of economically disadvantaged students;

[(2) are attentive to the needs of underrepresented groups in science and mathematics;

[(3) demonstrate how science and mathematics equipment will be part of a comprehensive plan of curriculum planning or implementation and teacher training supporting hands-on laboratory activities; and

[(4) assign priority to providing equipment and materials for students in grades 1 through 6.

[SEC. 3507. [20 U.S.C. 6977] PROGRAM REQUIREMENTS.

[(a) COORDINATION.—Each State educational agency receiving an allotment under this part shall—

[(1) disseminate information to school districts and schools, including private nonprofit elementary schools, regarding the program assisted under this part;

[(2) evaluate applications of local educational agencies;

[(3) award grants to local educational agencies based on the priorities described in section 3506(c); and

[(4) evaluate local educational agencies' end-of-year summaries and submit such evaluation to the Secretary.

[(b) LIMITATIONS ON USE OF FUNDS.—

[(1) IN GENERAL.—Except as provided in paragraph (2), grant funds and matching funds under this part only shall be used to purchase science equipment, science materials, or mathematical manipulative materials and shall not be used for computers, computer peripherals, software, textbooks, or staff development costs.

[(2) CAPITAL IMPROVEMENTS.—Grant funds under this part may not be used for capital improvements. Not more than 50 percent of any matching funds provided by the local educational agency may be used for capital improvements of classroom science facilities to support the hands-on instruction that this part is intended to support, such as the installation of electrical outlets, plumbing, lab tables or counters, or ventilation mechanisms.

[SEC. 3508. [20 U.S.C. 6978] FEDERAL ADMINISTRATION.

[(a) TECHNICAL ASSISTANCE AND EVALUATION PROCEDURES.—The Secretary shall provide technical assistance and, in consultation with State and local representatives of the program assisted under this part, shall develop procedures for State and local evaluations of the programs assisted under this part.

[(b) REPORT.—The Secretary shall report to the Congress each year on the program assisted under this part in accordance with section 10701.

[SEC. 3509. [20 U.S.C. 6979] AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $30,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this part.]

TITLE III—ENRICHMENT INITIATIVES

PART A—21ST CENTURY COMMUNITY LEARNING CENTERS

SEC. 3101. SHORT TITLE.

This part may be cited as the "21st Century Community Learning Centers Act".

SEC. 3102. PURPOSE.

It is the purpose of this part—

(1) to provide local public schools with the opportunity to serve as centers for the delivery of education and human resources for all members of communities;

(2) to enable public schools, primarily in rural and inner city communities, to collaborate with other public and nonprofit agencies and organizations, local businesses, educational entities (such as vocational and adult education programs, school-to-work programs, community colleges, and universities), recreational, cultural, and other community and human service entities, to meet the needs of, and expand the opportunities available to, the residents of the communities served by such schools;

(3) to use school facilities, equipment, and resources so that communities can promote a more efficient use of public education facilities, especially in rural and inner city areas where limited financial resources have enhanced the necessity for local public schools to become social service centers;

(4) to enable schools to become centers of lifelong learning; and

(5) to enable schools to provide educational opportunities for individuals of all ages.

SEC. 3103. PROGRAM AUTHORIZATION.

(a) GRANTS BY THE SECRETARY.—The Secretary is authorized, in accordance with the provisions of this part, to award grants to rural and inner-city public elementary or secondary schools, or consortia of such schools, to enable such schools or consortia to plan, implement, or to expand projects that benefit the educational, health, social service, cultural, and recreational needs of a rural or inner-city community.

(b) EQUITABLE DISTRIBUTION.—In awarding grants under this part, the Secretary shall assure an equitable distribution of assistance among the States, among urban and rural areas of the United States, and among urban and rural areas of a State.

(c) GRANT PERIOD.—The Secretary shall award grants under this part for a period not to exceed 3 years.

(d) AMOUNT.—The Secretary shall not award a grant under this part in any fiscal year in an amount less than $35,000.

SEC. 3104. APPLICATION REQUIRED.

(a) APPLICATION.—To be eligible to receive a grant under this part, an elementary or secondary school or consortium shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably prescribe. Each such application shall include—

(1) a comprehensive local plan that enables the school or consortium to serve as a center for the delivery of education and human resources for members of a community;

(2) an evaluation of the needs, available resources, and goals and objectives for the proposed project in order to determine which activities will be undertaken to address such needs; and

(3) a description of the proposed project, including—

(A) a description of the mechanism that will be used to disseminate information in a manner that is understandable and accessible to the community;

(B) identification of Federal, State, and local programs to be merged or coordinated so that public resources may be maximized;

(C) a description of the collaborative efforts to be undertaken by community-based organizations, related public agencies, businesses, or other appropriate organizations;

(D) a description of how the school or consortium will serve as a delivery center for existing and new services, especially for interactive telecommunication used for education and professional training; and

(E) an assurance that the school or consortium will establish a facility utilization policy that specifically states—

(i) the rules and regulations applicable to building and equipment use; and

(ii) supervision guidelines.

(b) PRIORITY.—The Secretary shall give priority to applications describing projects that offer a broad selection of services which address the needs of the community.

SEC. 3105. USES OF FUNDS.

Grants awarded under this part may be used to plan, implement, or expand community learning centers which include not less than four of the following activities:

(1) Literacy education programs.

(2) Senior citizen programs.

(3) Children's day care services.

(4) Integrated education, health, social service, recreational, or cultural programs.

(5) Summer and weekend school programs in conjunction with recreation programs.

(6) Nutrition and health programs.

(7) Expanded library service hours to serve community needs.

(8) Telecommunications and technology education programs for individuals of all ages.

(9) Parenting skills education programs.

(10) Support and training for child day care providers.

(11) Employment counseling, training, and placement.

(12) Services for individuals who leave school before graduating from secondary school, regardless of the age of such individual.

(13) Services for individuals with disabilities.

SEC. 3106. DEFINITION.

For the purpose of this part, the term "community learning center" means an entity within a public elementary or secondary school building that—

(1) provides educational, recreational, health, and social service programs for residents of all ages within a local community; and

(2) is operated by a local educational agency in conjunction with local governmental agencies, businesses, vocational education programs, institutions of higher education, community colleges, and cultural, recreational, and other community and human service entities.

SEC. 3107. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $500,000,000 for fiscal year 2001, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this part.

PART B—INITIATIVES FOR NEGLECTED, DELINQUENT, OR AT RISK STUDENTS

Subpart 1—Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent, or at Risk of Dropping Out

SEC. 3321. PURPOSE; PROGRAM AUTHORIZED.

(a) PURPOSE.—It is the purpose of this subpart—

(1) to improve educational services for children in local and State institutions for neglected or delinquent children and youth so that such children and youth have the opportunity to meet the same challenging State content standards and challenging State student performance standards that all children in the State are expected to meet;

(2) to provide such children and youth with the services needed to make a successful transition from institutionalization to further schooling or employment; and

(3) to prevent at-risk youth from dropping out of school and to provide dropouts and youth returning from institutions with a support system to ensure their continued education.

(b) PROGRAM AUTHORIZED.—In order to carry out the purpose of this subpart the Secretary shall make grants to State educational agencies to enable such agencies to award subgrants to State agencies and local educational agencies to establish or improve programs of education for neglected or delinquent children and youth at risk of dropping out of school before graduation.

SEC. 3322. PAYMENTS FOR PROGRAMS UNDER THIS SUBPART.

(a) AGENCY SUBGRANTS.—Based on the allocation amount computed under section 3332, the Secretary shall allocate to each State

educational agency amounts necessary to make subgrants to State agencies under chapter 1.

(b) LOCAL SUBGRANTS.—Each State shall retain, for purposes of carrying out chapter 2, funds generated throughout the State under part A of title I based on youth residing in local correctional facilities, or attending community day programs for delinquent children and youth.

Chapter 1—State Agency Programs

SEC. 3331. ELIGIBILITY.

A State agency is eligible for assistance under this chapter if such State agency is responsible for providing free public education for children—

(1) in institutions for neglected or delinquent children and youth;

(2) attending community day programs for neglected or delinquent children and youth; or

(3) in adult correctional institutions.

SEC. 3332. ALLOCATION OF FUNDS.

(a) SUBGRANTS TO STATE AGENCIES.—

(1) IN GENERAL.—Each State agency described in section 3331 (other than an agency in the Commonwealth of Puerto Rico) is eligible to receive a subgrant under this subpart, for each fiscal year, an amount equal to the product of—

(A) the number of neglected or delinquent children and youth described in section 3331 who—

(i) are enrolled for at least 15 hours per week in education programs in adult correctional institutions; and

(ii) are enrolled for at least 20 hours per week—

(I) in education programs in institutions for neglected or delinquent children and youth; or

(II) in community day programs for neglected or delinquent children and youth; and

(B) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this subparagraph shall not be less than 32 percent, nor more than 48 percent, of the average per-pupil expenditure in the United States.

(2) SPECIAL RULE.—The number of neglected or delinquent children and youth determined under paragraph (1) shall—

(A) be determined by the State agency by a deadline set by the Secretary, except that no State agency shall be required to determine the number of such children and youth on a specific date set by the Secretary; and

(B) be adjusted, as the Secretary determines is appropriate, to reflect the relative length of such agency's annual programs.

(b) SUBGRANTS TO STATE AGENCIES IN PUERTO RICO.—For each fiscal year, the amount of the subgrant for which a State agency in the Commonwealth of Puerto Rico is eligible under this subpart shall be equal to—

(1) the number of children and youth counted under subsection (a)(1)(A) for the Commonwealth of Puerto Rico; multiplied by

(2) the product of—

(A) the percentage that the average per-pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States; and

(B) 32 percent of the average per-pupil expenditure in the United States.

(c) RATABLE REDUCTIONS IN CASE OF INSUFFICIENT APPROPRIATIONS.—If the amount appropriated for any fiscal year for subgrants under subsections (a) and (b) is insufficient to pay the full amount for which all State agencies are eligible under such subsections, the Secretary shall ratably reduce each such amount.

SEC. 3333. STATE REALLOCATION OF FUNDS.

If a State educational agency determines that a State agency does not need the full amount of the subgrant for which such State agency is eligible under this subpart for any fiscal year, the State educational agency may reallocate the amount that will not be needed to other eligible State agencies that need additional funds to carry out the purpose of this subpart, in such amounts as the State educational agency shall determine.

SEC. 3334. STATE PLAN AND STATE AGENCY APPLICATIONS.

(a) STATE PLAN.—

(1) IN GENERAL.—Each State educational agency that desires to receive a grant under this subpart shall submit, for approval by the Secretary, a plan for meeting the needs of neglected and delinquent children and youth and, where applicable, children and youth at risk of dropping out of school, that is integrated with other programs under this Act, or other Acts, as appropriate, consistent with section 6506.

(2) CONTENTS.—Each such State plan shall—

(A) describe the program goals, objectives, and performance measures established by the State that will be used to assess the effectiveness of the program in improving academic and vocational skills of children in the program;

(B) provide that, to the extent feasible, such children will have the same opportunities to learn as such children would have if such children were in the schools of local educational agencies in the State; and

(C) contain assurances that the State educational agency will—

(i) ensure that programs assisted under this subpart will be carried out in accordance with the State plan described in this subsection;

(ii) carry out the evaluation requirements of section 3351;

(iii) ensure that the State agencies receiving subgrants under this chapter comply with all applicable statutory and regulatory requirements; and

(iv) provide such other information as the Secretary may reasonably require.

(3) DURATION OF THE PLAN.—Each State plan shall—

(A) remain in effect for the duration of the State's participation under this subpart; and

(B) be periodically reviewed and revised by the State, as necessary, to reflect changes in the State's strategies and programs under this subpart.

(b) SECRETARIAL APPROVAL; PEER REVIEW.—

(1) IN GENERAL.—The Secretary shall approve each State plan that meets the requirements of this subpart.

(2) PEER REVIEW.—The Secretary may review any State plan with the assistance and advice of individuals with relevant expertise.

(c) STATE AGENCY APPLICATIONS.—Any State agency that desires to receive funds to carry out a program under this chapter shall submit an application to the State educational agency that—

(1) describes the procedures to be used, consistent with the State plan under section 1111, to assess the educational needs of the children to be served;

(2) provides assurances that in making services available to youth in adult correctional institutions, priority will be given to such youth who are likely to complete incarceration within a 2-year period;

(3) describes the program, including a budget for the first year of the program, with annual updates to be provided to the State educational agency;

(4) describes how the program will meet the goals and objectives of the State plan;

(5) describes how the State agency will consult with experts and provide the necessary training for appropriate staff, to ensure that the planning and operation of institution-wide projects under section 3336 are of high quality;

(6) describes how the agency will carry out the evaluation requirements of section 10201 and how the results of the most recent evaluation are used to plan and improve the program;

(7) includes data showing that the agency has maintained the fiscal effort required of a local educational agency, in accordance with section 10101;

(8) describes how the programs will be coordinated with other appropriate State and Federal programs, such as programs under title I of the Workforce Investment Act of 1998, vocational education programs, State and local dropout prevention programs, and special education programs;

(9) describes how appropriate professional development will be provided to teachers and other staff;

(10) designates an individual in each affected institution to be responsible for issues relating to the transition of children and youth from the institution to locally operated programs;

(11) describes how the agency will, endeavor to coordinate with businesses for training and mentoring for participating children and youth;

(12) provides assurances that the agency will assist in locating alternative programs through which students can continue their education if students are not returning to school after leaving the correctional facility;

(13) provides assurances that the agency will work with parents to secure parents' assistance in improving the educational achievement of their children and preventing their children's further involvement in delinquent activities;

(14) provides assurances that the agency works with special education youth in order to meet an existing individualized education program and an assurance that the agency will notify the youth's local school if the youth—

(A) is identified as in need of special education services while the youth is in the facility; and

(B) intends to return to the local school;

(15) provides assurances that the agency will work with youth who dropped out of school before entering the facility to encourage the youth to reenter school once the term of the youth has been completed or provide the youth with the skills necessary to gain employment, continue the education of the youth, or achieve a secondary school diploma or its recognized equivalent if the youth does not intend to return to school;

(16) provides assurances that teachers and other qualified staff are also trained to work with children with disabilities and other students with special needs taking into consideration the unique needs of such students;

(17) describes any additional services provided to children and youth, such as career counseling, and assistance in securing student loans and grants; and

(18) provides assurances that the program under this chapter will be coordinated with any programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 or other comparable programs, if applicable.

SEC. 3335. USE OF FUNDS.

(a) USES.—

(1) IN GENERAL.—A State agency shall use funds received under this chapter only for programs and projects that—

(A) are consistent with the State plan under section 3334(a); and

(B) concentrate on providing participants with the knowledge and skills needed to make a successful transition to secondary school completion, further education, or employment.

(2) PROGRAMS AND PROJECTS.—Such programs and projects—

(A) may include the acquisition of equipment;

(B) shall be designed to support educational services that—

(i) except for institution-wide projects under section 3336, are provided to children and youth identified by the State agency as failing, or most at risk of failing, to meet the State's challenging State content standards and challenging State student performance standards;

(ii) supplement and improve the quality of the educational services provided to such children and youth by the State agency; and

(iii) afford such children and youth an opportunity to learn to such challenging State standards;

(C) shall be carried out in a manner consistent with section 1120A and part F of title I; and

(D) may include the costs of meeting the evaluation requirements of section 10201.

(b) SUPPLEMENT, NOT SUPPLANT.—A program under this chapter that supplements the number of hours of instruction students receive from State and local sources shall be considered to comply with the supplement, not supplant requirement of section 1120A without regard to the subject areas in which instruction is given during those hours.

SEC. 3336. INSTITUTION-WIDE PROJECTS.

A State agency that provides free public education for children and youth in an institution for neglected or delinquent children and youth (other than an adult correctional institution) or attending a community-day program for such children may use funds received under this subpart to serve all children in, and upgrade the entire educational effort of, that institution or program if the State agency has developed, and the State educational agency has approved, a comprehensive plan for that institution or program that—

(1) provides for a comprehensive assessment of the educational needs of all youth in the institution or program serving juveniles;

(2) provides for a comprehensive assessment of the educational needs of youth aged 20 and younger in adult facilities who are expected to complete incarceration within a two-year period;

(3) describes the steps the State agency has taken, or will take, to provide all youth under age 21 with the opportunity to meet challenging State content standards and challenging State student performance standards in order to improve the likelihood that the youths will complete secondary school, attain a secondary diploma or its recognized equivalent, or find employment after leaving the institution;

(4) describes the instructional program, pupil services, and procedures that will be used to meet the needs described in paragraph (1), including, to the extent feasible, the provision of mentors for students;

(5) specifically describes how such funds will be used;

(6) describes the measures and procedures that will be used to assess student progress;

(7) describes how the agency has planned, and will implement and evaluate, the institution-wide or program-wide project in consultation with personnel providing direct instructional services and support services in institutions or community-day programs for neglected or delinquent children and personnel from the State educational agency; and

(8) includes an assurance that the State agency has provided for appropriate training for teachers and other instructional and administrative personnel to enable such teachers and personnel to carry out the project effectively.

SEC. 3337. THREE-YEAR PROGRAMS OR PROJECTS.

If a State agency operates a program or project under this chapter in which individual children are likely to participate for more than

one year, the State educational agency may approve the State agency's application for a subgrant under this subpart for a period of not more than three years.

SEC. 3338. TRANSITION SERVICES.

(a) TRANSITION SERVICES.—Each State agency shall reserve not more than 10 percent of the amount such agency receives under this chapter for any fiscal year to support projects that facilitate the transition of children and youth from State-operated institutions to local educational agencies.

(b) CONDUCT OF PROJECTS.—A project supported under this section may be conducted directly by the State agency, or through a contract or other arrangement with one or more local educational agencies, other public agencies, or private nonprofit organizations.

(c) LIMITATION.—Any funds reserved under subsection (a) shall be used only to provide transitional educational services, which may include pupil services and mentoring, to neglected and delinquent children and youth in schools other than State-operated institutions.

(d) CONSTRUCTION.—Nothing in this section shall be construed to prohibit a school that receives funds under subsection (a) from serving neglected and delinquent children and youth simultaneously with students with similar educational needs, in the same educational settings where appropriate.

CHAPTER 2—LOCAL AGENCY PROGRAMS

SEC. 3341. PURPOSE.

The purpose of this chapter is to support the operation of local educational agency programs that involve collaboration with locally operated correctional facilities to—

(1) carry out high quality education programs to prepare youth for secondary school completion, training, and employment, or further education;

(2) provide activities to facilitate the transition of such youth from the correctional program to further education or employment; and

(3) operate dropout prevention programs in local schools for youth at risk of dropping out of school and youth returning from correctional facilities.

SEC. 3342. PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES.

(a) LOCAL SUBGRANTS.—With funds made available under section 3322(b), the State educational agency shall award subgrants to local educational agencies with high numbers or percentages of youth residing in locally operated (including county operated) correctional facilities for youth (including facilities involved in community day programs).

(b) SPECIAL RULE.—A local educational agency which includes a correctional facility that operates a school is not required to operate a dropout prevention program if more than 30 percent of the youth attending such facility will reside outside the boundaries of the local educational agency upon leaving such facility.

(c) NOTIFICATION.—A State educational agency shall notify local educational agencies within the State of the eligibility of such agencies to receive a subgrant under this chapter.

SEC. 3343. LOCAL EDUCATIONAL AGENCY APPLICATIONS.

Eligible local educational agencies desiring assistance under this chapter shall submit an application to the State educational agency, containing such information as the State educational agency may require. Each such application shall include—

(1) a description of the program to be assisted;

(2) a description of formal agreements between—

(A) the local educational agency; and

(B) correctional facilities and alternative school programs serving youth involved with the juvenile justice system to operate programs for delinquent youth;

(3) as appropriate, a description of how participating schools will coordinate with facilities working with delinquent youth to ensure that such youth are participating in an education program comparable to one operating in the local school such youth would attend;

(4) as appropriate, a description of the dropout prevention program operated by participating schools and the types of services such schools will provide to at-risk youth in participating schools and youth returning from correctional facilities;

(5) as appropriate, a description of the youth expected to be served by the dropout prevention program and how the school will coordinate existing educational programs to meet unique education needs;

(6) as appropriate, a description of how schools will coordinate with existing social and health services to meet the needs of students at risk of dropping out of school and other participating students, including prenatal health care and nutrition services related to the health of the parent and child, parenting and child development classes, child care, targeted re-entry and outreach programs, referrals to community resources, and scheduling flexibility;

(7) as appropriate, a description of any partnerships with local businesses to develop training and mentoring services for participating students;

(8) as appropriate, a description of how the program will involve parents in efforts to improve the educational achievement of their children, assist in dropout prevention activities, and prevent the involvement of their children in delinquent activities;

(9) a description of how the program under this chapter will be coordinated with other Federal, State, and local programs, such as programs under title I of the Workforce Investment Act of 1998 and vocational education programs serving at-risk youth;

(10) a description of how the program will be coordinated with programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 and other comparable programs, if applicable;

(11) as appropriate, a description of how schools will work with probation officers to assist in meeting the needs of youth returning from correctional facilities;

(12) a description of efforts participating schools will make to ensure correctional facilities working with youth are aware of a child's existing individualized education program; and

(13) as appropriate, a description of the steps participating schools will take to find alternative placements for youth interested in continuing their education but unable to participate in a regular public school program.

SEC. 3344. USES OF FUNDS.

Funds provided to local educational agencies under this chapter may be used, where appropriate, for—

(1) dropout prevention programs which serve youth at educational risk, including pregnant and parenting teens, youth who have come in contact with the juvenile justice system, youth at least one year behind their expected grade level, migrant youth, immigrant youth, students with limited-English proficiency and gang members;

(2) the coordination of health and social services for such individuals if there is a likelihood that the provision of such services, including day care and drug and alcohol counseling, will improve the likelihood such individuals will complete their education; and

(3) programs to meet the unique education needs of youth at risk of dropping out of school, which may include vocational education, special education, career counseling, and assistance in securing student loans or grants.

SEC. 3345. PROGRAM REQUIREMENTS FOR CORRECTIONAL FACILITIES RECEIVING FUNDS UNDER THIS SECTION.

Each correctional facility having an agreement with a local educational agency under section 3343(2) to provide services to youth under this chapter shall—

(1) where feasible, ensure educational programs in juvenile facilities are coordinated with the student's home school, particularly with respect to special education students with an individualized education program;

(2) notify the local school of a youth if the youth is identified as in need of special education services while in the facility;

(3) where feasible, provide transition assistance to help the youth stay in school, including coordination of services for the family, counseling, assistance in accessing drug and alcohol abuse prevention programs, tutoring, and family counseling;

(4) provide support programs which encourage youth who have dropped out of school to reenter school once their term has been completed or provide such youth with the skills necessary for such youth to gain employment or seek a secondary school diploma or its recognized equivalent;

(5) work to ensure such facilities are staffed with teachers and other qualified staff who are trained to work with children with disabilities and other students with special needs taking into consideration the unique needs of such children and students;

(6) ensure educational programs in correctional facilities are related to assisting students to meet high educational standards;

(7) use, to the extent possible, technology to assist in coordinating educational programs between the juvenile facility and the community school;

(8) where feasible, involve parents in efforts to improve the educational achievement of their children and prevent the further involvement of such children in delinquent activities;

(9) coordinate funds received under this program with other local, State, and Federal funds available to provide services to participating youth, such as funds made available under title I of the Workforce Investment Act of 1998, and vocational education funds;

(10) coordinate programs operated under this chapter with activities funded under the Juvenile Justice and Delinquency Prevention Act of 1974 and other comparable programs, if applicable; and

(11) if appropriate, work with local businesses to develop training and mentoring programs for participating youth.

SEC. 3346. ACCOUNTABILITY.

The State educational agency may—

(1) reduce or terminate funding for projects under this chapter if a local educational agency does not show progress in reducing dropout rates for male students and for female students over a 3-year period; and

(2) require juvenile facilities to demonstrate, after receiving assistance under this chapter for 3 years, that there has been an increase in the number of youth returning to school, obtaining a secondary school diploma or its recognized equivalent, or obtaining employment after such youth are released.

CHAPTER 3—GENERAL PROVISIONS

SEC. 3351. PROGRAM EVALUATIONS.

(a) SCOPE OF EVALUATION.—Each State agency or local educational agency that conducts a program under chapter 1 or 2 shall evaluate the program, disaggregating data on participation by sex, and if feasible, by race, ethnicity, and age, not less than once every three years to determine the program's impact on the ability of participants to—

(1) maintain and improve educational achievement;

(2) accrue school credits that meet State requirements for grade promotion and secondary school graduation;

(3) make the transition to a regular program or other education program operated by a local educational agency; and

(4) complete secondary school (or secondary school equivalency requirements) and obtain employment after leaving the institution.

(b) EVALUATION MEASURES.—In conducting each evaluation under subsection (a), a State agency or local educational agency shall use multiple and appropriate measures of student progress.

(c) EVALUATION RESULTS.—Each State agency and local educational agency shall—

(1) submit evaluation results to the State educational agency; and

(2) use the results of evaluations under this section to plan and improve subsequent programs for participating children and youth.

SEC. 3352. DEFINITIONS.

In this subpart:

(1) ADULT CORRECTIONAL INSTITUTION.—The term "adult correctional institution" means a facility in which persons are confined as a result of a conviction for a criminal offense, including persons under 21 years of age.

(2) AT-RISK YOUTH.—The term "at-risk youth" means school aged youth who are at risk of academic failure, have drug or alcohol problems, are pregnant or are parents, have come into contact with the juvenile justice system in the past, are at least one year behind the expected grade level for the age of the youth, have limited-English proficiency, are gang members, have dropped out of school in the past, or have high absenteeism rates at school.

(3) COMMUNITY DAY PROGRAM.—The term "community day program" means a regular program of instruction provided by a State agency at a community day school operated specifically for neglected or delinquent children and youth.

(4) INSTITUTION FOR NEGLECTED OR DELINQUENT CHILDREN AND YOUTH.—The term "institution for neglected or delinquent children and youth" means—

(A) a public or private residential facility, other than a foster home, that is operated for the care of children who have been committed to the institution or voluntarily placed in the institution under applicable State law, due to abandonment, neglect, or death of their parents or guardians; or

(B) a public or private residential facility for the care of children who have been adjudicated to be delinquent or in need of supervision.

SEC. 3353. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $42,000,000 for fiscal year 2001, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this part.

PART C—GIFTED AND TALENTED CHILDREN

SEC. 3401. SHORT TITLE.

This part may be cited as the "Jacob K. Javits Gifted and Talented Students Education Act".

SEC. 3402. STATEMENT OF PURPOSE.

(a) PURPOSE.—The purpose of this part is—

(1) to provide grants to State educational agencies and local public schools for the support of programs, classes, and other services designed to meet the needs of the Nation's gifted and talented students in elementary schools and secondary schools;

(2) to encourage the development of rich and challenging curricula for all students through the appropriate application and adaptation of materials and instructional methods developed under this part; and

(3) to supplement and make more effective the expenditure of State and local funds for the education of gifted and talented students.

SEC. 3403. CONSTRUCTION.

Nothing in this part shall be construed to prohibit a recipient of funds under this part from serving gifted and talented students simultaneously with students with similar educational needs, in the same educational setting where appropriate.

SEC. 3404. AUTHORIZATION OF APPROPRIATIONS; TRIGGER.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part $155,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(b) TRIGGER.—Notwithstanding any other provision of this part, if the amount appropriated under subsection (a) for a fiscal year is less than $50,000,000, then the Secretary shall use such amount to carry out part B of title X (as such part was in effect on the day before the date of enactment of the Educational Opportunities Act).

SEC. 3405. ALLOTMENT TO STATES.

(a) RESERVATION.—From the funds appropriated under section 3404(a) for any fiscal year, the Secretary shall reserve not more than 1 percent for payments to the outlying areas to be allotted to the outlying areas in accordance with their respective needs for assistance under this part.

(b) ALLOTMENT.—From the funds appropriated under section 3404(a) that are not reserved under subsection (a), the Secretary shall allot to each State an amount that bears the same relation to the funds as the school-age population of the State bears to the school-age population of all States, except that no State shall receive an allotment that is less than 0.50 percent of the funds.

(c) GRANDFATHER CLAUSE.—If the amount appropriated under section 3404(a) for a fiscal year is $50,000,000 or more, then the Secretary shall use such amount to continue to make grant or contract payments to each entity that was awarded a multiyear grant or contract under part B of title X (as such part was in effect on the day before the date of enactment of the Educational Opportunities Act) for the duration of the grant or contract award.

SEC. 3406. STATE APPLICATIONS.

(a) APPLICATION REQUIREMENTS.—Any State that desires to receive assistance under this part shall submit to the Secretary an application that—

(1) designates the State educational agency as the agency responsible for the administration and supervision of programs assisted under this part;

(2) contains an assurance of the State educational agency's ability to provide matching funds for the activities to be assisted under this part in an amount equal to not less than 20 percent of the grant funds to be received, provided in cash or in-kind;

(3) provides for a biennial submission of data regarding the use of funds under this part, the types of services furnished

under this part, and how the services impacted the individuals assisted under this part;

(4) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with all State educational agency fiscal audit and program evaluation responsibilities under this Act);

(5) contains an assurance that there is compliance with the requirements of this part; and

(6) provides for timely public notice and public dissemination of the data submitted pursuant to paragraph (3).

(b) DURATION AND AMENDMENTS.—An application filed by the State under subsection (a) shall be for a period not to exceed 3 years.

SEC. 3407. STATE USES OF FUNDS.

(a) IN GENERAL.—A State educational agency shall not use more than 10 percent of the funds made available under this part for—

(1) establishment and implementation of a peer review process for grant applications under this part;

(2) supervision of the awarding of funds to local educational agencies or consortia thereof to support gifted and talented students from all economic, ethnic, and racial backgrounds, including such students of limited English proficiency and such students with disabilities;

(3) planning, supervision, and processing of funds made available under this section;

(4) monitoring, evaluation, and dissemination of programs and activities assisted under this part, including the submission of an annual report to the Secretary that describes the number of students served and the education activities assisted under the grant;

(5) providing technical assistance under this part; and

(6) supplementing, but not supplanting, the amount of State and local funds expended for the education of, and related services provided for, the education of gifted and talented students.

(b) PARENTAL SUPPORT.—A State educational agency shall not use more than 2 percent of the funds made available under this part for providing information, education, and support to parents of gifted and talented children to enhance the parents' ability to participate in decisions regarding their children's educational programs.

SEC. 3408. DISTRIBUTION TO LOCAL EDUCATIONAL AGENCIES.

(a) GRANT COMPETITION.—A State educational agency shall use not less than 88 percent of the funds made available under this part to award grants, on a competitive basis, to local educational agencies or consortia thereof to support programs, classes, and other services designed to meet the needs of gifted and talented students.

(b) SIZE OF GRANT.—A State educational agency shall award a grant under this part for any fiscal year in an amount sufficient to meet the needs of the students to be served under the grant.

SEC. 3409. LOCAL APPLICATION REQUIREMENTS.

(a) APPLICATION.—To be eligible to receive a grant under this part the local educational agency or consortium shall submit an application to the State educational agency.

(b) CONTENTS.—Each such application shall include—

(1) an assurance that the funds received under this part will be used to identify and support gifted and talented students, including gifted and talented students from all economic, ethnic, and racial backgrounds, including such students of limited English proficiency, and such students with disabilities;

(2) a description of how the local educational agency or consortium will meet the educational needs of gifted and talented students, including the training of personnel in the education of gifted and talented students.

SEC. 3410. LOCAL USES OF FUNDS.

Grants awarded under this part shall be used by local educational agencies or consortia to carry out 1 or more of the following activities to benefit gifted and talented students:

(1) PROFESSIONAL DEVELOPMENT PROGRAMS.—Developing and implementing programs to address State and local needs for inservice training activities for general educators, specialists in gifted and talented education, administrators, school counselors, or other school personnel.

(2) IDENTIFICATION OF STUDENTS.—Delivery of services to gifted and talented students who may not be identified and served through traditional assessment methods, including economically disadvantaged individuals, individuals of limited English proficiency, and individuals with disabilities.

(3) MODEL PROJECTS.—Supporting and implementing innovative strategies such as cooperative learning, service learning, peer tutoring, independent study, and adapted curriculum used by schools or consortia.

(4) EMERGING TECHNOLOGIES.—Assisting schools or consortia of schools, that do not have the resources to otherwise provide gifted and talented courses, to provide the courses through new and emerging technologies, including distance learning curriculum packages, except that funds under this part shall not be used for the purchase or upgrading of technological hardware.

SEC. 3411. PARTICIPATION OF PRIVATE SCHOOL CHILDREN AND TEACHERS.

In awarding grants under this part the Secretary shall ensure, where appropriate, that provision is made for the equitable participation of students and teachers in private, nonprofit elementary schools and secondary schools, including the participation of teachers and other personnel in professional development programs serving such children.

SEC. 3412. ESTABLISHMENT OF NATIONAL CENTER.

(a) PURPOSE.—The purposes of a National Center for Research and Development in the Education of Gifted and Talented Children and Youth are—

(1) to develop, disseminate, and evaluate model projects and activities for serving gifted and talented students;

(2) to conduct research regarding innovative methods for identifying and educating gifted and talented students; and

(3) to provide technical assistance programs that will further the education of gifted and talented students, including how

gifted and talented programs, where appropriate, may be adapted for use by all students.

(b) CENTER ESTABLISHED.—The Secretary shall establish a National Center for Research and Development in the Education of Gifted and Talented Children and Youth through grants to or contracts with 1 or more institutions of higher education, State educational agencies, or a consortia of such institutions and agencies.

(c) DIRECTOR.—The National Center shall have a Director. The Secretary may authorize the Director to carry out such functions of the National Center as may be agreed upon through arrangements with other institutions of higher education, and State educational agencies or local educational agencies.

(d) GRANDFATHER CLAUSE.—If the amount appropriated under section 3404(a) for a fiscal year is $50,000,000 or more, then the Secretary shall use such amount to continue to make grant or contract payments to each entity that was awarded a multiyear grant or contract under section 10204(c) (as such section was in effect on the day before the date of enactment of the Educational Opportunities Act) for the duration of the grant or contract award.

(e) FUNDING.—The Secretary may use not more than 30 percent of the funds made available under section 3404(a) for any fiscal year to carry out this section.

PART D—ARTS IN EDUCATION

Subpart 1—Arts Education

SEC. 3511. SUPPORT FOR ARTS EDUCATION.

(a) PURPOSES.—The purposes of this subpart are to—

(1) support systemic education reform by strengthening arts education as an integral part of the elementary school and secondary school curriculum;

(2) help ensure that all students have the opportunity to learn to challenging State content standards and challenging State student performance standards in the arts;

(3) support the national effort to enable all students to demonstrate competence in the arts in accordance with the America's Education Goals;

(4) support model partnership programs between schools and nonprofit cultural organizations designed to contribute to overall achievement for students and complement curriculum-based arts instruction in the classroom; and

(5) support projects and programs in the performing arts through arrangements with the John F. Kennedy Center for the Performing Arts, and support model projects and programs that assure the participation in the arts and education programs for individuals with disabilities through VSA Arts.

(b) ELIGIBLE RECIPIENTS.—In order to carry out the purposes of this subpart, the Secretary is authorized to award grants to, or enter into contracts or cooperative agreements with—

(1) State educational agencies;

(2) local educational agencies;

(3) institutions of higher education;

(4) museums and other cultural institutions; and

(5) other public and private agencies, institutions, and organizations.

(c) AUTHORIZED ACTIVITIES.—Funds under this subpart may be used for—

(1) the development and dissemination of model arts education programs or model arts education assessments based on high standards;

(2) the development and implementation of curriculum frameworks for arts education;

(3) the development of model preservice and inservice professional development programs for arts educators and other instructional staff;

(4) supporting collaborative activities with other Federal agencies or institutions involved in arts education, such as the National Endowment for the Arts, the Institute of Museum and Library Services, the John F. Kennedy Center for the Performing Arts, VSA Arts, and the National Gallery of Art;

(5) supporting model projects and programs in the performing arts for children and youth through arrangements made with the John F. Kennedy Center for the Performing Arts;

(6) supporting model projects and programs by VSA Arts that assure the participation in mainstream settings in arts and education programs of individuals with disabilities; and

(7) supporting collaborative projects between schools, and nonprofit cultural organizations with expertise in music, dance, literature, theater and the visual arts, for model school arts programs.

(d) COORDINATION.—

(1) IN GENERAL.—A recipient of funds under this subpart, to the extent possible, shall coordinate projects assisted under this subpart with appropriate activities of public and private cultural agencies, institutions, and organizations, including museums, arts education associations, libraries, and theaters.

(2) SPECIAL RULE.—In carrying out this subpart, the Secretary shall coordinate with the National Endowment for the Arts, the Institute of Museum and Library Services, the John F. Kennedy Center for the Performing Arts, VSA Arts, and the National Gallery of Art.

(e) AUTHORIZATION.—

(1) IN GENERAL.—For the purpose of carrying out this subpart, there are authorized to be appropriated $25,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(2) SPECIAL RULE.—If the amount appropriated under paragraph (1) for any fiscal year is $10,000,000 or less, then such amount shall only be available to carry out the activities described in paragraphs (5) and (6) of subsection (c).

Subpart 2—Cultural Partnerships for At-Risk Youth

SEC. 3521. PURPOSE.

The purpose of this subpart is to award grants to eligible entities to improve the educational performance and potential of at-risk

youth by providing comprehensive and coordinated educational and cultural services.

SEC. 3522. PROGRAM AUTHORIZED.

(a) IN GENERAL.—The Secretary is authorized to award grants to eligible entities to pay the Federal share of the costs of the activities described in section 3523.

(b) SPECIAL REQUIREMENTS.—

(1) IN GENERAL.—The Secretary shall award grants under this subpart only to eligible entities carrying out programs designed to—

(A) promote and enhance educational and cultural activities;

(B) provide multiyear services to at-risk youth and to integrate community cultural resources into in-school and after-school educational programs;

(C) provide integration of community cultural resources into the regular curriculum and school day;

(D) focus school and cultural resources in the community on coordinated cultural services to address the needs of at-risk youth;

(E) provide effective cultural programs to facilitate the transition from preschool programs to elementary school programs, including programs under the Head Start Act and part C of the Individuals with Disabilities Education Act;

(F) facilitate school-to-work transition from secondary schools and alternative schools to job training, higher education and employment through educational programs and activities that utilize school resources;

(G) increase parental and community involvement in the educational, social, and cultural development of at-risk youth; or

(H)(i) develop programs and strategies that provide high-quality coordinated educational and cultural services; and

(ii) provide a model to replicate such services in other schools and communities.

(2) PARTNERSHIP.—An interagency partnership comprised of the Secretary, the Chairman of the National Endowment for the Humanities, the Chairman of the National Endowment for the Arts, and the Director of the Institute of Museum and Library Services, or their designees, shall establish criteria and procedures for awarding grants, including the establishment of panels to review the applications, and shall administer the grants program authorized by this section. The Secretary shall publish such criteria and procedures in the Federal Register.

(3) COORDINATION.—Grants may only be awarded under this subpart to eligible entities that agree to coordinate activities carried out under other Federal, State, and local grants, received by the members of the partnership for purposes and target populations described in this subpart, into an integrated service delivery system located at a school, cultural, or other community-based site accessible to and utilized by at-risk youth.

(4) ELIGIBLE ENTITIES.—For purposes of this subpart, the term 'eligible entity' means a partnership between or among—

(A)(i) one or more local educational agencies; or

(ii) one or more individual schools that are eligible to participate in a schoolwide program under section 1114; and

(B) at least 1 institution of higher education, museum, local arts agency, or nonprofit cultural organization or institution with expertise in music, dance, theater, creative writing, or visual arts, that is accessible to individuals within the school district of such local educational agency or school, and that has a history of providing quality services to the community, which may include—

(i) nonprofit institutions of higher education, museums, libraries, performing, presenting and exhibiting arts organizations, literary arts organizations, State and local arts organizations, cultural institutions, and zoological and botanical organizations; or

(ii) private for-profit entities with a history of training youth in the arts.

(5) GEOGRAPHIC DISTRIBUTION.—In awarding grants under this subpart the Secretary, to the extent feasible, shall ensure an equitable geographic distribution of the grants.

(6) DURATION.—Grants made under this subpart may be renewable for a maximum of 5 years if the Secretary determines that the eligible recipient has made satisfactory progress toward the achievement of the program objectives described in the application.

(7) MODELS.—The Secretary, in consultation with the Chairman of the National Endowment for the Humanities, the Chairman of the National Endowment for the Arts, and the Director of the Institute of Museum and Library Services, or their designees, shall submit successful models developed under this subpart to the National Diffusion Network for review.

(c) TARGET POPULATION.—To be eligible for a grant under this subpart an eligible entity shall support activities under this part that serve—

(1) students enrolled in schools participating in a schoolwide program under section 1114 and the families of such students to the extent practicable;

(2) out-of-school at-risk youth; or

(3) a combination of in-school and out-of-school at-risk youth.

SEC. 3523. AUTHORIZED ACTIVITIES.

(a) IN GENERAL.—Grants awarded under this subpart may be used—

(1) to develop, acquire, implement, and expand school-based coordinated educational and cultural programs to strengthen the educational performance and potential of in-school or out-of-school at-risk youth through grants, cooperative agreements or contracts, or through the provision of services;

(2) to provide at-risk youth with integrated cultural activities designed to improve academic achievement and the transition of such students to all levels of education from prekindergarten to secondary school and beyond;

(3) to work with school personnel on staff development activities that—

(A) encourage the integration of arts into the curriculum; and

(B) to the greatest extent practicable, are tied to challenging State content standards and challenging State student performance standards;

(4) for cultural programs that encourage the active participation of parents in the education of their children; and

(5) for assistance that allows local artists to work with at-risk youth in schools.

(b) APPLICATIONS.—

(1) IN GENERAL.—Each eligible entity desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

(A) describe the cultural entity or entities that will participate in the partnership;

(B) describe the target population to be served;

(C) describe the services to be provided;

(D) describe a plan for evaluating the success of the program;

(E) in the case of each local educational agency or school participating in the partnership, describe how the activities assisted under this subpart will be perpetuated beyond the duration of the grant;

(F) describe the manner in which the eligible entity will improve the educational achievement or potential of at-risk youth through more effective coordination of cultural services in the community;

(G) describe the overall and operational goals of the program;

(H) describe the nature and location of all planned sites where services will be delivered and a description of services which will be provided at each site; and

(I) describe training that will be provided to individuals who are not trained to work with youth, and how teachers will be involved.

SEC. 3524. PAYMENTS; AMOUNTS OF AWARD; COST SHARE; LIMITATIONS.

(a) PAYMENTS.—

(1) IN GENERAL.—The Secretary shall pay to each eligible recipient having an application approved under section 3523(b) the Federal share of the cost of the activities described in the application.

(2) SPECIAL RULE.—

(A) IN GENERAL.—Grants awarded under this subpart shall be of sufficient size, scope, and quality to be effective.

(B) NONDUPLICATION.—The Secretary shall award grants under this subpart so as to ensure nonduplication of services provided by grant recipients and services provided by—

(i) the National Endowment for the Humanities;

(ii) the National Endowment for the Arts; and

(iii) the Institute of Museum and Library Services.

(b) COST SHARE.—

(1) FEDERAL SHARE.—The Federal share of the cost of activities assisted under a grant under this subpart shall be 80 percent of the cost of carrying out the activities.

(2) NON-FEDERAL SHARE.—The non-Federal share of the cost of activities assisted under a grant under this subpart shall be 20 percent of the cost of carrying out the activities, and may be provided in cash or in kind, fairly evaluated, including the provision of equipment, services, or facilities.

(c) LIMITATIONS.—

(1) SUPPLEMENT AND NOT SUPPLANT.—Grant funds awarded under this part shall be used to supplement not supplant the amount of funds made available from non-Federal sources, for the activities assisted under this subpart, in amounts that exceed the amounts expended for such activities in the year preceding the year for which the grant is awarded.

(2) EVALUATION; REPLICATION; ADMINISTRATIVE COSTS.—

(A) SECRETARY.—The Secretary may reserve not more than 5 percent of the grant funds received under this subpart in each fiscal year for the costs of evaluation and replication of programs funded under this subpart.

(B) ELIGIBLE RECIPIENTS.—Each eligible recipient may reserve not more than 5 percent of any grant funds received under this subpart in each fiscal year for the costs of administration, including review and evaluation of each program assisted under this subpart.

SEC. 3525. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subpart, $45,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years.

PART E—ADVANCED PLACEMENT PROGRAMS

SEC. 3601. SHORT TITLE.

This part may be cited as the "Access to High Standards Act".

SEC. 3602. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) far too many students are not being provided sufficient academic preparation in secondary school, which results in limited employment opportunities, college dropout rates of over 25 percent for the first year of college, and remediation for almost one-third of incoming college freshmen;

(2) there is a growing consensus that raising academic standards, establishing high academic expectations, and showing concrete results are at the core of improving public education;

(3) modeling academic standards on the well-known program of advanced placement courses is an approach that many education leaders and almost half of all States have endorsed;

(4) advanced placement programs already are providing 30 different college-level courses, serving almost 60 percent of all secondary schools, reaching over 1,000,000 students (of whom

80 percent attend public schools, 55 percent are females, and 30 percent are minorities), and providing test scores that are accepted for college credit at over 3,000 colleges and universities, every university in Germany, France, and Austria, and most institutions in Canada and the United Kingdom;

(5) 24 States are now funding programs to increase participation in advanced placement programs, including 19 States that provide funds for advanced placement teacher professional development, 3 States that require that all public secondary schools offer advanced placement courses, 10 States that pay the fees for advanced placement tests for some or all students, and 4 States that require that their public universities grant uniform academic credit for scores of 3 or better on advanced placement tests; and

(6) the State programs described in paragraph (5) have shown the responsiveness of schools and students to such programs, raised the academic standards for both students participating in such programs and other children taught by teachers who are involved in advanced placement courses, and shown tremendous success in increasing enrollment, achievement, and minority participation in advanced placement programs.

(b) PURPOSES.—The purposes of this part are—

(1) to encourage more of the 600,000 students who take advanced placement courses but do not take advanced placement exams each year to demonstrate their achievements through taking the exams;

(2) to build on the many benefits of advanced placement programs for students, which benefits may include the acquisition of skills that are important to many employers, Scholastic Aptitude Tests (SAT) scores that are 100 points above the national averages, and the achievement of better grades in secondary school and in college than the grades of students who have not participated in the programs;

(3) to support State and local efforts to raise academic standards through advanced placement programs, and thus further increase the number of students who participate and succeed in advanced placement programs;

(4) to increase the availability and broaden the range of schools that have advanced placement programs, which programs are still often distributed unevenly among regions, States, and even secondary schools within the same school district, while also increasing and diversifying student participation in the programs;

(5) to build on the State programs described in subsection (a)(5) and demonstrate that larger and more diverse groups of students can participate and succeed in advanced placement programs;

(6) to provide greater access to advanced placement courses for low-income and other disadvantaged students;

(7) to provide access to advanced placement courses for secondary school juniors at schools that do not offer advanced placement programs, increase the rate of secondary school juniors and seniors who participate in advanced placement courses to 25 percent of the secondary school student population, and

increase the numbers of students who receive advanced placement test scores for which college academic credit is awarded; and

(8) to increase the participation of low-income individuals in taking advanced placement tests through the payment or partial payment of the costs of the advanced placement test fees.

SEC. 3603. FUNDING DISTRIBUTION RULE.

From amounts appropriated under section 3608 for a fiscal year, the Secretary shall give first priority to funding activities under section 3606, and shall distribute any remaining funds not so applied according to the following ratio:

(1) Seventy percent of the remaining funds shall be available to carry out section 3604.

(2) Thirty percent of the remaining funds shall be available to carry out section 3605.

SEC. 3604. ADVANCED PLACEMENT PROGRAM GRANTS.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—From amounts appropriated under section 3608 and made available under section 3603(1) for a fiscal year, the Secretary shall award grants, on a competitive basis, to eligible entities to enable the eligible entities to carry out the authorized activities described in subsection (c).

(2) DURATION AND PAYMENTS.—

(A) DURATION.—The Secretary shall award a grant under this section for a period of 3 years.

(B) PAYMENTS.—The Secretary shall make grant payments under this section on an annual basis.

(3) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term "eligible entity" means a State educational agency, or a local educational agency, in the State.

(b) PRIORITY.—In awarding grants under this section the Secretary shall give priority to eligible entities submitting applications under subsection (d) that demonstrate—

(1) a pervasive need for access to advanced placement incentive programs;

(2) the involvement of business and community organizations in the activities to be assisted;

(3) the availability of matching funds from State or local sources to pay for the cost of activities to be assisted;

(4) a focus on developing or expanding advanced placement programs and participation in the core academic areas of English, mathematics, and science; and

(5)(A) in the case of an eligible entity that is a State educational agency, the State educational agency carries out programs in the State that target—

(i) local educational agencies serving schools with a high concentration of low-income students; or

(ii) schools with a high concentration of low-income students; or

(B) in the case of an eligible entity that is a local educational agency, the local educational agency serves schools with a high concentration of low-income students.

(c) AUTHORIZED ACTIVITIES.—An eligible entity may use grant funds under this section to expand access for low-income individuals to advanced placement incentive programs that involve—

(1) teacher training;

(2) preadvanced placement course development;

(3) curriculum coordination and articulation between grade levels that prepare students for advanced placement courses;

(4) curriculum development;

(5) books and supplies; and

(6) any other activity directly related to expanding access to and participation in advanced placement incentive programs particularly for low-income individuals.

(d) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

(e) DATA COLLECTION AND REPORTING.—

(1) DATA COLLECTION.—Each eligible entity receiving a grant under this section shall annually report to the Secretary—

(A) the number of students taking advanced placement courses who are served by the eligible entity;

(B) the number of advanced placement tests taken by students served by the eligible entity;

(C) the scores on the advanced placement tests; and

(D) demographic information regarding individuals taking the advanced placement courses and tests disaggregated by race, ethnicity, sex, English proficiency status, and socioeconomic status.

(2) REPORT.—The Secretary shall annually compile the information received from each eligible entity under paragraph (1) and report to Congress regarding the information.

SEC. 3605. ON-LINE ADVANCED PLACEMENT COURSES.

(a) GRANTS AUTHORIZED.—From amounts appropriated under section 3608 and made available under section 3603(2) for a fiscal year, the Secretary shall award grants to State educational agencies to enable such agencies to award grants to local educational agencies to provide students with on-line advanced placement courses.

(b) STATE EDUCATIONAL AGENCY APPLICATIONS.—

(1) APPLICATION REQUIRED.—Each State educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

(2) AWARD BASIS.—The Secretary shall award grants under this section on a competitive basis.

(c) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—Each State educational agency receiving a grant award under subsection (b) shall award grants to local educational agencies within the State to carry out activities described in subsection (e). In awarding grants under this subsection, the State educational agency shall give priority to local educational agencies that—

(1) serve high concentrations of low-income students;

(2) serve rural areas; and

(3) the State educational agency determines would not have access to on-line advanced placement courses without assistance provided under this section.

(d) CONTRACTS.—A local educational agency that receives a grant under this section may enter into a contract with a nonprofit or for-profit organization to provide the on-line advanced placement courses, including contracting for necessary support services.

(e) USES.—Grant funds provided under this section may be used to purchase the on-line curriculum, to train teachers with respect to the use of on-line curriculum, or to purchase course materials.

SEC. 3606. ADVANCED PLACEMENT INCENTIVE PROGRAM.

(a) GRANTS AUTHORIZED.—From amounts appropriated under section 3608 and made available under section 3603 for a fiscal year, the Secretary shall award grants to State educational agencies having applications approved under subsection (c) to enable the State educational agencies to reimburse low-income individuals to cover part or all of the costs of advanced placement test fees, if the low-income individuals—

(1) are enrolled in an advanced placement class; and

(2) plan to take an advanced placement test.

(b) AWARD BASIS.—In determining the amount of the grant awarded to each State educational agency under this section for a fiscal year, the Secretary shall consider the number of children eligible to be counted under section 1124(c) in the State in relation to the number of such children so counted in all the States.

(c) INFORMATION DISSEMINATION.—A State educational agency shall disseminate information regarding the availability of advanced placement test fee payments under this section to eligible individuals through secondary school teachers and guidance counselors.

(d) APPLICATIONS.—Each State educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. At a minimum, each State educational agency application shall—

(1) describe the advanced placement test fees the State educational agency will pay on behalf of low-income individuals in the State from grant funds made available under this section;

(2) provide an assurance that any grant funds received under this section, other than funds used in accordance with subsection (e), shall be used only to pay for advanced placement test fees; and

(3) contain such information as the Secretary may require to demonstrate that the State will ensure that a student is eligible for payments under this section, including documentation required under chapter 1 of subpart 2 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a–11 et seq.).

(e) ADDITIONAL USES OF FUNDS.—If each eligible low-income individual in a State pays not more than a nominal fee to take an advanced placement test in a core subject, then a State educational agency may use grant funds made available under this section that remain after advanced placement test fees have been paid on behalf of all eligible low-income individuals in the State, for activities directly related to increasing—

(1) the enrollment of low-income individuals in advanced placement courses;

(2) the participation of low-income individuals in advanced placement courses; and

(3) the availability of advanced placement courses in schools serving high-poverty areas.

(f) SUPPLEMENT, NOT SUPPLANT.—Grant funds provided under this section shall supplement, and not supplant, other non-federal funds that are available to assist low-income individuals in paying for the cost of advanced placement test fees.

(g) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary to carry out this section.

(h) REPORT.—Each State educational agency annually shall report to the Secretary information regarding—

(1) the number of low-income individuals in the State who received assistance under this section; and

(2) any activities carried out pursuant to subsection (e).

(i) DEFINITIONS.—In this section:

(1) ADVANCED PLACEMENT TEST.—The term "advanced placement test" includes only an advanced placement test approved by the Secretary for the purposes of this section.

(2) LOW-INCOME INDIVIDUAL.—The term "low-income individual" has the meaning given the term in section 402A(g)(2) of the Higher Education Act of 1965 (20 U.S.C. 1070a–11(g)(2)).

SEC. 3607. DEFINITIONS.

In this part:

(1) ADVANCED PLACEMENT INCENTIVE PROGRAM.—The term "advanced placement incentive program" means a program that provides advanced placement activities and services to low-income individuals.

(2) ADVANCED PLACEMENT TEST.—The term "advanced placement test" means an advanced placement test administered by the College Board or approved by the Secretary.

(3) HIGH CONCENTRATION OF LOW-INCOME STUDENTS.—The term "high concentration of low-income students", used with respect to a State educational agency, local educational agency or school, means an agency or school, as the case may be, that serves a student population 40 percent or more of whom are from families with incomes below the poverty level, as determined in the same manner as the determination is made under section 1124(c)(2).

(4) LOW-INCOME INDIVIDUAL.—The term "low-income individual" means, other than for purposes of section 3606, a low-income individual (as defined in section 402A(g)(2) of the Higher Education Act of 1965 (20 U.S.C. 1070a–11(g)(2)) who is academically prepared to take successfully an advanced placement test as determined by a school teacher or advanced placement coordinator taking into consideration factors such as enrollment and performance in an advanced placement course or superior academic ability.

(5) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

(6) STATE.—The term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

SEC. 3608. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this part, there are authorized to be appropriated $50,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years.

[TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

[SEC. 4001. [20 U.S.C. 7101] SHORT TITLE.

[This title may be cited as the "Safe and Drug-Free Schools and Communities Act of 1994".

[SEC. 4002. [20 U.S.C. 7102] FINDINGS.

[The Congress finds as follows:

[(1) The seventh National Education Goal provides that by the year 2000, all schools in America will be free of drugs and violence and the unauthorized presence of firearms and alcohol, and offer a disciplined environment that is conducive to learning.

[(2) The widespread illegal use of alcohol and other drugs among the Nation's secondary school students, and increasingly by students in elementary schools as well, constitutes a grave threat to such students' physical and mental well-being, and significantly impedes the learning process. For example, data show that students who drink tend to receive lower grades and are more likely to miss school because of illness than students who do not drink.

[(3) Our Nation's schools and communities are increasingly plagued by violence and crime. Approximately 3,000,000 thefts and violent crimes occur in or near our Nation's schools every year, the equivalent of more than 16,000 incidents per school day.

[(4) Violence that is linked to prejudice and intolerance victimizes entire communities leading to more violence and discrimination.

[(5) The tragic consequences of violence and the illegal use of alcohol and drugs by students are felt not only by students and such students' families, but by such students' communities and the Nation, which can ill afford to lose such students' skills, talents, and vitality.

[(6) While use of illegal drugs is a serious problem among a minority of teenagers, alcohol use is far more widespread. The proportion of high school students using alcohol, though lower than a decade ago, remains unacceptably high. By the 8th grade, 70 percent of youth report having tried alcohol and by the 12th grade, about 88 percent have used alcohol. Alcohol use by young people can and does have adverse consequences for users, their families, communities, schools, and colleges.

[(7) Alcohol and tobacco are widely used by young people. Such use can, and does, have adverse consequences for young people, their families, communities, schools, and colleges. Drug prevention programs for youth that address only controlled

drugs send an erroneous message that alcohol and tobacco do not present significant problems, or that society is willing to overlook their use. To be credible, messages opposing illegal drug use by youth should address alcohol and tobacco as well.

[(8) Every day approximately 3,000 children start smoking. Thirty percent of all secondary school seniors are smokers. Half of all new smokers begin smoking before the age of 14, 90 percent of such smokers begin before the age of 21, and the average age of the first use of smokeless tobacco is under the age of 10. Use of tobacco products has been linked to serious health problems. Drug education and prevention programs that include tobacco have been effective in reducing teenage use of tobacco.

[(9) Drug and violence prevention programs are essential components of a comprehensive strategy to promote school safety and to reduce the demand for and use of drugs throughout the Nation. Schools and local organizations in communities throughout the Nation have a special responsibility to work together to combat the growing epidemic of violence and illegal drug use and should measure the success of their programs against clearly defined goals and objectives.

[(10) Students must take greater responsibility for their own well-being, health, and safety if schools and communities are to achieve the goals of providing a safe, disciplined, and drug-free learning environment.

[SEC. 4003. [20 U.S.C. 7103] PURPOSE.

[The purpose of this title is to support programs to meet the seventh National Education Goal by preventing violence in and around schools and by strengthening programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and are coordinated with related Federal, State, and community efforts and resources, through the provision of Federal assistance to—

[(1) States for grants to local educational agencies and educational service agencies and consortia of such agencies to establish, operate, and improve local programs of school drug and violence prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools (including intermediate and junior high schools);

[(2) States for grants to, and contracts with, community-based organizations and other public and private nonprofit agencies and organizations for programs of drug and violence prevention, early intervention, rehabilitation referral, and education;

[(3) States for development, training, technical assistance, and coordination activities;

[(4) public and private nonprofit organizations to conduct training, demonstrations, and evaluation, and to provide supplementary services for the prevention of drug use and violence among students and youth; and

[(5) institutions of higher education to establish, operate, expand, and improve programs of school drug and violence prevention, education, and rehabilitation referral for students enrolled in colleges and universities.

[SEC. 4004. [20 U.S.C. 7104] FUNDING.

[There are authorized to be appropriated—

[(1) $630,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, for State grants under subpart 1; and

[(2) $25,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, for national programs under subpart 2.

[PART A—STATE GRANTS FOR DRUG AND VIOLENCE PREVENTION PROGRAMS

[Subpart 1—State Grants for Drug and Violence Prevention Programs

[SEC. 4011. [20 U.S.C. 7111] RESERVATIONS AND ALLOTMENTS.

[(a) RESERVATIONS.—From the amount made available under section 4004(a) to carry out this subpart for each fiscal year, the Secretary—

[(1) shall reserve 1 percent of such amount for grants under this subpart to Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with the Secretary's determination of their respective needs;

[(2) shall reserve 1 percent of such amount for the Secretary of the Interior to carry out programs under this part for Indian youth;

[(3) may reserve not more than $1,000,000 for the national impact evaluation required by section 4117(a); and

[(4) shall reserve 0.2 percent of such amount for programs for Native Hawaiians under section 4118.

[(b) STATE ALLOTMENTS.—

[(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall, for each fiscal year, allocate among the States—

[(A) one-half of the remainder not reserved under subsection (a) according to the ratio between the school-aged population of each State and the school-aged population of all the States; and

[(B) one-half of such remainder according to the ratio between the amount each State received under part A of title I for the preceding year (or, for fiscal year 1995 only, sections 1005 and 1006 of this Act as such sections were in existence on the day preceding the date of enactment of the Improving America's Schools Act of 1994) and the sum of such amounts received by all the States.

[(2) MINIMUM.—For any fiscal year, no State shall be allotted under this subsection an amount that is less than one-half of 1 percent of the total amount allotted to all the States under this subsection.

[(3) REALLOTMENT.—The Secretary may reallot any amount of any allotment to a State if the Secretary determines that the State will be unable to use such amount within two years of

such allotment. Such reallotments shall be made on the same basis as allotments are made under paragraph (1).

[(4) DEFINITIONS.—For the purpose of this subsection—

[(A) the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico; and

[(B) the term "local educational agency" includes educational service agencies and consortia of such agencies.

[SEC. 4112. [20 U.S.C. 7112] STATE APPLICATIONS.

[(a) IN GENERAL.—In order to receive an allotment under section 4111 for any fiscal year, a State shall submit to the Secretary, at such time as the Secretary may require, an application that—

[(1) describes how funds under this subpart will be coordinated with programs under this Act, the Goals 2000: Educate America Act, and other Acts, as appropriate, in accordance with the provisions of section 14306;

[(2) contains the results of the State's needs assessment for drug and violence prevention programs, which shall be based on the results of on-going State evaluation activities, including data on the prevalence of drug use and violence by youth in schools and communities;

[(3) contains assurances that the sections of the application concerning the funds provided to the chief executive officer and the State educational agency were developed separately by such officer or agency, respectively, but in consultation and coordination with appropriate State officials and others, including the chief State school officer, the chief executive officer, the head of the State alcohol and drug abuse agency, the heads of the State health and mental health agencies, the head of the State criminal justice planning agency, the head of the State child welfare agency, the head of the State board of education, or their designees, and representatives of parents, students, and community-based organizations;

[(4) contains an assurance that the State will cooperate with, and assist, the Secretary in conducting a national impact evaluation of programs required by section 4117(a); and

[(5) includes any other information the Secretary may require.

[(b) STATE EDUCATIONAL AGENCY FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 4113(a) by the State educational agency that includes—

[(1) a statement of the State educational agency's measurable goals and objectives for drug and violence prevention and a description of the procedures such agency will use for assessing and publicly reporting progress toward meeting those goals and objectives;

[(2) a plan for monitoring the implementation of, and providing technical assistance regarding, the drug and violence prevention programs conducted by local educational agencies in accordance with section 4116;

[(3) a description of how the State educational agency will use funds under section 4113(b);

[(4) a description of how the State educational agency will coordinate such agency's activities under this subpart with the chief executive officer's drug and violence prevention programs under this subpart and with the prevention efforts of other State agencies;

[(5) an explanation of the criteria the State educational agency will use to identify which local educational agencies receive supplemental funds under section 4113(d)(2)(A)(ii) and how the supplemental funds will be allocated among such local educational agencies; and

[(6) a description of the procedures the State educational agency will use to review applications from local educational agencies under section 4115.

[(c) GOVERNOR'S FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 4114(a) by the chief executive officer that includes—

[(1) a statement of the chief executive officer's measurable goals and objectives for drug and violence prevention and a description of the procedures to be used for assessing and publicly reporting progress toward meeting such goals and objectives;

[(2) a description of how the chief executive officer will coordinate such officer's activities under this part with the State educational agency and other State agencies and organizations involved with drug and violence prevention efforts;

[(3) a description of how funds reserved under section 4114(a) will be used so as not to duplicate the efforts of the State educational agency and local educational agencies with regard to the provision of school-based prevention efforts and services and how those funds will be used to serve populations not normally served by the State educational agency, such as school dropouts and youth in detention centers;

[(4) a description of how the chief executive officer will award funds under section 4114(a) and a plan for monitoring the performance of, and providing technical assistance to, recipients of such funds;

[(5) a description of the special outreach activities that will be carried out to maximize the participation of community-based organizations of demonstrated effectiveness which provide services in low-income communities; and

[(6) a description of how funds will be used to support community-wide comprehensive drug and violence prevention planning.

[(d) PEER REVIEW.—The Secretary shall use a peer review process in reviewing State applications under this section.

[(e) INTERIM APPLICATION.—Notwithstanding any other provisions of this section, a State may submit for fiscal year 1995 a one-year interim application and plan for the use of funds under this subpart that are consistent with the requirements of this section and contain such information as the Secretary may specify in regulations. The purpose of such interim application and plan shall be to afford the State the opportunity to fully develop and review such State's application and comprehensive plan otherwise required by this section. A State may not receive a grant under this subpart

for a fiscal year subsequent to fiscal year 1995 unless the Secretary has approved such State's application and comprehensive plan in accordance with this subpart.

[SEC. 4113. [20 U.S.C. 7113] STATE AND LOCAL EDUCATIONAL AGENCY PROGRAMS.

[(a) USE OF FUNDS.—

[(1) IN GENERAL.—Except as provided in paragraph (2), an amount equal to 80 percent of the total amount allocated to a State under section 4111 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section.

[(2) EXCEPTION.—(A) If a State has, on or before January 1, 1994, established an independent State agency for the purpose of administering all of the funds described in section 5121 of this Act (as such section was in effect on the day preceding the date of the enactment of the Improving America's Schools Act of 1994), then—

[(i) an amount equal to 80 percent of the total amount allocated to such State under section 4111 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section; and

[(ii) an amount equal to 20 percent of such total amount shall be used by such independent State agency for drug and violence prevention activities in accordance with this section.

[(B) Not more than 5 percent of the amount reserved under subparagraph (A)(ii) may be used for administrative costs of the independent State agency incurred in carrying out the activities described in such subparagraph.

[(C) For purposes of this paragraph, the term "independent State agency" means an independent agency with a board of directors or a cabinet level agency whose chief executive officer is appointed by the chief executive officer of the State and confirmed with the advice and consent of the senate of such State.

[(b) STATE LEVEL PROGRAMS.—

[(1) IN GENERAL.—A State educational agency shall use not more than 5 percent of the amount available under subsection (a) for activities such as—

[(A) training and technical assistance concerning drug and violence prevention for local educational agencies and educational service agencies, including teachers, administrators, coaches and athletic directors, other staff, parents, students, community leaders, health service providers, local law enforcement officials, and judicial officials;

[(B) the development, identification, dissemination, and evaluation of the most readily available, accurate, and up-to-date curriculum materials (including videotapes, software, and other technology-based learning resources), for consideration by local educational agencies;

[(C) making available to local educational agencies cost effective programs for youth violence and drug abuse prevention;

[(D) demonstration projects in drug and violence prevention;

[(E) training, technical assistance, and demonstration projects to address violence associated with prejudice and intolerance;

[(F) financial assistance to enhance resources available for drug and violence prevention in areas serving large numbers of economically disadvantaged children or sparsely populated areas, or to meet other special needs consistent with the purposes of this subpart; and

[(G) the evaluation of activities carried out within the State under this part.

[(2) SPECIAL RULE.—A State educational agency may carry out activities under this subsection directly, or through grants or contracts.

[(c) STATE ADMINISTRATION.—A State educational agency may use not more than 4 percent of the amount reserved under subsection (a) for the administrative costs of carrying out its responsibilities under this part.

[(d) LOCAL EDUCATIONAL AGENCY PROGRAMS.—

[(1) IN GENERAL.—A State educational agency shall distribute not less than 91 percent of the amount made available under subsection (a) for each fiscal year to local educational agencies in accordance with this subsection.

[(2) DISTRIBUTION.—(A) Of the amount distributed under paragraph (1), a State educational agency shall distribute—

[(i) 70 percent of such amount to local educational agencies, based on the relative enrollments in public and private nonprofit elementary and secondary schools within the boundaries of such agencies; and

[(ii) 30 percent of such amount to local educational agencies that the State educational agency determines have the greatest need for additional funds to carry out drug and violence prevention programs authorized by this subpart.

[(B) Where appropriate and to the extent consistent with the needs assessment conducted by the State, not less than 25 percent of the amount distributed under subparagraph (A)(ii) for a fiscal year shall be distributed to local educational agencies located in rural and urban areas.

[(C)(i) A State educational agency shall distribute funds under subparagraph (A)(ii) to not more than 10 percent of the local educational agencies in the State, or five such agencies, whichever is greater.

[(ii) In determining which local educational agencies have the greatest need for additional funds, the State educational agency shall consider objective data such as—

[(I) high rates of alcohol or drug use among youth;

[(II) high rates of victimization of youth by violence and crime;

[(III) high rates of arrests and convictions of youth for violent or drug- or alcohol-related crime;

[(IV) the extent of illegal gang activity;

[(V) high incidence of violence associated with prejudice and intolerance;

[(VI) high rates of referrals of youths to drug and alcohol abuse treatment and rehabilitation programs;

[(VII) high rates of referrals of youths to juvenile court;

[(VIII) high rates of expulsions and suspensions of students from schools; and

[(IX) high rates of reported cases of child abuse and domestic violence.

[(e) REALLOCATION OF FUNDS.—If a local educational agency chooses not to apply to receive the amount allocated to such agency under subsection (d), or if such agency's application under section 4115 is disapproved by the State educational agency, the State educational agency shall reallocate such amount to one or more of the local educational agencies determined by the State educational agency under subsection (d)(2)(C)(ii) to have the greatest need for additional funds.

[(f) RETURN OF FUNDS TO STATE EDUCATIONAL AGENCY; REALLOCATION.—

[(1) RETURN.—Except as provided in paragraph (2), upon the expiration of the 1-year period beginning on the date that a local educational agency or educational service agency under this title receives its allocation under this title—

[(A) such agency shall return to the State educational agency any funds from such allocation that remain unobligated; and

[(B) the State educational agency shall reallocate any such amount to local educational agencies or educational service agencies that have plans for using such amount for programs or activities on a timely basis.

[(2) REALLOCATION.—In any fiscal year, a local educational agency, may retain for obligation in the succeeding fiscal year—

[(A) an amount equal to not more than 25 percent of the allocation it receives under this title for such fiscal year; or

[(B) upon a demonstration of good cause by such agency or consortium, a greater amount approved by the State educational agency.

[SEC. 4114. [20 U.S.C. 7114] GOVERNOR'S PROGRAMS.

[(a) USE OF FUNDS.—

[(1) IN GENERAL.—An amount equal to 20 percent of the total amount allocated to a State under section 4111(1) for each fiscal year shall be used by the chief executive officer of such State for drug and violence prevention programs and activities in accordance with this section.

[(2) LAW ENFORCEMENT EDUCATION PARTNERSHIPS.—A chief executive officer shall use not less than 10 percent of the 20 percent of the total amount described in paragraph (1) for each fiscal year for law enforcement education partnerships in accordance with subsection (d).

[(3) ADMINISTRATIVE COSTS.—A chief executive officer may use not more than 5 percent of the 20 percent of the total amount described in paragraph (1) for the administrative costs

incurred in carrying out the duties of such officer under this section.

[(b) PROGRAMS AUTHORIZED.—

[(1) IN GENERAL.—A chief executive officer shall use funds made available under subsection (a)(1) for grants to or contracts with parent groups, community action and job training agencies, community-based organizations, and other public entities and private nonprofit organizations and consortia thereof. In making such grants and contracts, a chief executive officer shall give priority to programs and activities described in subsection (c) for—

[(A) children and youth who are not normally served by State or local educational agencies; or

[(B) populations that need special services or additional resources (such as preschoolers, youth in juvenile detention facilities, runaway or homeless children and youth, pregnant and parenting teenagers, and school dropouts).

[(2) PEER REVIEW.—Grants or contracts awarded under this subsection shall be subject to a peer review process.

[(c) AUTHORIZED ACTIVITIES.—Grants and contracts under subsection (b) shall be used for programs and activities such as—

[(1) disseminating information about drug and violence prevention;

[(2) training parents, law enforcement officials, judicial officials, social service providers, health service providers and community leaders about drug and violence prevention, comprehensive health education, early intervention, pupil services, or rehabilitation referral;

[(3) developing and implementing comprehensive, community-based drug and violence prevention programs that link community resources with schools and integrate services involving education, vocational and job skills training and placement, law enforcement, health, mental health, community service, mentoring, and other appropriate services;

[(4) planning and implementing drug and violence prevention activities that coordinate the efforts of State agencies with efforts of the State educational agency and its local educational agencies;

[(5) activities to protect students traveling to and from school;

[(6) before-and-after school recreational, instructional, cultural, and artistic programs that encourage drug- and violence-free lifestyles;

[(7) activities that promote the awareness of and sensitivity to alternatives to violence through courses of study that include related issues of intolerance and hatred in history;

[(8) developing and implementing activities to prevent and reduce violence associated with prejudice and intolerance;

[(9) developing and implementing strategies to prevent illegal gang activity;

[(10) coordinating and conducting community-wide violence and safety assessments and surveys;

[(11) service-learning projects that encourage drug- and violence-free lifestyles; and

[(12) evaluating programs and activities assisted under this section.

[(d) LAW ENFORCEMENT EDUCATION PARTNERSHIPS.—A chief executive officer shall use funds under subsection (a)(2) to award grants to State, county or local law enforcement agencies (including district attorneys) in consortium with local educational agencies or community-based agencies for the purposes of carrying out drug abuse and violence prevention activities, such as—

[(1) Project Drug Abuse Resistance Education and other programs which provide classroom instruction by uniformed law enforcement officials that is designed to teach students to recognize and resist pressures to experiment that influence such children to use controlled substances or alcohol;

[(2) Project Legal Lives and other programs in which district attorneys provide classroom instruction in the law and legal system which emphasizes interactive learning techniques, such as mock trial competitions;

[(3) partnerships between law enforcement and child guidance professionals; and

[(4) before- and after-school activities.

[SEC. 4115. [20 U.S.C. 7115] LOCAL APPLICATIONS.

[(a) APPLICATION REQUIRED.—

[(1) IN GENERAL.—In order to be eligible to receive a distribution under section 4113(d) for any fiscal year, a local educational agency shall submit, at such time as the State educational agency requires, an application to the State educational agency for approval. Such an application shall be amended, as necessary, to reflect changes in the local educational agency's program.

[(2) DEVELOPMENT.—(A) A local educational agency shall develop its application under subsection (a)(1) in consultation with a local or substate regional advisory council that includes, to the extent possible, representatives of local government, business, parents, students, teachers, pupil services personnel, appropriate State agencies, private schools, the medical profession, law enforcement, community-based organizations, and other groups with interest and expertise in drug and violence prevention.

[(B) In addition to assisting the local educational agency to develop an application under this section, the advisory council established or designated under subparagraph (A) shall, on an ongoing basis—

[(i) disseminate information about drug and violence prevention programs, projects, and activities conducted within the boundaries of the local educational agency;

[(ii) advise the local educational agency regarding—

[(I) how best to coordinate such agency's activities under this subpart with other related programs, projects, and activities; and

[(II) the agencies that administer such programs, projects, and activities; and

[(iii) review program evaluations and other relevant material and make recommendations to the local educational

agency on how to improve such agency's drug and violence prevention programs.

[(b) CONTENTS OF APPLICATIONS.—An application under this section shall contain—

[(1) an objective analysis of the current use (and consequences of such use) of alcohol, tobacco, and controlled, illegal, addictive or harmful substances as well as the violence, safety, and discipline problems among students who attend the schools of the applicant (including private school students who participate in the applicant's drug and violence prevention program) that is based on ongoing local assessment or evaluation activities;

[(2) a detailed explanation of the local educational agency's comprehensive plan for drug and violence prevention, which shall include a description of—

[(A) how the plan will be coordinated with programs under this Act, the Goals 2000: Educate America Act, and other Acts, as appropriate, in accordance with the provisions of section 14306;

[(B) the local educational agency's measurable goals for drug and violence prevention, and a description of how such agency will assess and publicly report progress toward attaining these goals;

[(C) how the local educational agency will use its distribution under this subpart;

[(D) how the local educational agency will coordinate such agency's programs and projects with community-wide efforts to achieve such agency's goals for drug and violence prevention; and

[(E) how the local educational agency will coordinate such agency's programs and projects with other Federal, State, and local programs for drug-abuse prevention, including health programs; and

[(3) such other information and assurances as the State educational agency may reasonably require.

[(c) REVIEW OF APPLICATION.—

[(1) IN GENERAL.—In reviewing local applications under this section, a State educational agency shall use a peer review process or other methods of assuring the quality of such applications.

[(2) CONSIDERATIONS.—(A) In determining whether to approve the application of a local educational agency under this section, a State educational agency shall consider the quality of the local educational agency's comprehensive plan under subsection (b)(2) and the extent to which such plan is coordinated with programs under this Act, the Goals 2000: Educate America Act, in accordance with the provisions of section 14306.

[(B) A State educational agency may disapprove a local educational agency application under this section in whole or in part and may withhold, limit, or place restrictions on the use of funds allotted to such a local educational agency in a manner the State educational agency determines will best promote the purposes of this part, except that a local educational agen-

cy shall be afforded an opportunity to appeal any such disapproval.

[SEC. 4116. [20 U.S.C. 7116] LOCAL DRUG AND VIOLENCE PREVENTION PROGRAMS.

[(a) PROGRAM REQUIREMENTS.—A local educational agency shall use funds received under this subpart to adopt and carry out a comprehensive drug and violence prevention program which shall—

[(1) be designed, for all students and employees, to—

[(A) prevent the use, possession, and distribution of tobacco, alcohol, and illegal drugs by students and to prevent the illegal use, possession, and distribution of such substances by employees;

[(B) prevent violence and promote school safety; and

[(C) create a disciplined environment conducive to learning; and

[(2) include activities to promote the involvement of parents and coordination with community groups and agencies, including the distribution of information about the local educational agency's needs, goals, and programs under this subpart.

[(b) AUTHORIZED ACTIVITIES.—A comprehensive drug and violence prevention program carried out under this subpart may include—

[(1) age-appropriate, developmentally based drug prevention and education programs for all students, from the preschool level through grade 12, that address the legal, social, personal and health consequences of the use of illegal drugs, promote a sense of individual responsibility, and provide information about effective techniques for resisting peer pressure to use illegal drugs;

[(2) programs of drug prevention, comprehensive health education, early intervention, pupil services, mentoring, or rehabilitation referral, which emphasize students' sense of individual responsibility and which may include—

[(A) the dissemination of information about drug prevention;

[(B) the professional development of school personnel, parents, students, law enforcement officials, judicial officials, health service providers and community leaders in prevention, education, early intervention, pupil services or rehabilitation referral; and

[(C) the implementation of strategies, including strategies to integrate the delivery of services from a variety of providers, to combat illegal alcohol, tobacco and drug use, such as—

[(i) family counseling;

[(ii) early intervention activities that prevent family dysfunction, enhance school performance, and boost attachment to school and family; and

[(iii) activities, such as community service and service-learning projects, that are designed to increase students' sense of community;

[(3) age-appropriate, developmentally based violence prevention and education programs for all students, from the preschool level through grade 12, that address the legal, health,

personal, and social consequences of violent and disruptive behavior, including sexual harassment and abuse, and victimization associated with prejudice and intolerance, and that include activities designed to help students develop a sense of individual responsibility and respect for the rights of others, and to resolve conflicts without violence;

[(4) violence prevention programs for school-aged youth, which emphasize students' sense of individual responsibility and may include—

[(A) the dissemination of information about school safety and discipline;

[(B) the professional development of school personnel, parents, students, law enforcement officials, judicial officials, and community leaders in designing and implementing strategies to prevent school violence;

[(C) the implementation of strategies, such as conflict resolution and peer mediation, student outreach efforts against violence, anti-crime youth councils (which work with school and community-based organizations to discuss and develop crime prevention strategies), and the use of mentoring programs, to combat school violence and other forms of disruptive behavior, such as sexual harassment and abuse; and

[(D) the development and implementation of character education programs, as a component of a comprehensive drug or violence prevention program, that are tailored by communities, parents and schools; and

[(E) comprehensive, community-wide strategies to prevent or reduce illegal gang activities;

[(5) supporting "safe zones of passage" for students between home and school through such measures as Drug- and Weapon-Free School Zones, enhanced law enforcement, and neighborhood patrols;

[(6) acquiring and installing metal detectors and hiring security personnel;

[(7) professional development for teachers and other staff and curricula that promote the awareness of and sensitivity to alternatives to violence through courses of study that include related issues of intolerance and hatred in history;

[(8) the promotion of before-and-after school recreational, instructional, cultural, and artistic programs in supervised community settings;

[(9) drug abuse resistance education programs, designed to teach students to recognize and resist pressures to use alcohol or other drugs, which may include activities such as classroom instruction by uniformed law enforcement officers, resistance techniques, resistance to peer pressure and gang pressure, and provision for parental involvement; and

[(10) the evaluation of any of the activities authorized under this subsection.

[(c) LIMITATIONS.—

[(1) IN GENERAL.—Not more than 20 percent of the funds made available to a local educational agency under this sub-

part may be used to carry out the activities described in paragraphs (5) and (6) of subsection (b).

[(2) SPECIAL RULE.—A local educational agency shall only be able to use funds received under this subpart for activities described in paragraphs (5) and (6) of subsection (b) if funding for such activities is not received from other Federal agencies.

[(d) ADMINISTRATIVE PROVISIONS.—Notwithstanding any other provisions of law, any funds expended prior to July 1, 1995, under part B of the Drug-Free Schools and Communities Act of 1986 (as in effect prior to enactment of the Improving America's Schools Act) for the support of a comprehensive school health program shall be deemed to have been authorized by part B of such Act.

[SEC. 4117. [20 U.S.C. 7118] EVALUATION AND REPORTING.

[(a) NATIONAL IMPACT EVALUATION.—

[(1) BIENNIAL EVALUATION.—The Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, shall conduct an independent biennial evaluation of the national impact of programs assisted under this subpart and of other recent and new initiatives to combat violence in schools and submit a report of the findings of such evaluation to the President and the Congress.

[(2) DATA COLLECTION.—(A) The National Center for Education Statistics shall collect data to determine the frequency, seriousness, and incidence of violence in elementary and secondary schools in the States. The Secretary shall collect the data using, wherever appropriate, data submitted by the States pursuant to subsection (b)(2)(B).

[(B) Not later than January 1, 1998, the Secretary shall submit to the Congress a report on the data collected under this subsection, together with such recommendations as the Secretary determines appropriate, including estimated costs for implementing any recommendation.

[(b) STATE REPORT.—

[(1) IN GENERAL.—By October 1, 1997, and every third year thereafter, the chief executive officer of the State, in cooperation with the State educational agency, shall submit to the Secretary a report—

[(A) on the implementation and outcomes of State programs under section 4114 and section 4113(b) and local educational agency programs under section 4113(d), as well as an assessment of their effectiveness; and

[(B) on the State's progress toward attaining its goals for drug and violence prevention under subsections (b)(1) and (c)(1) of section 4112.

[(2) SPECIAL RULE.—The report required by this subsection shall be—

[(A) in the form specified by the Secretary;

[(B) based on the State's ongoing evaluation activities, and shall include data on the prevalence of drug use and violence by youth in schools and communities; and

[(C) made readily available to the public.

[(c) LOCAL EDUCATIONAL AGENCY REPORT.—Each local educational agency receiving funds under this subpart shall submit to

the State educational agency such information, and at such intervals, that the State requires to complete the State report required by subsection (b), including information on the prevalence of drug use and violence by youth in the schools and the community. Such information shall be made readily available to the public.

[SEC. 4118. [20 U.S.C. 7118] PROGRAMS FOR NATIVE HAWAIIANS.

[(a) GENERAL AUTHORITY.—From the funds made available pursuant to section 4111(a)(4) to carry out this section, the Secretary shall make grants to or enter into cooperative agreements or contracts with organizations primarily serving and representing Native Hawaiians which are recognized by the Governor of the State of Hawaii to plan, conduct, and administer programs, or portions thereof, which are authorized by and consistent with the provisions of this title for the benefit of Native Hawaiians.

[(b) DEFINITION OF NATIVE HAWAIIAN.—For the purposes of this section, the term "Native Hawaiian" means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

[Subpart 2—National Programs

[SEC. 4121. [20 U.S.C. 7131] FEDERAL ACTIVITIES.

[(a) PROGRAM AUTHORIZED.—From funds made available to carry out this subpart under section 4004(2), the Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, the Chair of the Ounce of Prevention Council, and the Attorney General, shall carry out programs to prevent the illegal use of drugs and violence among, and promote safety and discipline for, students at all educational levels from preschool through the postsecondary level. The Secretary shall carry out such programs directly, or through grants, contracts, or cooperative agreements with public and private nonprofit organizations and individuals, or through agreements with other Federal agencies, and shall coordinate such programs with other appropriate Federal activities. Such programs may include—

[(1) the development and demonstration of innovative strategies for training school personnel, parents, and members of the community, including the demonstration of model preservice training programs for prospective school personnel;

[(2) demonstrations and rigorous evaluations of innovative approaches to drug and violence prevention;

[(3) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the clearinghouse for alcohol and drug abuse information established under section 501(d)(16) of the Public Health Service Act;

[(4) the development of curricula related to child abuse prevention and education and the training of personnel to teach child abuse education and prevention to elementary and secondary schoolchildren;

[(5) program evaluations in accordance with section 14701 that address issues not addressed under section 4117(a);

[(6) direct services to schools and school systems afflicted with especially severe drug and violence problems;

[(7) activities in communities designated as empowerment zones or enterprise communities that will connect schools to community-wide efforts to reduce drug and violence problems;

[(8) developing and disseminating drug and violence prevention materials, including video-based projects and model curricula;

[(9) developing and implementing a comprehensive violence prevention strategy for schools and communities, that may include conflict resolution, peer mediation, the teaching of law and legal concepts, and other activities designed to stop violence;

[(10) the implementation of innovative activities, such as community service projects, designed to rebuild safe and healthy neighborhoods and increase students' sense of individual responsibility;

[(11) grants to noncommercial telecommunications entities for the production and distribution of national video-based projects that provide young people with models for conflict resolution and responsible decisionmaking;

[(12) the development of education and training programs, curricula, instructional materials, and professional training and development for preventing and reducing the incidence of crimes and conflicts motivated by hate in localities most directly affected by hate crimes; and

[(13) other activities that meet unmet national needs related to the purposes of this title.

[(b) PEER REVIEW.—The Secretary shall use a peer review process in reviewing applications for funds under this section.

[Section 4122 was repealed by section 981 of Public Law 105–244 (105 Stat. 1837).]

[SEC. 4123. [20 U.S.C. 7133] HATE CRIME PREVENTION.

[(a) GRANT AUTHORIZATION.—From funds made available to carry out this subpart under section 4004(1) the Secretary may make grants to local educational agencies and community-based organizations for the purpose of providing assistance to localities most directly affected by hate crimes.

[(b) USE OF FUNDS.—

[(1) PROGRAM DEVELOPMENT.—Grants under this section may be used to improve elementary and secondary educational efforts, including—

[(A) development of education and training programs designed to prevent and to reduce the incidence of crimes and conflicts motivated by hate;

[(B) development of curricula for the purpose of improving conflict or dispute resolution skills of students, teachers, and administrators;

[(C) development and acquisition of equipment and instructional materials to meet the needs of, or otherwise be part of, hate crime or conflict programs; and

[(D) professional training and development for teachers and administrators on the causes, effects, and resolutions of hate crimes or hate-based conflicts.

[(2) IN GENERAL.—In order to be eligible to receive a grant under this section for any fiscal year, a local educational agency, or a local educational agency in conjunction with a community-based organization, shall submit an application to the Secretary in such form and containing such information as the office may reasonably require.

[(3) REQUIREMENTS.—Each application under paragraph (2) shall include—

[(A) a request for funds for the purposes described in this section;

[(B) a description of the schools and communities to be served by the grants; and

[(C) assurances that Federal funds received under this section shall be used to supplement, not supplant, non-Federal funds.

[(4) COMPREHENSIVE PLAN.—Each application shall include a comprehensive plan that contains—

[(A) a description of the hate crime or conflict problems within the schools or the community targeted for assistance;

[(B) a description of the program to be developed or augmented by such Federal and matching funds;

[(C) assurances that such program or activity shall be administered by or under the supervision of the applicant;

[(D) proper and efficient administration of such program; and

[(E) fiscal control and fund accounting procedures as may be necessary to ensure prudent use, proper disbursement, and accurate accounting of funds received under this section.

[(c) AWARD OF GRANTS.—

[(1) SELECTION OF RECIPIENTS.—The Secretary shall consider the incidence of crimes and conflicts motivated by bias in the targeted schools and communities in awarding grants under this section.

[(2) GEOGRAPHIC DISTRIBUTION.—The Secretary shall attempt, to the extent practicable, to achieve an equitable geographic distribution of grant awards.

[(3) DISSEMINATION OF INFORMATION.—The Secretary shall attempt, to the extent practicable, to make available information regarding successful hate crime prevention programs, including programs established or expanded with grants under this section.

[(d) REPORTS.—The Secretary shall submit to the Congress a report every two years which shall contain a detailed statement regarding grants and awards, activities of grant recipients, and an evaluation of programs established under this section.

[Subpart 3—General Provisions

[SEC. 4131. [20 U.S.C. 7141] DEFINITIONS.

[For the purposes of this part:

[(1) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organiza-

tion which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community.

[(2) DRUG AND VIOLENCE PREVENTION.—The term "drug and violence prevention" means—

[(A) with respect to drugs, prevention, early intervention, rehabilitation referral, or education related to the illegal use of alcohol and the use of controlled, illegal, addictive, or harmful substances, including inhalants and anabolic steroids;

[(B) prevention, early intervention, smoking cessation activities, or education, related to the use of tobacco by children and youth eligible for services under this title; and

[(C) with respect to violence, the promotion of school safety, such that students and school personnel are free from violent and disruptive acts, including sexual harassment and abuse, and victimization associated with prejudice and intolerance, on school premises, going to and from school, and at school-sponsored activities, through the creation and maintenance of a school environment that is free of weapons and fosters individual responsibility and respect for the rights of others.

[(3) HATE CRIME.—The term "hate crime" means a crime as described in section 1(b) of the Hate Crime Statistics Act of 1990.

[(4) NONPROFIT.—The term "nonprofit", as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

[(5) SCHOOL-AGED POPULATION.—The term "school-aged population" means the population aged five through 17, as determined by the Secretary on the basis of the most recent satisfactory data available from the Department of Commerce.

[(6) SCHOOL PERSONNEL.—The term "school personnel" includes teachers, administrators, guidance counselors, social workers, psychologists, nurses, librarians, and other support staff who are employed by a school or who perform services for the school on a contractual basis.

[SEC. 4132. [20 U.S.C. 7142] MATERIALS.

[(a) "WRONG AND HARMFUL" MESSAGE.—Drug prevention programs supported under this part shall convey a clear and consistent message that the illegal use of alcohol and other drugs is wrong and harmful.

[(b) CURRICULUM.—The Secretary shall not prescribe the use of specific curricula for programs supported under this part, but may evaluate the effectiveness of such curricula and other strategies in drug and violence prevention.

[SEC. 4133. [20 U.S.C. 7143] PROHIBITED USES OF FUNDS.

[No funds under this part may be used for—

[(1) construction (except for minor remodeling needed to accomplish the purposes of this part); and

[(2) medical services, drug treatment or rehabilitation, except for pupil services or referral to treatment for students who are victims of or witnesses to crime or who use alcohol, tobacco, or drugs.

[SEC. 4134. [20 U.S.C. 7144] QUALITY RATING.

[(a) IN GENERAL.—The chief executive officer of each State, or in the case of a State in which the constitution or law of such State designates another individual, entity, or agency in the State to be responsible for education activities, such individual, entity, or agency, is authorized and encouraged—

[(1) to establish a standard of quality for drug, alcohol, and tobacco prevention programs implemented in public elementary schools and secondary schools in the State in accordance with subsection (b); and

[(2) to identify and designate, upon application by a public elementary school or secondary school, any such school that achieves such standard as a quality program school.

[(b) CRITERIA.—The standard referred to in subsection (a) shall address, at a minimum—

[(1) a comparison of the rate of illegal use of drugs, alcohol, and tobacco by students enrolled in the school for a period of time to be determined by the chief executive officer of the State;

[(2) the rate of suspensions or expulsions of students enrolled in the school for drug, alcohol, or tobacco-related offenses;

[(3) the effectiveness of the drug, alcohol, or tobacco prevention program as proven by research;

[(4) the involvement of parents and community members in the design of the drug, alcohol, and tobacco prevention program; and

[(5) the extent of review of existing community drug, alcohol, and tobacco prevention programs before implementation of the public school program.

[(c) REQUEST FOR QUALITY PROGRAM SCHOOL DESIGNATION.—A school that wishes to receive a quality program school designation shall submit a request and documentation of compliance with this section to the chief executive officer of the State or the individual, entity, or agency described in subsection (a), as the case may be.

[(d) PUBLIC NOTIFICATION.—Not less than once a year, the chief executive officer of each State or the individual, entity, or agency described in subsection (a), as the case may be, shall make available to the public a list of the names of each public school in the State that has received a quality program school designation in accordance with this section.]

TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

PART A—STATE GRANTS

SEC. 4001. SHORT TITLE.

This part may be cited as the "Safe and Drug-Free Schools and Communities Act of 1994".

SEC. 4002. FINDINGS.

Congress makes the following findings:

(1) Every student should attend a school in a drug- and violence-free learning environment.

(2) The widespread illegal use of alcohol and drugs among the Nation's secondary school students, and increasingly by students in elementary schools as well, constitutes a grave threat to such students' physical and mental well-being, and significantly impedes the learning process. For example, data show that students who drink tend to receive lower grades and are more likely to miss school because of illness than students who do not drink.

(3) Drug and violence prevention programs are essential components of a comprehensive strategy to promote school safety, youth development, positive school outcomes, and to reduce the demand for and illegal use of alcohol, tobacco and drugs throughout the Nation. Schools, local organizations, parents, students, and communities throughout the Nation have a special responsibility to work together to combat the continuing epidemic of violence and illegal drug use and should measure the success of their programs against clearly defined goals and objectives.

(4) Drug and violence prevention programs are most effective when implemented within a research-based, drug and violence prevention framework of proven effectiveness.

(5) Research clearly shows that community contexts contribute to substance abuse and violence.

(6) Substance abuse and violence are intricately related and must be dealt with in a holistic manner.

(7) Research has documented that parental behavior and environment directly influence a child's inclination to use alcohol, tobacco or drugs.

SEC. 4003. PURPOSE.

The purpose of this part is to support programs that prevent violence in and around schools and prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and are coordinated with related Federal, State, school, and community efforts and resources, through the provision of Federal assistance to—

(1) States for grants to local educational agencies and educational service agencies and consortia of such agencies to establish, operate, and improve local programs of school drug and violence prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools for the development and implementation of policies that set clear and

appropriate standards regarding the illegal use of alcohol, tobacco and drugs, and for violent behavior (including intermediate and junior high schools);

(2) States for grants to, and contracts with, community-based organizations and other public and private nonprofit agencies and organizations for programs of drug and violence prevention including community mobilization, early intervention, rehabilitation referral, and education;

(3) States for development, training, technical assistance, and coordination activities; and

(4) public and private nonprofit organizations to provide technical assistance, conduct training, demonstrations, and evaluation, and to provide supplementary services and community mobilization activities for the prevention of drug use and violence among students and youth.

SEC. 4004. FUNDING.

There are authorized to be appropriated—

(1) $700,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years, for State grants under subpart 1;

(2) $150,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years, for national programs under subpart 2; and

(3) $75,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years, for the National Coordinator Initiative under section 4122.

Subpart 1—State Grants for Drug and Violence Prevention Programs

SEC. 4111. RESERVATIONS AND ALLOTMENTS.

(a) RESERVATIONS.—From the amount made available under section 4004(1) to carry out this subpart for each fiscal year, the Secretary—

(1) shall reserve 1 percent of such amount for grants under this subpart to Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with the Secretary's determination of their respective needs;

(2) shall reserve 1 percent of such amount for the Secretary of the Interior to carry out programs under this part for Indian youth;

(3) may reserve not more than $2,000,000 for the national impact evaluation required by section 4117(a); and

(4) shall reserve 0.2 percent of such amount for programs for Native Hawaiians under section 4118.

(b) STATE ALLOTMENTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall, for each fiscal year, allocate among the States—

(A) one-half of the remainder not reserved under subsection (a) according to the ratio between the school-aged

population of each State and the school-aged population of all the States; and

(B) one-half of such remainder according to the ratio between the amount each State received under section 1124A for the preceding year and the sum of such amounts received by all the States.

(2) MINIMUM.—For any fiscal year, no State shall be allotted under this subsection an amount that is less than one-half of 1 percent of the total amount allotted to all the States under this subsection.

(3) REALLOTMENT.—The Secretary may reallot any amount of any allotment to a State if the Secretary determines that the State will be unable to use such amount within 2 years of such allotment. Such reallotments shall be made on the same basis as allotments are made under paragraph (1).

(4) DEFINITIONS.—In this subsection:

(A) STATE.—The term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(B) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" includes educational service agencies and consortia of such agencies.

(c) LIMITATION.—Amounts appropriated under section 4004(2) for a fiscal year may not be increased above the amounts appropriated under such section for the previous fiscal year unless the amounts appropriated under section 4004(1) for the fiscal year involved are at least 10 percent greater that the amounts appropriated under such section 4004(1) for the previous fiscal year.

SEC. 4112. STATE APPLICATIONS.

(a) IN GENERAL.—In order to receive an allotment under section 4111 for any fiscal year, a State shall submit to the Secretary, at such time as the Secretary may require, an application that—

(1) contains a comprehensive plan for the use of funds by the State educational agency and the chief executive officer to provide safe, orderly, and drug-free schools and communities;

(2) contains the results of the State's needs assessment for drug and violence prevention programs, which shall be based on the results of on-going State evaluation activities, including data on the incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use and violence by youth in schools and communities and the prevalence of risk or protective factors, buffers or assets or other research-based variables in the school and community;

(3) contains assurances that the sections of the application concerning the funds provided to the chief executive officer and the State educational agency were developed together, with each such officer or State representative, in consultation and coordination with appropriate State officials and others, including the chief State school officer, the chief executive officer, the head of the State alcohol and drug abuse agency, the heads of the State health and mental health agencies, the head of the State criminal justice planning agency, the head of the State child welfare agency, the head of the State board of education, or their des-

ignees, and representatives of parents, students, and community-based organizations;

(4) contains an assurance that the State will cooperate with, and assist, the Secretary in conducting a national impact evaluation of programs required by section 4117(a);

(5) contains assurances that the State education agency and the Governor will develop their respective applications in consultation with an advisory council that includes, to the extent practicable, representatives from school districts, businesses, parents, youth, teachers, administrators, pupil services personnel, private schools, appropriate State agencies, community-based organization, the medical profession, law enforcement, the faith-based community and other groups with interest and expertise in alcohol, tobacco, drug, and violence prevention;

(6) contains assurances that the State education agency and the Governor involve the representatives described in paragraph (5), on an ongoing basis, to review program evaluations and other relevant material and make recommendations to the State education agency and the Governor on how to improve their respective alcohol, tobacco, drug, and violence prevention programs;

(7) contains a list of the State's results-based performance measures for drug and violence prevention, that shall—

(A) be focused on student behavior and attitudes and be derived from the needs assessment;

(B) include targets and due dates for the attainment of such performance measures; and

(C) include a description of the procedures that the State will use to inform local educational agencies of such performance measures for assessing and publicly reporting progress toward meeting such measures or revising them as needed; and

(8) includes any other information the Secretary may require.

(b) STATE EDUCATIONAL AGENCY FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 4113(a) by the State educational agency that includes—

(1) a plan for monitoring the implementation of, and providing technical assistance regarding, the drug and violence prevention programs conducted by local educational agencies in accordance with section 4116;

(2) a description of how the State educational agency will use funds under section 4113(b), including how the agency will receive input from parents regarding the use of such funds;

(3) a description of how the State educational agency will coordinate such agency's activities under this subpart with the chief executive officer's drug and violence prevention programs under this subpart and with the prevention efforts of other State agencies; and

(4) a description of the procedures the State educational agency will use to review applications from and allocate funding to local educational agencies under section 4115 and how such review will receive input from parents.

(c) GOVERNOR'S FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 4114(a) by the chief executive officer that includes, with respect to each activity to be carried out by the State—

(1) a description of how the chief executive officer will coordinate such officer's activities under this part with the State educational agency and other State agencies and organizations involved with drug and violence prevention efforts;

(2) a description of how funds reserved under section 4114(a) will be used so as not to duplicate the efforts of the State educational agency and local educational agencies with regard to the provision of school-based prevention efforts and services and how those funds will be used to serve populations not normally served by the State educational agency, such as school dropouts and youth in detention centers;

(3) a description of how the chief executive officer will award funds under section 4114(a) and a plan for monitoring the performance of, and providing technical assistance to, recipients of such funds;

(4) a description of the special outreach activities that will be carried out to maximize the participation of community-based nonprofit organizations of demonstrated effectiveness which provide services in low-income communities;

(5) a description of how funds will be used to support community-wide comprehensive drug and violence prevention planning and community mobilization activities; and

(6) a specific description of how input from parents will be sought regarding the use of funds under section 4114(a).

(d) PEER REVIEW.—The Secretary shall use a peer review process in reviewing State applications under this section.

(e) INTERIM APPLICATION.—Notwithstanding any other provisions of this section, a State may submit for fiscal year 2000 a 1-year interim application and plan for the use of funds under this subpart that are consistent with the requirements of this section and contain such information as the Secretary may specify in regulations. The purpose of such interim application and plan shall be to afford the State the opportunity to fully develop and review such State's application and comprehensive plan otherwise required by this section. A State may not receive a grant under this subpart for a fiscal year subsequent to fiscal year 2000 unless the Secretary has approved such State's application and comprehensive plan in accordance with this subpart.

SEC. 4113. STATE AND LOCAL EDUCATIONAL AGENCY PROGRAMS.

(a) USE OF FUNDS.—An amount equal to 80 percent of the total amount allocated to a State under section 4111 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section.

(b) STATE LEVEL PROGRAMS.—

(1) IN GENERAL.—A State educational agency shall use not more than 5 percent of the amount available under subsection (a) for activities such as—

(A) voluntary training and technical assistance concerning drug and violence prevention for local educational

agencies and educational service agencies, including teachers, administrators, coaches and athletic directors, other staff, parents, students, community leaders, health service providers, local law enforcement officials, and judicial officials;

(B) the development, identification, dissemination, and evaluation of the most readily available, accurate, and up-to-date drug and violence prevention curriculum materials (including videotapes, software, and other technology-based learning resources), for consideration by local educational agencies;

(C) making available to local educational agencies cost effective research-based programs for youth violence and drug abuse prevention;

(D) demonstration projects in drug and violence prevention, including service-learning projects;

(E) training, technical assistance, and demonstration projects to address violence associated with prejudice and intolerance;

(F) financial assistance to enhance resources available for drug and violence prevention in areas serving large numbers of economically disadvantaged children or sparsely populated areas, or to meet other special needs consistent with the purposes of this subpart; and

(G) the evaluation of activities carried out within the State under this part.

(2) SPECIAL RULE.—A State educational agency may carry out activities under this subsection directly, or through grants or contracts.

(c) STATE ADMINISTRATION.—

(1) IN GENERAL.—A State educational agency may use not more than 5 percent of the amount reserved under subsection (a) for the administrative costs of carrying out its responsibilities under this part.

(2) UNIFORM MANAGEMENT INFORMATION AND REPORTING SYSTEM.—In carrying out its responsibilities under this part, a State shall implement a uniform management information and reporting system that includes information on the types of curricula, programs and services provided by the State, Governor, local education agencies, and other recipients of funds under this title.

(d) LOCAL EDUCATIONAL AGENCY PROGRAMS.—

(1) IN GENERAL.—A State educational agency shall distribute not less than 91 percent of the amount made available under subsection (a) for each fiscal year to local educational agencies in accordance with this subsection.

(2) DISTRIBUTION.—A State educational agency shall distribute amounts under paragraph (1) in accordance with any one of the following subparagraphs:

(A) ENROLLMENT AND COMBINATION APPROACH.—Of the amount distributed under paragraph (1), a State educational agency shall distribute—

(i) at least 70 percent of such amount to local educational agencies, based on the relative enrollments in

public and private nonprofit elementary and secondary schools within the boundaries of such agencies; and

(ii) not to exceed 30 percent of any amounts remaining after amounts are distributed under clause (i)—

(I) to each local educational agency in an amount determined appropriate by the State education agency; or

(II) to local educational agencies that the State education agency determines have the greatest need for additional funds to carry out drug and violence prevention programs authorized by this subpart.

(B) COMPETITIVE AND NEED APPROACH.—Of the amount distributed under paragraph (1), a State educational agency shall distribute—

(i) not to exceed 70 percent of such amount to local educational agencies that the State agency determines, through a competitive process, have the greatest need for funds to carry out drug and violence prevention programs based on criteria established by the State agency and authorized under this subpart; and

(ii) at least 30 percent of any amounts remaining after amounts are distributed under clause (i) to local education agencies that the State agency determines have a need for additional funds to carry out the program authorized under this subpart.

(3) CONSIDERATION OF OBJECTIVE DATA.—For purposes of paragraph (2), in determining which local educational agencies have the greatest need for funds, the State educational agency shall consider objective data which may include—

(A) high or increasing rates of alcohol or drug use among youth;

(B) high or increasing rates of victimization of youth by violence and crime;

(C) high or increasing rates of arrests and convictions of youth for violent or drug- or alcohol-related crime;

(D) the extent of illegal gang activity;

(E) high or increasing incidence of violence associated with prejudice and intolerance;

(F) high or increasing rates of referrals of youths to drug and alcohol abuse treatment and rehabilitation programs;

(G) high or increasing rates of referrals of youths to juvenile court;

(H) high or increasing rates of expulsions and suspensions of students from schools;

(I) high or increasing rates of reported cases of child abuse and domestic violence; and

(J) high or increasing rates of drug related emergencies or deaths.

(e) REALLOCATION OF FUNDS.—If a local educational agency chooses not to apply to receive the amount allocated to such agency under subsection (d), or if such agency's application under section 4115 is disapproved by the State educational agency, the State edu-

cational agency shall reallocate such amount to one or more of its other local educational agencies.

(f) RETURN OF FUNDS TO STATE EDUCATIONAL AGENCY; REALLOCATION.—

(1) RETURN.—Except as provided in paragraph (2), upon the expiration of the 1-year period beginning on the date that a local educational agency or educational service agency under this title receives its allocation under this title—

(A) such agency shall return to the State educational agency any funds from such allocation that remain unobligated; and

(B) the State educational agency shall reallocate any such amount to local educational agencies or educational service agencies that have plans for using such amount for programs or activities on a timely basis.

(2) REALLOCATION.—In any fiscal year, a local educational agency, may retain for obligation in the succeeding fiscal year—

(A) an amount equal to not more than 25 percent of the allocation it receives under this title for such fiscal year; or

(B) upon a demonstration of good cause by such agency or consortium, a greater amount approved by the State educational agency.

SEC. 4114. GOVERNOR'S PROGRAMS.

(a) USE OF FUNDS.—

(1) IN GENERAL.—An amount equal to 20 percent of the total amount allocated to a State under section 4111(b)(1) for each fiscal year shall be used by the chief executive officer of such State for drug and violence prevention programs and activities in accordance with this section.

(2) ADMINISTRATIVE COSTS.—A chief executive officer may use not more than 5 percent of the 20 percent described in paragraph (1) for the administrative costs incurred in carrying out the duties of such officer under this section. The chief executive officer of a State may use amounts under this paragraph to award grants to State, county, or local law enforcement agencies, including district attorneys, in consultation with local education agencies or community-based agencies, for the purposes of carrying out drug abuse and violence prevention activities.

(b) STATE PLAN.—Amounts shall be used under this section in accordance with a State plan submitted by the chief executive office of the State. Such State plan shall contain—

(1) an objective analysis of the current use (and consequences of such use) of alcohol, tobacco, and controlled, illegal, addictive or harmful substances as well as the violence, safety, and discipline problems among students who attend schools in the State (including private school students who participate in the States's drug and violence prevention programs) that is based on ongoing local assessment or evaluation activities;

(2) an analysis, based on data reasonably available at the time, of the prevalence of risk or protective factors, buffers or assets or other research-based variables in schools and communities in the State;

(3) a description of the research-based strategies and programs, which shall be used to prevent or reduce drug use, violence, or disruptive behavior, which shall include—

(A) a specification of the objectively measurable goals, objectives, and activities for the program;

(B) a specification for how risk factors, if any, which have been identified will be targeted through research-based programs; and

(C) a specification for how protective factors, buffers, or assets, if any, will be targeted through research-based programs;

(4) a specification for the method or methods by which measurements of program goals will be achieved; and

(5) a specification for how the evaluation of the effectiveness of the prevention program will be assessed and how the results will be used to refine, improve, and strengthen the program.

(c) PROGRAMS AUTHORIZED.—

(1) IN GENERAL.—A chief executive officer shall use funds made available under subsection (a)(1) directly for grants to or contracts with parent groups, schools, community action and job training agencies, community-based organizations, community anti-drug coalitions, law enforcement education partnerships, and other public entities and private nonprofit organizations and consortia thereof. In making such grants and contracts, a chief executive officer shall give priority to programs and activities described in subsection (d) for—

(A) children and youth who are not normally served by State or local educational agencies; or

(B) populations that need special services or additional resources (such as preschoolers, youth in juvenile detention facilities, runaway or homeless children and youth, pregnant and parenting teenagers, and school dropouts).

(2) PEER REVIEW.—Grants or contracts awarded under this subsection shall be subject to a peer review process.

(d) AUTHORIZED ACTIVITIES.—Grants and contracts under subsection (c) shall be used to carry out the comprehensive State plan as required under section 4112(a)(1) through programs and activities such as—

(1) disseminating information about drug and violence prevention;

(2) the voluntary training of parents, law enforcement officials, judicial officials, social service providers, health service providers and community leaders about drug and violence prevention, health education (as it relates to drug and violence prevention), early intervention, pupil services, or rehabilitation referral;

(3) developing and implementing comprehensive, community-based drug and violence prevention programs that link community resources with schools and integrate services involving education, vocational and job skills training and placement, law enforcement, health, mental health, community service, service-learning, mentoring, and other appropriate services;

(4) planning and implementing drug and violence prevention activities that coordinate the efforts of State agencies with ef-

forts of the State educational agency and its local educational agencies;

(5) activities to protect students traveling to and from school;

(6) before-and-after school recreational, instructional, cultural, and artistic programs that encourage drug- and violence-free lifestyles;

(7) activities that promote the awareness of and sensitivity to alternatives to violence through courses of study that include related issues of intolerance and hatred in history;

(8) developing and implementing activities to prevent and reduce violence associated with prejudice and intolerance;

(9) developing and implementing strategies to prevent illegal gang activity;

(10) coordinating and conducting school and community-wide violence and safety and drug abuse assessments and surveys;

(11) service-learning projects that encourage drug- and violence-free lifestyles;

(12) evaluating programs and activities assisted under this section;

(13) developing and implementing community mobilization activities to undertake environmental change strategies related to substance abuse and violence; and

(14) partnerships between local law enforcement agencies, including district attorneys, and local education agencies or community-based agencies.

SEC. 4115. LOCAL APPLICATIONS.

(a) APPLICATION REQUIRED.—

(1) IN GENERAL.—In order to be eligible to receive a distribution under section 4113(d) for any fiscal year, a local educational agency shall submit, at such time as the State educational agency requires, an application to the State educational agency for approval. Such an application shall be amended, as necessary, to reflect changes in the local educational agency's program.

(2) DEVELOPMENT.—

(A) CONSULTATION.—A local educational agency shall develop its application under subsection (a)(1) in consultation with a local or substate regional advisory council that includes, to the extent possible, representatives of local government, business, parents, students, teachers, pupil services personnel, appropriate State agencies, private schools, the medical profession, law enforcement, community-based organizations, and other groups with interest and expertise in drug and violence prevention.

(B) DUTIES OF ADVISORY COUNCIL.—In addition to assisting the local educational agency to develop an application under this section, the advisory council established or designated under subparagraph (A) shall, on an ongoing basis—

(i) disseminate information about research-based drug and violence prevention programs, projects, and activities conducted within the boundaries of the local educational agency;

(ii) advise the local educational agency regarding how best to coordinate such agency's activities under this subpart with other related programs, projects, and activities;

(iii) ensure that a mechanism is in place to enable local educational agencies to have access to up-to-date information concerning the agencies that administer related programs, projects, and activities and any changes in the law that alter the duties of the local educational agencies with respect to activities conducted under this subpart; and

(iv) review program evaluations and other relevant material and make recommendations on an active and ongoing basis to the local educational agency on how to improve such agency's drug and violence prevention programs.

(b) CONTENTS OF APPLICATIONS.—An application under this section shall contain—

(1) an objective analysis of the current use (and consequences of such use) of alcohol, tobacco, and controlled, illegal, addictive or harmful substances as well as the violence, safety, and discipline problems among students who attend the schools of the applicant (including private school students who participate in the applicant's drug and violence prevention program) that is based on ongoing local assessment or evaluation activities;

(2) an analysis, based on data reasonably available at the time, of the prevalence of risk or protective factors, buffers or assets or other research-based variables in the school and community;

(3) a description of the research-based strategies and programs, which shall be used to prevent or reduce drug use, violence, or disruptive behavior, which shall include—

(A) a specification of the objectively measurable goals, objectives, and activities for the program, which shall include—

(i) reductions in the use of alcohol, tobacco, and illicit drugs and violence by youth;

(ii) specific reductions in the prevalence of identified risk factors;

(iii) specific increases in the prevalence of protective factors, buffers, or assets if any have been identified; or

(iv) other research-based goals, objectives, and activities that are identified as part of the application that are not otherwise covered under clauses (i) through (iii);

(B) a specification for how risk factors, if any, which have been identified will be targeted through research-based programs; and

(C) a specification for how protective factors, buffers, or assets, if any, will be targeted through research-based programs;

(4) a specification for the method or methods by which measurements of program goals will be achieved;

(5) a specification for how the evaluation of the effectiveness of the prevention program will be assessed and how the results will be used to refine, improve, and strengthen the program;

(6) an assurance that the applicant has, or the schools to be served have, a plan for keeping schools safe and drug-free that includes—

(A) appropriate and effective discipline policies that prohibit disorderly conduct, the possession of firearms and other weapons, and the illegal use, possession, distribution, and sale of tobacco, alcohol, and other drugs by students;

(B) security procedures at school and while students are on the way to and from school;

(C) prevention activities that are designed to create and maintain safe, disciplined, and drug-free environments; and

(D) a crisis management plan for responding to violent or traumatic incidents on school grounds; and

(7) such other information and assurances as the State educational agency may reasonably require.

(c) REVIEW OF APPLICATION.—

(1) IN GENERAL.—In reviewing local applications under this section, a State educational agency shall use a peer review process or other methods of assuring the quality of such applications.

(2) CONSIDERATIONS.—

(A) IN GENERAL.—In determining whether to approve the application of a local educational agency under this section, a State educational agency shall consider the quality of the local educational agency's comprehensive plan under subsection (b)(6) and the extent to which the proposed plan provides a thorough assessment of the substance abuse and violence problem, uses objective data and the knowledge of a wide range of community members, develops measurable goals and objectives, and implements research-based programs that have been shown to be effective and meet identified needs.

(B) DISAPPROVAL.—A State educational agency may disapprove a local educational agency application under this section in whole or in part and may withhold, limit, or place restrictions on the use of funds allotted to such a local educational agency in a manner the State educational agency determines will best promote the purposes of this part, except that a local educational agency shall be afforded an opportunity to appeal any such disapproval.

SEC. 4116. LOCAL DRUG AND VIOLENCE PREVENTION PROGRAMS.

(a) PROGRAM REQUIREMENTS.—A local educational agency shall use funds received under this subpart to adopt and carry out a comprehensive drug and violence prevention program which shall—

(1) be designed, for all students and school employees, to—

(A) prevent the use, possession, and distribution of tobacco, alcohol, and illegal drugs by students and to prevent the illegal use, possession, and distribution of such substances by school employees;

(B) prevent violence and promote school safety; and

(C) create a disciplined environment conducive to learning;

(2) include activities to promote the involvement of parents and coordination with community groups and agencies, including the distribution of information about the local educational agency's needs, goals, and programs under this subpart;

(3) implement activities which shall only include—

(A) a thorough assessment of the substance abuse violence problem, using objective data and the knowledge of a wide range of community members;

(B) the development of measurable goals and objectives;

(C) the implementation of research-based programs that have been shown to be effective and meet identified goals; and

(D) an evaluation of program activities; and

(4) implement prevention programming activities within the context of a research-based prevention framework.

(b) USE OF FUNDS.—A comprehensive, age-appropriate, developmentally- and research-based drug and violence prevention program carried out under this subpart may include—

(1) drug or violence prevention and education programs for all students, from the preschool level through grade 12, that address the legal, social, personal and health consequences of the use of illegal drugs or violence, promote a sense of individual responsibility, and provide information about effective techniques for resisting peer pressure to use illegal drugs;

(2) programs of drug or violence prevention, health education (as it relates to drug and violence prevention), early intervention, pupil services, mentoring, or rehabilitation referral, which emphasize students' sense of individual responsibility and which may include—

(A) the dissemination of information about drug or violence prevention;

(B) the professional development or voluntary training of school personnel, parents, students, law enforcement officials, judicial officials, health service providers and community leaders in prevention, education, early intervention, pupil services or rehabilitation referral; and

(C) the implementation of strategies, including strategies to integrate the delivery of services from a variety of providers, to combat illegal alcohol, tobacco and drug use, such as—

(i) family counseling; and

(ii) activities, such as community service and service-learning projects, that are designed to increase students' sense of community;

(3) age-appropriate, developmentally based violence prevention and education programs for all students, from the preschool level through grade 12, that address the legal, health, personal, and social consequences of violent and disruptive behavior, including sexual harassment and abuse, and victimization associated with prejudice and intolerance, and that include activities designed to help students develop a sense of individual responsibility and respect for the rights of others, and to

resolve conflicts without violence, or otherwise decrease the prevalence of risk factors or increase the prevalence of protective factors, buffers, or assets in the community;

(4) violence prevention programs for school-aged youth, which emphasize students' sense of individual responsibility and may include—

(A) the dissemination of information about school safety and discipline;

(B) the professional development or voluntary training of school personnel, parents, students, law enforcement officials, judicial officials, and community leaders in designing and implementing strategies to prevent school violence;

(C) the implementation of strategies, such as conflict resolution and peer mediation, student outreach efforts against violence, anti-crime youth councils (which work with school and community-based organizations to discuss and develop crime prevention strategies), and the use of mentoring programs, to combat school violence and other forms of disruptive behavior, such as sexual harassment and abuse; and

(D) the development and implementation of character education programs, as a component of a comprehensive drug or violence prevention program, that are tailored by communities, parents and schools; and

(E) comprehensive, community-wide strategies to prevent or reduce illegal gang activities and drug use;

(5) supporting "safe zones of passage" for students between home and school through such measures as Drug- and Weapon-Free School Zones, enhanced law enforcement, and neighborhood patrols;

(6) the acquisition or hiring of school security equipment, technologies, personnel, or services such as—

(A) metal detectors;

(B) electronic locks;

(C) surveillance cameras; and

(D) other drug and violence prevention-related equipment and technologies;

(7) professional development for teachers and other staff and curricula that promote the awareness of and sensitivity to alternatives to violence through courses of study that include related issues of intolerance and hatred in history;

(8) the promotion of before-and-after school recreational, instructional, cultural, and artistic programs in supervised community settings;

(9) other research-based prevention programming that is—

(A) effective in reducing the prevalence of alcohol, tobacco or drug use, and violence in youth;

(B) effective in reducing the prevalence of risk factors predictive of increased alcohol, tobacco or drug use, and violence; or

(C) effective in increasing the prevalence of protective factors, buffers, and assets predictive of decreased alcohol, tobacco or drug use and violence among youth;

(10) the collection of objective data used to assess program needs, program implementation, or program success in achieving program goals and objectives;

(11) community involvement activities including community mobilization;

(12) voluntary parental involvement and training;

(13) the evaluation of any of the activities authorized under this subsection;

(14) the provision of mental health counseling (by qualified counselors) to students for drug or violence related problems;

(15) consistent with the fourth amendment to the Constitution of the United States, the testing of a student for illegal drug use or inspecting a student's locker for guns, explosives, other weapons, or illegal drugs, including at the request of or with the consent of a parent or legal guardian of the student, if the local educational agency elects to so test or inspect; and

(16) the conduct of a nationwide background check of each local educational agency employee (regardless of when hired) and prospective employees for the purpose of determining whether the employee or prospective employee has been convicted of a crime that bears upon the employee's or prospective employee's fitness—

(A) to have responsibility for the safety or well-being of children;

(B) to serve in the particular capacity in which the employee or prospective employee is or will be employed; or

(C) to otherwise be employed at all by the local educational agency.

(c) LIMITATIONS.—

(1) IN GENERAL.—Not more than 20 percent of the funds made available to a local educational agency under this subpart may be used to carry out the activities described in paragraphs (5) and (6) of subsection (b).

(2) SPECIAL RULE.—A local educational agency shall only be able to use funds received under this subpart for activities described in paragraphs (5) and (6) of subsection (b) if funding for such activities is not received from other Federal agencies.

(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit the use of funds under this part by any local educational agency or school for the establishment or implementation of a school uniform policy so long as such policy is part of the overall comprehensive drug and violence prevention plan of the State involved and is supported by the State's needs assessment and other research-based information.

SEC. 4117. EVALUATION AND REPORTING.

(a) IMPACT EVALUATION.—

(1) BIENNIAL EVALUATION.—The Secretary, in consultation with the National Advisory Committee, shall conduct an independent biennial evaluation of the impact of programs assisted under this subpart and of other recent and new initiatives to combat violence in schools. The evaluation shall report on—

(A) whether funded community and local education agency programs—

(i) provided a thorough assessment of the substance abuse and violence problem;

(ii) used objective data and the knowledge of a wide range of community members;

(iii) developed measurable goals and objectives; and

(iv) implemented research-based programs that have been shown to be effective and meet identified needs;

(v) conducted periodic program evaluations to assess progress made towards achieving program goals and objectives and whether they used evaluations to improve program goals, objectives and activities;

(B) whether funded community and local education agency programs have been designed and implemented in a manner that specifically targets, if relevant to the program—

(i) research-based variables that are predictive of drug use or violence;

(ii) risk factors that are predictive of an increased likelihood that young people will use drugs, alcohol or tobacco or engage in violence or drop out of school; or

(iii) protective factors, buffers, or assets that are known to protect children and youth from exposure to risk, either by reducing the exposure to risk factors or by changing the way the young person responds to risk, and to increase the likelihood of positive youth development;

(C) whether funded community and local education agency programs have appreciably reduced the level of drug, alcohol and tobacco use and school violence and the presence of firearms at schools; and

(D) whether funded community and local educational agency programs have conducted effective parent involvement and voluntary training programs.

(2) DATA COLLECTION.—The National Center for Education Statistics shall collect data to determine the incidence and prevalence of social disapproval of drug use and violence in elementary and secondary schools in the States.

(3) BIENNIAL REPORT.—Not later than January 1, 2002, and every 2 years thereafter, the Secretary shall submit to the President and Congress a report on the findings of the evaluation conducted under paragraph (1) together with the data collected under paragraph (2) and data available from other sources on the incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use in elementary and secondary schools in the States. The Secretary shall include data submitted by the States pursuant to subsection (b)(2)(B).

(b) STATE REPORT.—

(1) IN GENERAL.—By December 1, 2001, and every 2 years thereafter, the chief executive officer of the State, in cooperation with the State educational agency, shall submit to the Secretary a report—

(A) on the implementation and outcomes of State programs under section 4114 and section 4113(b) and local

educational agency programs under section 4113(d), as well as an assessment of their effectiveness;

(B) on the State's progress toward attaining its goals for drug and violence prevention under subsections (b)(1) and (c)(1) of section 4112; and

(C) on the State's efforts to inform parents of, and include parents in, violence and drug prevention efforts.

(2) SPECIAL RULE.—The report required by this subsection shall be—

(A) in the form specified by the Secretary;

(B) based on the State's ongoing evaluation activities, and shall include data on the incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use and violence by youth in schools and communities; and

(C) made readily available to the public.

(c) LOCAL EDUCATIONAL AGENCY REPORT.—

(1) IN GENERAL.—Each local educational agency receiving funds under this subpart shall submit to the State educational agency such information that the State requires to complete the State report required by subsection (b), including a description of how parents were informed of, and participated in, violence and drug prevention efforts.

(2) AVAILABILITY.—Information under paragraph (1) shall be made readily available to the public.

(3) PROVISION OF DOCUMENTATION.—Not later than January 1 of each year that a State is required to report under subsection (b), the Secretary shall provide to the State education agency all of the necessary documentation required for compliance with this section.

SEC. 4118. PROGRAMS FOR NATIVE HAWAIIANS.

(a) GENERAL AUTHORITY.—From the funds made available pursuant to section 4111(a)(4) to carry out this section, the Secretary shall make grants to or enter into cooperative agreements or contracts with organizations primarily serving and representing Native Hawaiians which are recognized by the Governor of the State of Hawaii to plan, conduct, and administer programs, or portions thereof, which are authorized by and consistent with the provisions of this title for the benefit of Native Hawaiians.

(b) DEFINITION OF NATIVE HAWAIIAN.—For the purposes of this section, the term "Native Hawaiian" means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

Subpart 2—National Programs

SEC. 4121. FEDERAL ACTIVITIES.

(a) PROGRAM AUTHORIZED.—From funds made available to carry out this subpart under section 4004(2), the Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, shall carry out programs to prevent the illegal use of drugs and violence among, and promote safety and discipline for, students

at all educational levels from preschool through the post-secondary level. The Secretary shall carry out such programs directly, or through grants, contracts, or cooperative agreements with public and private nonprofit organizations and individuals, or through agreements with other Federal agencies, and shall coordinate such programs with other appropriate Federal activities. Such programs may include—

(1) the development and demonstration of innovative strategies for the voluntary training of school personnel, parents, and members of the community, including the demonstration of model preservice training programs for prospective school personnel;

(2) demonstrations and rigorous evaluations of innovative approaches to drug and violence prevention;

(3) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the clearinghouse for alcohol and drug abuse information established under section 501(d)(16) of the Public Health Service Act;

(4) the development of curricula related to child abuse prevention and education and the training of personnel to teach child abuse education and prevention to elementary and secondary schoolchildren;

(5) program evaluations in accordance with section 10201 that address issues not addressed under section 4117(a);

(6) direct services to schools and school systems afflicted with especially severe drug and violence problems or to support crisis situations and appropriate response efforts;

(7) activities in communities designated as empowerment zones or enterprise communities that will connect schools to community-wide efforts to reduce drug and violence problems;

(8) developing and disseminating drug and violence prevention materials, including video-based projects and model curricula;

(9) developing and implementing a comprehensive violence prevention strategy for schools and communities, that may include conflict resolution, peer mediation, the teaching of law and legal concepts, and other activities designed to stop violence;

(10) the implementation of innovative activities, such as community service and service-learning projects, designed to rebuild safe and healthy neighborhoods and increase students' sense of individual responsibility;

(11) grants to noncommercial telecommunications entities for the production and distribution of national video-based projects that provide young people with models for conflict resolution and responsible decisionmaking;

(12) the development of education and training programs, curricula, instructional materials, and professional training and development for preventing and reducing the incidence of crimes and conflicts motivated by hate in localities most directly affected by hate crimes; and

(13) other activities that meet unmet national needs related to the purposes of this title.

(b) PEER REVIEW.—The Secretary shall use a peer review process in reviewing applications for funds under this section.

SEC. 4122. NATIONAL COORDINATOR PROGRAM.

(a) IN GENERAL.—From amounts available to carry out this section under section 4004(3), the Secretary shall provide for the establishment of a National Coordinator Program under which the Secretary shall award grants to local education agencies for the hiring of drug prevention and school safety program coordinators.

(b) USE OF FUNDS.—Amounts received under a grant under subsection (a) shall be used by local education agencies to recruit, hire, and train individuals to serve as drug prevention and school safety program coordinators in schools with significant drug and school safety problems. Such coordinators shall be responsible for developing, conducting, and analyzing assessments of drug and crime problems at their schools, and administering the safe and drug free grant program at such schools.

SEC. 4123. SAFE AND DRUG FREE SCHOOLS AND COMMUNITIES ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is hereby established an advisory committee to be known as the "Safe and Drug Free Schools and Communities Advisory Committee" (referred to in this section as the "Advisory Committee") to—

(A) consult with the Secretary under subsection (b);

(B) coordinate Federal school- and community-based substance abuse and violence prevention programs and reduce duplicative research or services;

(C) develop core data sets and evaluation protocols for safe and drug free school- and community-based programs;

(D) provide technical assistance and training for safe and drug free school- and community-based programs;

(E) provide for the diffusion of research-based safe and drug free school- and community-based programs; and

(F) review other regulations and standards developed under this title.

(2) COMPOSITION.—The Advisory Committee shall be composed of representatives from—

(A) the Department of Education,

(B) the Centers for Disease Control and Prevention;

(C) the National Institute on Drug Abuse;

(D) the National Institute on Alcoholism and Alcohol Abuse;

(E) the Center for Substance Abuse Prevention;

(F) the Center for Mental Health Services;

(G) the Office of Juvenile Justice and Delinquency Prevention;

(H) the Office of National Drug Control Policy; and

(I) State and local governments, including education agencies.

(3) CONSULTATION.—In carrying out its duties under this section, the Advisory Committee shall annually consult with interested State and local coordinators of school- and community-

based substance abuse and violence prevention programs and other interested groups.

(b) PROGRAMS.—

(1) IN GENERAL.—From amounts made available under section 4004(2) to carry out this subpart, the Secretary, in consultation with the Advisory Committee, shall carry out research-based programs to strengthen the accountability and effectiveness of the State, Governor's, and national programs under this title.

(2) GRANTS, CONTRACTS OR COOPERATIVE AGREEMENTS.—The Secretary shall carry out paragraph (1) directly or through grants, contracts, or cooperative agreements with public and nonprofit private organizations and individuals or through agreements with other Federal agencies.

(3) COORDINATION.—The Secretary shall coordinate programs under this section with other appropriate Federal activities.

(4) ACTIVITIES.—Activities that may be carried out under programs funded under this section may include—

(A) the provision of technical assistance and training, in collaboration with other Federal agencies utilizing their expertise and national and regional training systems, for Governors, State education agencies and local education agencies to support high quality, effective programs that—

(i) provide a thorough assessment of the substance abuse and violence problem;

(ii) utilize objective data and the knowledge of a wide range of community members;

(iii) develop measurable goals and objectives; and

(iv) implement research-based activities that have been shown to be effective and that meet identified needs;

(B) the provision of technical assistance and training to foster program accountability;

(C) the diffusion and dissemination of best practices and programs;

(D) the development of core data sets and evaluation tools;

(E) program evaluations;

(F) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the Clearinghouse for Alcohol and Drug Abuse Information established under section 501(d)(16) of the Public Health Service Act; and

(G) other activities that meet unmet needs related to the purposes of this title and that are undertaken in consultation with the Advisory Committee.

SEC. 4124. HATE CRIME PREVENTION.

(a) GRANT AUTHORIZATION.—From funds made available to carry out this subpart under section 4004(2) the Secretary may make grants to local educational agencies and community-based organizations for the purpose of providing assistance to localities most directly affected by hate crimes.

(b) USE OF FUNDS.—

(1) PROGRAM DEVELOPMENT.—Grants under this section may be used to improve elementary and secondary educational efforts, including—

(A) development of education and training programs designed to prevent and to reduce the incidence of crimes and conflicts motivated by hate;

(B) development of curricula for the purpose of improving conflict or dispute resolution skills of students, teachers, and administrators;

(C) development and acquisition of equipment and instructional materials to meet the needs of, or otherwise be part of, hate crime or conflict programs; and

(D) professional training and development for teachers and administrators on the causes, effects, and resolutions of hate crimes or hate-based conflicts.

(2) IN GENERAL.—In order to be eligible to receive a grant under this section for any fiscal year, a local educational agency, or a local educational agency in conjunction with a community-based organization, shall submit an application to the Secretary in such form and containing such information as the office may reasonably require.

(3) REQUIREMENTS.—Each application under paragraph (2) shall include—

(A) a request for funds for the purposes described in this section;

(B) a description of the schools and communities to be served by the grants; and

(C) assurances that Federal funds received under this section shall be used to supplement, not supplant, non-Federal funds.

(4) COMPREHENSIVE PLAN.—Each application shall include a comprehensive plan that contains—

(A) a description of the hate crime or conflict problems within the schools or the community targeted for assistance;

(B) a description of the program to be developed or augmented by such Federal and matching funds;

(C) assurances that such program or activity shall be administered by or under the supervision of the applicant;

(D) proper and efficient administration of such program; and

(E) fiscal control and fund accounting procedures as may be necessary to ensure prudent use, proper disbursement, and accurate accounting of funds received under this section.

(c) AWARD OF GRANTS.—

(1) SELECTION OF RECIPIENTS.—The Secretary shall consider the incidence of crimes and conflicts motivated by bias in the targeted schools and communities in awarding grants under this section.

(2) GEOGRAPHIC DISTRIBUTION.—The Secretary shall attempt, to the extent practicable, to achieve an equitable geographic distribution of grant awards.

(3) DISSEMINATION OF INFORMATION.—The Secretary shall attempt, to the extent practicable, to make available information

regarding successful hate crime prevention programs, including programs established or expanded with grants under this section.

(d) REPORTS.—The Secretary shall submit to the Congress a report every two years which shall contain a detailed statement regarding grants and awards, activities of grant recipients, and an evaluation of programs established under this section.

Subpart 3—General Provisions

SEC. 4131. DEFINITIONS.

In this part:

(1) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organization which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community.

(2) DRUG AND VIOLENCE PREVENTION.—The term "drug and violence prevention" means—

(A) with respect to drugs, prevention, early intervention, rehabilitation referral, or education related to the illegal use of alcohol and the use of controlled, illegal, addictive, or harmful substances, including inhalants and anabolic steroids;

(B) prevention, early intervention, smoking cessation activities, or education, related to the use of tobacco by children and youth eligible for services under this title; and

(C) with respect to violence, the promotion of school safety, such that students and school personnel are free from violent and disruptive acts, including sexual harassment and abuse, and victimization associated with prejudice and intolerance, on school premises, going to and from school, and at school-sponsored activities, through the creation and maintenance of a school environment that is free of weapons and fosters individual responsibility and respect for the rights of others.

(3) HATE CRIME.—The term "hate crime" means a crime as described in section 1(b) of the Hate Crime Statistics Act of 1990.

(4) NONPROFIT.—The term "nonprofit", as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(5) OBJECTIVELY MEASURABLE GOALS.—The term "objectively measurable goals" means prevention programming goals defined through use of quantitative epidemiological data measuring the prevalence of alcohol, tobacco, and other drug use, violence, and the prevalence of risk and protective factors predictive of these behaviors, collected through a variety of methods and sources known to provide high quality data.

(6) PROTECTIVE FACTOR, BUFFER, OR ASSET.—The terms "protective factor", "buffer", and "asset" mean any one of a number

of the community, school, family, or peer-individual domains that are known, through prospective, longitudinal research efforts, or which are grounded in a well-established theoretical model of prevention, and have been shown to prevent alcohol, tobacco, or illicit drug use, as well as violent behavior, by youth in the community, and which promote positive youth development.

(7) RISK FACTOR.—The term "risk factor" means any one of a number of characteristics of the community, school, family, or peer-individual domains that are known, through prospective, longitudinal research efforts, to be predictive of alcohol, tobacco, and illicit drug use, as well as violent behavior, by youth in the school and community.

(8) SCHOOL-AGED POPULATION.—The term "school-aged population" means the population aged five through 17, as determined by the Secretary on the basis of the most recent satisfactory data available from the Department of Commerce.

(9) SCHOOL PERSONNEL.—The term "school personnel" includes teachers, administrators, counselors, social workers, psychologists, nurses, librarians, and other support staff who are employed by a school or who perform services for the school on a contractual basis.

SEC. 4132. MATERIALS.

(a) "ILLEGAL AND HARMFUL" MESSAGE.—Drug prevention programs supported under this part shall convey a clear and consistent message that the illegal use of alcohol and other drugs is illegal and harmful.

(b) CURRICULUM.—The Secretary shall not prescribe the use of specific curricula for programs supported under this part, but may evaluate the effectiveness of such curricula and other strategies in drug and violence prevention.

SEC. 4133. PROHIBITED USES OF FUNDS.

No funds under this part may be used for—

(1) construction (except for minor remodeling needed to accomplish the purposes of this part); and

(2) medical services, drug treatment or rehabilitation, except for pupil services or referral to treatment for students who are victims of or witnesses to crime or who use alcohol, tobacco, or drugs.

SEC. 4134. QUALITY RATING.

(a) IN GENERAL.—The chief executive officer of each State, or in the case of a State in which the constitution or law of such State designates another individual, entity, or agency in the State to be responsible for education activities, such individual, entity, or agency, is authorized and encouraged—

(1) to establish a standard of quality for drug, alcohol, and tobacco prevention programs implemented in public elementary schools and secondary schools in the State in accordance with subsection (b); and

(2) to identify and designate, upon application by a public elementary school or secondary school, any such school that achieves such standard as a quality program school.

(b) CRITERIA.—The standard referred to in subsection (a) shall address, at a minimum—

(1) a comparison of the rate of illegal use of drugs, alcohol, and tobacco by students enrolled in the school for a period of time to be determined by the chief executive officer of the State;

(2) the rate of suspensions or expulsions of students enrolled in the school for drug, alcohol, or tobacco-related offenses;

(3) the effectiveness of the drug, alcohol, or tobacco prevention program as proven by research;

(4) the involvement of parents and community members in the design of the drug, alcohol, and tobacco prevention program; and

(5) the extent of review of existing community drug, alcohol, and tobacco prevention programs before implementation of the public school program.

(c) REQUEST FOR QUALITY PROGRAM SCHOOL DESIGNATION.—A school that wishes to receive a quality program school designation shall submit a request and documentation of compliance with this section to the chief executive officer of the State or the individual, entity, or agency described in subsection (a), as the case may be.

(d) PUBLIC NOTIFICATION.—Not less than once a year, the chief executive officer of each State or the individual, entity, or agency described in subsection (a), as the case may be, shall make available to the public a list of the names of each public school in the State that has received a quality program school designation in accordance with this section.

PART B—GUN POSSESSION

SEC. 4201. GUN-FREE REQUIREMENTS.

(a) SHORT TITLE.—This part may be cited as the "Gun-Free Schools Act of 1994".

(b) REQUIREMENTS.—

(1) IN GENERAL.—Each State receiving Federal funds under this Act shall have in effect a State law requiring local educational agencies to expel from school for a period of not less than one year a student who is determined to have brought a weapon to a school under the jurisdiction of local educational agencies in that State, except that such State law shall allow the chief administering officer of a local educational agency to modify such expulsion requirement for a student on a case-by-case basis.

(2) CONSTRUCTION.—Nothing in this part shall be construed to prevent a State from allowing a local educational agency that has expelled a student from such a student's regular school setting from providing educational services to such student in an alternative setting.

(3) DEFINITION.—For the purpose of this section, the term "weapon" means a firearm as such term is defined in section 921(a) of title 18, United States Code.

(c) SPECIAL RULE.—The provisions of this section shall be construed in a manner consistent with the Individuals with Disabilities Education Act.

(d) REPORT TO STATE.—Each local educational agency requesting assistance from the State educational agency that is to be provided from funds made available to the State under this Act shall provide to the State, in the application requesting such assistance—

(1) an assurance that such local educational agency is in compliance with the State law required by subsection (b); and

(2) a description of the circumstances surrounding any expulsions imposed under the State law required by subsection (b), including—

(A) the name of the school concerned;

(B) the number of students expelled from such school; and

(C) the type of weapons concerned.

(e) REPORTING.—Each State shall report the information described in subsection (d) to the Secretary on an annual basis.

SEC. 4202. POLICY REGARDING CRIMINAL JUSTICE SYSTEM REFERRAL.

(a) IN GENERAL.—No funds shall be made available under this Act to any local educational agency unless such agency has a policy requiring referral to the criminal justice or juvenile delinquency system of any student who brings a firearm or weapon to a school served by such agency.

(b) DEFINITIONS.—For the purpose of this section, the terms "firearm" and "school" have the meanings given the terms in section 921(a) of title 18, United States Code.

PART C—SCHOOL SAFETY AND VIOLENCE PREVENTION

SEC. 4301. SCHOOL SAFETY AND VIOLENCE PREVENTION.

Notwithstanding any other provision of this title and title VI, funds made available under such titles may be used for—

(1) training, including in-service training, for school personnel (including custodians and bus drivers), with respect to—

(A) identification of potential threats, such as illegal weapons and explosive devices;

(B) crisis preparedness and intervention procedures; and

(C) emergency response;

(2) training for parents, teachers, school personnel and other interested members of the community regarding the identification and responses to early warning signs of troubled and violent youth;

(3) innovative research-based delinquency and violence prevention programs, including—

(A) school anti-violence programs; and

(B) mentoring programs;

(4) comprehensive school security assessments;

(5) purchase of school security equipment and technologies, such as—

(A) metal detectors;

(B) electronic locks; and

(C) surveillance cameras;

(6) collaborative efforts with community-based organizations, including faith-based organizations, statewide consortia, and

law enforcement agencies, that have demonstrated expertise in providing effective, research-based violence prevention and intervention programs to school aged children;

(7) providing assistance to States, local educational agencies, or schools to establish school uniform policies;

(8) school resource officers, including community policing officers; and

(9) other innovative, local responses that are consistent with reducing incidents of school violence and improving the educational atmosphere of the classroom.

SEC. 4302. SCHOOL UNIFORMS.

(a) CONSTRUCTION.—Nothing in this Act shall be construed to prohibit any State, local educational agency, or school from establishing a school uniform policy.

(b) FUNDING.—Notwithstanding any other provision of law, funds provided under this titles and title VI may be used for establishing a school uniform policy.

SEC. 4303. TRANSFER OF SCHOOL DISCIPLINARY RECORDS.

(a) NONAPPLICATION OF PROVISIONS.—The provisions of this section shall not apply to any suspension or expulsion disciplinary records transferred from a private, parochial, or other nonpublic school, person, institution, or other entity, that provides education below the college level.

(b) DISCIPLINARY RECORDS.—Not later than 2 years after the date of enactment of this part, each State receiving Federal funds under this Act shall provide an assurance to the Secretary that the State has a procedure in place to facilitate the transfer of suspension and expulsion disciplinary records by local educational agencies to any private or public elementary school or secondary school for any student who is enrolled or seeks, intends, or is instructed to enroll, full-time or part-time, in the school.

SEC. 4304. DISCLAIMER ON MATERIALS PRODUCED, PROCURED OR DISTRIBUTED FROM FUNDING AUTHORIZED BY THIS ACT.

(a) REQUIREMENTS.—All materials produced, procured, or distributed, in whole or in part, as a result of Federal funding authorized under this Act for expenditure by Federal, State or local governmental recipients or other non-governmental entities shall have printed thereon—

(1) the following statement: "This material has been printed, procured or distributed, in whole or in part, at the expense of the Federal Government. Any person who objects to the accuracy of the material, to the completeness of the material, or to the representations made within the material, including objections related to this material's characterization of religious beliefs, are encouraged to direct their comments to the office of the United States Secretary of Education"; and

(2) the complete address of an office designated by the Secretary to receive comments from members of the public.

(b) DESIGNATION OF OFFICE.—The office designated by the Secretary under subsection (a)(2) to receive comments shall, every 6 months, prepare an accurate summary of all comments received by the office. Such summary shall include details about the number of comments received and the specific nature of the concerns raised

within the comments, and shall be submitted to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives, the Majority and Minority Leaders of the Senate, and the Speaker of the House of Representatives and the Minority Leader of the House of Representatives. Such comments shall be retained by the office and shall be made available to any member of the general public upon request.

PART D—ENVIRONMENTAL TOBACCO SMOKE

SEC. 4401. SHORT TITLE.

This part may be cited as the "Pro-Children Act of 2000".

SEC. 4402. DEFINITIONS.

As used in this part:

(1) CHILDREN.—The term "children" means individuals who have not attained the age of 18.

(2) CHILDREN'S SERVICES.—The term "children's services" means the provision on a routine or regular basis of health, day care, education, or library services—

(A) that are funded, after the date of the enactment of the Educational Opportunities Act, directly by the Federal Government or through State or local governments, by Federal grant, loan, loan guarantee, or contract programs—

(i) administered by either the Secretary of Health and Human Services or the Secretary of Education (other than services provided and funded solely under titles XVIII and XIX of the Social Security Act); or

(ii) administered by the Secretary of Agriculture in the case of a clinic (as defined in part 246.2 of title 7, Code of Federal Regulations (or any corresponding similar regulation or ruling)) under section 17(b)(6) of the Child Nutrition Act of 1966; or

(B) that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds, as determined by the appropriate head of a Federal agency in any enforcement action carried out under this part,

except that nothing in clause (ii) of subparagraph (A) is intended to include facilities (other than clinics) where coupons are redeemed under the Child Nutrition Act of 1966.

(3) INDOOR FACILITY.—The term "indoor facility" means a building that is enclosed.

(4) PERSON.—The term "person" means any State or local subdivision of a State, agency of such State or subdivision, corporation, or partnership that owns or operates or otherwise controls and provides children's services or any individual who owns or operates or otherwise controls and provides such services.

(5) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

SEC. 4403. NONSMOKING POLICY FOR CHILDREN'S SERVICES.

(a) PROHIBITION.—After the date of the enactment of the Educational Opportunities Act, no person shall permit smoking within

any indoor facility owned or leased or contracted for, and utilized, by such person for provision of routine or regular kindergarten, elementary, or secondary education or library services to children.

(b) ADDITIONAL PROHIBITION.—

(1) IN GENERAL.—After the date of the enactment of the Educational Opportunities Act, no person shall permit smoking within any indoor facility (or portion of such a facility) owned or leased or contracted for, and utilized by, such person for the provision of regular or routine health care or day care or early childhood development (Head Start) services.

(2) EXCEPTION.—Paragraph (1) shall not apply to—

(A) any portion of such facility that is used for inpatient hospital treatment of individuals dependent on, or addicted to, drugs or alcohol; and

(B) any private residence.

(c) FEDERAL AGENCIES.—

(1) KINDERGARTEN, ELEMENTARY, OR SECONDARY EDUCATION OR LIBRARY SERVICES.—After the date of the enactment of the Educational Opportunities Act, no Federal agency shall permit smoking within any indoor facility in the United States operated by such agency, directly or by contract, to provide routine or regular kindergarten, elementary, or secondary education or library services to children.

(2) HEALTH OR DAY CARE OR EARLY CHILDHOOD DEVELOPMENT SERVICES.—

(A) IN GENERAL.—After the date of the enactment of the Educational Opportunities Act, no Federal agency shall permit smoking within any indoor facility (or portion of such facility) operated by such agency, directly or by contract, to provide routine or regular health or day care or early childhood development (Head Start) services to children.

(B) EXCEPTION.—Subparagraph (A) shall not apply to—

(i) any portion of such facility that is used for inpatient hospital treatment of individuals dependent on, or addicted to, drugs or alcohol; and

(ii) any private residence.

(3) APPLICATION OF PROVISIONS.—The provisions of paragraph (2) shall also apply to the provision of such routine or regular kindergarten, elementary or secondary education or library services in the facilities described in paragraph (2) not subject to paragraph (1).

(d) NOTICE.—The prohibitions in subsections (a) through (c) shall be published in a notice in the Federal Register by the Secretary (in consultation with the heads of other affected agencies) and by such agency heads in funding arrangements involving the provision of children's services administered by such heads. Such prohibitions shall be effective 90 days after such notice is published, or 270 days after the date of the enactment of the Educational Opportunities Act, whichever occurs first.

(e) CIVIL PENALTIES.—

(1) IN GENERAL.—Any failure to comply with a prohibition in this section shall be considered to be a violation of this section and any person subject to such prohibition who commits such

violation may be liable to the United States for a civil penalty in an amount not to exceed $1,000 for each violation, or may be subject to an administrative compliance order, or both, as determined by the Secretary. Each day a violation continues shall constitute a separate violation. In the case of any civil penalty assessed under this section, the total amount shall not exceed the amount of Federal funds received by such person for the fiscal year in which the continuing violation occurred. For the purpose of the prohibition in subsection (c), the term "person", as used in this paragraph, shall mean the head of the applicable Federal agency or the contractor of such agency providing the services to children.

(2) ADMINISTRATIVE PROCEEDING.—A civil penalty may be assessed in a written notice, or an administrative compliance order may be issued under paragraph (1), by the Secretary only after an opportunity for a hearing in accordance with section 554 of title 5, United States Code. Before making such assessment or issuing such order, or both, the Secretary shall give written notice of the assessment or order to such person by certified mail with return receipt and provide information in the notice of an opportunity to request in writing, not later than 30 days after the date of receipt of such notice, such hearing. The notice shall reasonably describe the violation and be accompanied with the procedures for such hearing and a simple form that may be used to request such hearing if such person desires to use such form. If a hearing is requested, the Secretary shall establish by such certified notice the time and place for such hearing, which shall be located, to the greatest extent possible, at a location convenient to such person. The Secretary (or the Secretary's designee) and such person may consult to arrange a suitable date and location where appropriate.

(3) CIRCUMSTANCES AFFECTING PENALTY OR ORDER.—In determining the amount of the civil penalty or the nature of the administrative compliance order, the Secretary shall take into account, as appropriate—

(A) the nature, circumstances, extent, and gravity of the violation;

(B) with respect to the violator, any good faith efforts to comply, the importance of achieving early and permanent compliance, the ability to pay or comply, the effect of the penalty or order on the ability to continue operation, any prior history of the same kind of violation, the degree of culpability, and any demonstration of willingness to comply with the prohibitions of this section in a timely manner; and

(C) such other matters as justice may require.

(4) MODIFICATION.—The Secretary may, as appropriate, compromise, modify, or remit, with or without conditions, any civil penalty or administrative compliance order. In the case of a civil penalty, the amount, as finally determined by the Secretary or agreed upon in compromise, may be deducted from any sums that the United States or the agencies or instrumentalities of the United States owe to the person against whom the penalty is assessed.

(5) PETITION FOR REVIEW.—Any person aggrieved by a penalty assessed or an order issued, or both, by the Secretary under this section may file a petition for judicial review of the order with the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which the person resides or transacts business. Such person shall provide a copy of the petition to the Secretary or the Secretary's designee. The petition shall be filed within 30 days after the Secretary's assessment or order, or both, are final and have been provided to such person by certified mail. The Secretary shall promptly provide to the court a certified copy of the transcript of any hearing held under this section and a copy of the notice or order.

(6) FAILURE TO COMPLY.—If a person fails to pay an assessment of a civil penalty or comply with an order, after the assessment or order, or both, are final under this section, or after a court has entered a final judgment under paragraph (5) in favor of the Secretary, the Attorney General, at the request of the Secretary, shall recover the amount of the civil penalty (plus interest at prevailing rates from the day the assessment or order, or both, are final) or enforce the order in an action brought in the appropriate district court of the United States. In such action, the validity and appropriateness of the penalty or order or the amount of the penalty shall not be subject to review.

SEC. 4404. PREEMPTION.

Nothing in this part is intended to preempt any provision of law of a State or political subdivision of a State that is more restrictive than a provision of this part.

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[TITLE V—PROMOTING EQUITY

[PART A—MAGNET SCHOOLS ASSISTANCE

[SEC. 5101. [20 U.S.C. 7201] FINDINGS.

[The Congress finds that—

[(1) magnet schools are a significant part of our Nation's effort to achieve voluntary desegregation in our Nation's schools;

[(2) the use of magnet schools has increased dramatically since the date of enactment of the Magnet Schools Assistance program, with approximately 1,400,000 students nationwide now attending such schools, of which more than 60 percent of the students are nonwhite;

[(3) magnet schools offer a wide range of distinctive programs that have served as models for school improvement efforts;

[(4) in administering the Magnet Schools Assistance program, the Federal Government has learned that—

[(A) where magnet programs are implemented for only a portion of a school's student body, special efforts must be made to discourage the isolation of—

[(i) magnet school students from other students in the school; and

[(ii) students by racial characteristics;

[(B) local educational agencies can maximize their effectiveness in achieving the purposes of the Magnet Schools Assistance program if such agencies have more flexibility in the administration of such program in order to serve students attending a school who are not enrolled in the magnet school program;

[(C) local educational agencies must be creative in designing magnet schools for students at all academic levels, so that school districts do not skim off only the highest achieving students to attend the magnet schools;

[(D) consistent with desegregation guidelines, local educational agencies must seek to enable participation in magnet school programs by students who reside in the neighborhoods where the programs operate; and

[(E) in order to ensure that magnet schools are sustained after Federal funding ends, the Federal Government must assist school districts to improve their capacity to continue to operate magnet schools at a high level of performance; and

[(5) it is in the best interest of the Federal Government to—

[(A) continue the Federal Government's support of school districts implementing court-ordered desegregation plans and school districts seeking to foster meaningful interaction among students of different racial and ethnic backgrounds, beginning at the earliest stage of such students' education;

[(B) ensure that all students have equitable access to quality education that will prepare such students to function well in a culturally diverse, technologically oriented, and highly competitive, global community; and

[(C) maximize the ability of local educational agencies to plan, develop, implement and continue effective and innovative magnet schools that contribute to State and local systemic reform.

[SEC. 5102. [20 U.S.C. 7202] STATEMENT OF PURPOSE.

[The purpose of this part is to assist in the desegregation of schools served by local educational agencies by providing financial assistance to eligible local educational agencies for—

[(1) the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority students;

[(2) the development and implementation of magnet school projects that will assist local educational agencies in achieving systemic reforms and providing all students the opportunity to meet challenging State content standards and challenging State student performance standards;

[(3) the development and design of innovative educational methods and practices; and

[(4) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects

and the grasp of tangible and marketable vocational skills of students attending such schools.

[SEC. 5103. [20 U.S.C. 7203] PROGRAM AUTHORIZED.

[The Secretary, in accordance with this part, is authorized to make grants to eligible local educational agencies, and consortia of such agencies where appropriate, to carry out the purpose of this part for magnet schools that are—

[(1) part of an approved desegregation plan; and

[(2) designed to bring students from different social, economic, ethnic, and racial backgrounds together.

[SEC. 5104. [20 U.S.C. 7204] DEFINITION.

[For the purpose of this part, the term "magnet school" means a public elementary or secondary school or public elementary or secondary education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.

[SEC. 5105. [20 U.S.C. 7205] ELIGIBILITY.

[A local educational agency, or consortium of such agencies where appropriate, is eligible to receive assistance under this part to carry out the purposes of this part if such agency or consortium—

[(1) is implementing a plan undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, that requires the desegregation of minority-group-segregated children or faculty in the elementary and secondary schools of such agency; or

[(2) without having been required to do so, has adopted and is implementing, or will, if assistance is made available to such local educational agency or consortium of such agencies under this part, adopt and implement a plan that has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority-group-segregated children or faculty in such schools.

[SEC. 5106. [20 U.S.C. 7206] APPLICATIONS AND REQUIREMENTS.

[(a) APPLICATIONS.—An eligible local educational agency or consortium of such agencies desiring to receive assistance under this part shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may reasonably require.

[(b) INFORMATION AND ASSURANCES.—Each such application shall include—

[(1) a description of—

[(A) how assistance made available under this part will be used to promote desegregation, including how the proposed magnet school project will increase interaction among students of different social, economic, ethnic, and racial backgrounds;

[(B) the manner and extent to which the magnet school project will increase student achievement in the instructional area or areas offered by the school;

[(C) how an applicant will continue the magnet school project after assistance under this part is no longer available, including, if applicable, an explanation of why magnet schools established or supported by the applicant with funds under this part cannot be continued without the use of funds under this part;

[(D) how funds under this part will be used to implement services and activities that are consistent with other programs under this Act, the Goals 2000: Educate America Act, and other Acts, as appropriate, in accordance with the provisions of section 14306; and

[(E) the criteria to be used in selecting students to attend the proposed magnet school projects; and

[(2) assurances that the applicant will—

[(A) use funds under this part for the purposes specified in section 5102;

[(B) employ State certified or licensed teachers in the courses of instruction assisted under this part to teach or supervise others who are teaching the subject matter of the courses of instruction;

[(C) not engage in discrimination based on race, religion, color, national origin, sex, or disability in—

[(i) the hiring, promotion, or assignment of employees of the agency or other personnel for whom the agency has any administrative responsibility;

[(ii) the assignment of students to schools, or to courses of instruction within the school, of such agency, except to carry out the approved plan; and

[(iii) designing or operating extracurricular activities for students;

[(D) carry out a high-quality education program that will encourage greater parental decisionmaking and involvement; and

[(E) give students residing in the local attendance area of the proposed magnet school projects equitable consideration for placement in those projects.

[(c) SPECIAL RULE.—No application may be approved under this section unless the Assistant Secretary of Education for Civil Rights determines that the assurances described in subsection (b)(2)(C) will be met.

[SEC. 5107. [20 U.S.C. 7207] PRIORITY.

[In approving applications under this part, the Secretary shall give priority to applicants that—

[(1) demonstrate the greatest need for assistance, based on the expense or difficulty of effectively carrying out an approved desegregation plan and the projects for which assistance is sought;

[(2) propose to carry out new magnet school projects, or significantly revise existing magnet school projects;

[(3) propose to select students to attend magnet school projects by methods such as lottery, rather than through academic examination;

[(4) propose to implement innovative educational approaches that are consistent with the State's and local educational agen-

cy's approved systemic reform plans, if any, under title III of the Goals 2000: Educate America Act; and

[(5) propose to draw on comprehensive community involvement plans.

[SEC. 5108. [20 U.S.C. 7208] USE OF FUNDS.

[(a) IN GENERAL.—Grant funds made available under this part may be used by an eligible local educational agency or consortium of such agencies—

[(1) for planning and promotional activities directly related to the development, expansion, continuation, or enhancement of academic programs and services offered at magnet schools;

[(2) for the acquisition of books, materials, and equipment, including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools;

[(3) for the payment, or subsidization of the compensation, of elementary and secondary school teachers who are certified or licensed by the State, and instructional staff where applicable, who are necessary for the conduct of programs in magnet schools; and

[(4) with respect to a magnet school program offered to less than the entire student population of a school, for instructional activities that—

[(A) are designed to make available the special curriculum that is offered by the magnet school project to students who are enrolled in the school but who are not enrolled in the magnet school program; and

[(B) further the purposes of this part.

[(b) SPECIAL RULE.—Grant funds under this part may be used in accordance with paragraphs (2) and (3) of subsection (a) only if the activities described in such paragraphs are directly related to improving the students' reading skills or knowledge of mathematics, science, history, geography, English, foreign languages, art, or music, or to improving vocational skills.

[SEC. 5109. [20 U.S.C. 7209] PROHIBITIONS.

[(a) TRANSPORTATION.—Grants under this part may not be used for transportation or any activity that does not augment academic improvement.

[(b) PLANNING.—A local educational agency shall not expend funds under this part after the third year that such agency receives funds under this part for such project.

[SEC. 5110. [20 U.S.C. 7210] LIMITATIONS.

[(a) DURATION OF AWARDS.—A grant under this part shall be awarded for a period that shall not exceed three fiscal years.

[(b) LIMITATION ON PLANNING FUNDS.—A local educational agency may expend for planning not more than 50 percent of the funds received under this part for the first year of the project, 15 percent of such funds for the second such year, and 10 percent of such funds for the third such year.

[(c) AMOUNT.—No local educational agency or consortium awarded a grant under this part shall receive more than $4,000,000 under this part in any one fiscal year.

[(d) TIMING.—To the extent practicable, the Secretary shall award grants for any fiscal year under this part not later than June 1 of the applicable fiscal year.

[SEC. 5111. [20 U.S.C. 7211] INNOVATIVE PROGRAMS.

[(a) IN GENERAL.—From amounts reserved under subsection (d) for each fiscal year, the Secretary shall award grants to local educational agencies or consortia of such agencies described in section 5105 to enable such agencies or consortia to conduct innovative programs that—

[(1) carry out the purpose of this part; and

[(2) involve strategies other than magnet schools, such as neighborhood or community model schools—

[(A) organized around a special emphasis, theme or concept; and

[(B) involving extensive parent and community involvement.

[(b) APPLICABILITY.—Sections 5103, 5106, 5107, and 5108, shall not apply to grants awarded under subsection (a).

[(c) APPLICATIONS.—Each local educational agency or consortia of such agencies desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may reasonably require.

[(d) INNOVATIVE PROGRAMS.—The Secretary shall reserve not more than 5 percent of the funds appropriated under section 5113(a) for each fiscal year to award grants under this section.

[SEC. 5112. [20 U.S.C. 7212] EVALUATIONS.

[(a) RESERVATION.—The Secretary may reserve not more than two percent of the funds appropriated under section 5113(a) for any fiscal year to carry out evaluations of projects assisted under this part.

[(b) CONTENTS.—Each evaluation described in subsection (a), at a minimum, shall address—

[(1) how and the extent to which magnet school programs lead to educational quality and improvement;

[(2) the extent to which magnet school programs enhance student access to quality education;

[(3) the extent to which magnet school programs lead to the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority students; and

[(4) the extent to which magnet school programs differ from other school programs in terms of the organizational characteristics and resource allocations of such magnet school programs.

[SEC. 5113. [20 U.S.C. 7213] AUTHORIZATION OF APPROPRIATIONS; RESERVATION.

[(a) AUTHORIZATION.—For the purpose of carrying out this part, there are authorized to be appropriated $120,000,000 for fiscal year 1995 and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(b) AVAILABILITY OF FUNDS FOR GRANTS TO AGENCIES NOT PREVIOUSLY ASSISTED.—In any fiscal year for which the amount appropriated pursuant to subsection (a) exceeds $75,000,000, the Sec-

retary shall give priority to using such amounts in excess of $75,000,000 to award grants to local educational agencies or consortia of such agencies that did not receive a grant under this part in the preceding fiscal year.]

TITLE V—EDUCATIONAL OPPORTUNITY INITIATIVES

PART A—TECHNOLOGY EDUCATION

SEC. 5111. STATEMENT OF PURPOSE.

To help all students develop technical and higher-order thinking skills and to achieve challenging State academic content and performance standards, as well as America's Education Goals, it is the purpose of this part to—

(1) help provide all classrooms with access to educational technology through support for the acquisition of advanced multimedia computers, Internet connections, and other technologies;

(2) help ensure access to, and the effective use of, educational technology in all classrooms through the provision of sustained and intensive, high quality professional development that improves the ability of teachers and principals to integrate educational technology effectively into the classroom by actively engaging students, teachers, paraprofessionals, media specialists, principals and superintendents in the use of technology;

(3) help improve the capability of teachers and other appropriate school personnel to design and construct new learning experiences using technology, and actively engage students in the design and construction;

(4) support efforts by State Educational Agencies and local educational agencies to create learning environments designed to prepare students to achieve challenging State academic content and performance standard through the use of research based teaching practices and advanced technologies;

(5) support the provision of technical assistance to State educational agencies, local educational agencies, and communities to help such agencies and communities use technology-based resources and information systems to support school reform and meet the needs of students, teachers and other school personnel;

(6) support partnerships among business and industry and the education community to realize more rapidly the potential of digital communication to expand the scope of, and opportunities for learning;

(7) support evaluation and research on the effective use of technology in preparing all students to achieve challenging State academic content and performance standards, and the impact of technology on teaching and learning;

(8) encourage collaborative relationships among the State agency for higher education, the State library administrative agency, the State telecommunications agency, and the State educational agency, in the area of technology support to

strengthen the system of education to ensure that technology is accessible to, and usable by, all students;

(9) assist every student in crossing the digital divide by ensuring that every child is computer literate by the time the child finishes 8th grade, regardless of the child's race, ethnicity, gender, income, geography, or disability; and

(10) support the development and use of education technology to enhance and facilitate meaningful parental involvement to improve student learning.

SEC. 5112. DEFINITIONS.

In this title:

(1) ADULT EDUCATION.—The term "adult education" has the same meaning given such term by section 203 of the Adult Education and Family Literacy Act.

(2) ALL STUDENTS.—The term "all students" means students from a broad range of backgrounds and circumstances, including disadvantaged students, students with diverse racial, ethnic, and cultural backgrounds, students with disabilities, students with limited English proficiency, students who have dropped out of school, and academically talented students.

(3) INFORMATION INFRASTRUCTURE.—The term "information infrastructure" means a network of communication systems designed to exchange information among all citizens and residents of the United States.

(4) INSTRUCTIONAL PROGRAMMING.—The term "instructional programming" means the full range of audio and video data, text, graphics, or additional state-of-the-art communications, including multimedia based resources distributed through interactive, command and control, or passive methods for the purpose of education and instruction.

(5) INTEROPERABLE AND INTEROPERABILITY.—The terms "interoperable" and "interoperability" mean the ability to exchange easily data with, and connect to, other hardware and software in order to provide the greatest accessibility for all students and other users.

(6) OFFICE.—The term "Office" means the Office of Educational Technology.

(7) PUBLIC TELECOMMUNICATIONS ENTITY.—The term "public telecommunications entity" has the same meaning given to such term by section 397(12) of the Communications Act of 1934.

(8) REGIONAL EDUCATIONAL LABORATORY.—The term "regional educational laboratory" means a regional educational laboratory supported under section 941(h) of the Educational, Research, Development, Dissemination, and Improvement Act of 1994.

(9) STATE EDUCATIONAL AGENCY.—The term "State educational agency" includes the Bureau of Indian Affairs for purposes of serving schools funded by the Bureau of Indian Affairs in accordance with this part.

(10) STATE LIBRARY ADMINISTRATIVE AGENCY.—The term "State library administrative agency" has the same meaning given to such term in section 3 of the Library Services and Technology Act.

(11) TECHNOLOGY.—The term "technology" means state-of-the-art technology products and services, such as closed circuit television systems, educational television and radio programs and services, cable television, satellite, copper and fiber optic transmission, computer hardware and software, video and audio laser and CD–ROM discs, video and audio tapes, web-based learning resources including online classes, interactive tutorials, and interactive tools and virtual environments for problem solving, hand-held devices, wireless technologies, voice recognition systems, and high quality digital video, distance learning networks, visualization, modeling and simulation software and learning focused digital libraries and information retrieval systems.

SEC. 5113. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $815,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out subparts 1, 2, and 3, of which—

(1) with respect to subparts 1 and 3—

(A) $5,000,000 shall be available to carry out subpart 1 (National Programs for Technology in Education) for fiscal year 2001;

(B) $10,000,000 shall be available to carry out subpart 3 (Regional Technical Support and Professional Development) for fiscal year 2001; and

(C) for each of fiscal years 2002 through 2005, not to exceed 2.5 percent of the total amount appropriated under this subsection for each such fiscal year shall be available to carry out such subparts; and

(2) of any funds remaining for a fiscal year after amounts are made available under paragraph (1)—

(A) except as provided in subsection (b), 70 percent of such funds shall be available for carrying out section 5132; and

(B) 30 percent of such funds shall be available for carrying out national activities including section 5136.

(b) SPECIAL RULE.—The amount made available under subsection (a)(2)(A) for a fiscal year shall in no case be less than the amount made available to carry out section 5132 in fiscal year 2000.

SEC. 5114. LIMITATION ON COSTS.

Not more than 5 percent of the funds under this part that are made available to a recipient of funds under this part for any fiscal year may be used by such recipient for administrative costs or technical assistance.

Subpart 1—National Programs for Technology in Education

SEC. 5121. NATIONAL LONG-RANGE TECHNOLOGY PLAN.

(a) IN GENERAL.—The Secretary shall update, publish, and broadly disseminate not later than 12 months after the date of the enactment of this title, and update when the Secretary determines

appropriate, the national long-range plan that supports the overall national technology policy and carries out the purposes of this part.

(b) PLAN REQUIREMENTS.—The Secretary shall—

(1) update the national long-range plan in consultation with other Federal departments or agencies, State and local education practitioners and policymakers including teachers, principals and superintendents, experts in technology and the applications of technology to education, representatives of distance learning consortia, representatives of telecommunications partnerships receiving assistance under the Star Schools Act, and providers of technology services and products;

(2) transmit such plan to the President and to the appropriate committees of the Congress; and

(3) publish such plan in a form that is readily accessible to the public.

(c) CONTENTS OF THE PLAN.—The updated national long-range plan shall describe the Secretary's activities to promote the purposes of this title, including—

(1) how the Secretary will encourage the effective use of technology to provide all students the opportunity to achieve challenging State content standards and State student performance standards, especially through programs administered by the Department;

(2) joint activities in support of the overall national technology policy with other Federal departments or agencies, such as the Office of Science and Technology Policy, the National Endowment for the Humanities, the National Endowment for the Arts, the National Institute for Literacy, the National Aeronautics and Space Administration, the National Science Foundation, the Bureau of Indian Affairs, and the Departments of Commerce, Energy, Health and Human Services, and Labor—

(A) to promote the use of technology in education, training, and lifelong learning, including plans for the educational uses of a national information infrastructure; and

(B) to ensure that the policies and programs of such departments or agencies facilitate the use of technology for educational purposes, to the extent feasible;

(3) how the Secretary will work with educators, State and local educational agencies, and appropriate representatives of the private sector to facilitate the effective use of technology in education;

(4) how the Secretary will promote—

(A) higher achievement of all students through the integration of technology into the curriculum;

(B) increased access to the benefits of technology for teaching and learning for schools with a high number or percentage of children from low-income families;

(C) the use of technology to assist in the implementation of State systemic reform strategies;

(D) the application of technological advances to use in education;

(E) increased access to high quality adult and family education services through the use of technology for instruction and professional development;

(F) increased opportunities for the professional development of teachers and other school leaders in the use of new technologies;

(G) increasing the use of educational technology to provide professional development opportunities for teachers and school leaders; and

(H) increased parental involvement in schools through the use of technology;

(5) how the Secretary will determine, in consultation with appropriate individuals, organizations, industries, and agencies, the feasibility and desirability of establishing guidelines to facilitate an easy exchange of data and effective use of technology in education;

(6) how the Secretary will promote the exchange of information among States, local educational agencies, schools, consortia, and other entities concerning the effective use of technology in education;

(7) how the Secretary will promote the full integration of technology into learning, including the creation of new instructional opportunities through access to challenging courses and information that would otherwise not have been available, and independent learning opportunities for students through technology;

(8) how the Secretary will encourage the creation of opportunities for teachers to develop through the use of technology, their own networks and resources for sustained and intensive, high quality professional development;

(9) how the Secretary will utilize the outcomes of the evaluation undertaken pursuant to section 5123 to promote the purposes of this part; and

(10) the Secretary's long-range measurable goals and objectives relating to the purposes of this part.

SEC. 5122. FEDERAL LEADERSHIP.

(a) PROGRAM AUTHORIZED.—In order to provide Federal leadership in promoting the use of technology in education, the Secretary, in consultation with the National Science Foundation, the Department of Commerce, the White House Office of Science and Technology, and other appropriate Federal agencies, may carry out activities designed to achieve the purposes of this part directly or by awarding grants or contracts competitively and pursuant to a peer review process to, or entering into contracts with, State educational agencies, local educational agencies, institutions of higher education, or other public and private nonprofit or for-profit agencies and organizations.

(b) ASSISTANCE.—

(1) IN GENERAL.—The Secretary shall provide assistance to the States to enable such States to plan effectively for the use of technology in all schools throughout the State.

(2) OTHER FEDERAL AGENCIES.—For the purpose of carrying out coordinated or joint activities consistent with the purposes of this part, the Secretary may accept funds from, and transfer funds to, other Federal agencies.

(c) USES OF FUNDS.—The Secretary shall use funds made available to carry out this section for activities designed to carry out the

purpose of this part, to include 1 or more of the following activities—

(1) providing assistance to technical assistance providers to enable such providers to improve substantially the services such providers offer to educators, including principals and superintendents, regarding the uses of technology for education, including professional development;

(2) providing development grants to technical assistance providers, to enable such providers to improve substantially the services such providers offer to educators, including principals and superintendents, on the educational uses of technology, including professional development;

(3) consulting with representatives of industry, elementary and secondary education, higher education, adult and family education, and appropriate experts in technology and educational applications of technology in carrying out activities under this subpart;

(4) research on, and the development of, applications for education of the most advanced and newly emerging technologies, including high quality video, voice recognition devices, modeling and simulation software (particularly web-based software and intelligent tutoring), hand held devices, and wireless technologies, which research shall be coordinated, when appropriate, with the Office of Educational Research and Improvement, and other Federal agencies;

(5) the development, demonstration, and evaluation of the educational aspects of high performance computing and communications technologies and of the national information infrastructure, in providing professional development for teachers, school librarians, school media specialists, other educators, and other appropriate school personnel; enriching academic curricula for elementary and secondary schools; facilitating communications among schools, local educational agencies, libraries, parents, and local communities and in other such areas as the Secretary deems appropriate;

(6) the development, demonstration, and evaluation of applications of technology and innovative tools in preschool education, elementary and secondary education, training and lifelong learning, and professional development of educational personnel;

(7) increasing and improving opportunities for professional development for teachers, principals, superintendents and pupil service personnel through technology;

(8) the evaluation of software and other products, including multimedia television programming, that incorporate advances in technology and help achieve America's Education Goals, State content standards and State student performance standards;

(9) the development, demonstration, and evaluation of model strategies for preparing teachers and other personnel to use technology effectively to improve teaching and learning;

(10) the development of model programs that demonstrate the educational effectiveness of technology in urban and rural areas and economically distressed communities;

(11) research on, and the evaluation of, the effectiveness and benefits of technology in education by making available such research and the results of such evaluation in a national repository as providing for its use for sustained and intensive high quality professional development;

(12) a biennial assessment of, and report to the public regarding, the availability of uses of technology in elementary and secondary education throughout the United States upon which private businesses and Federal, State, tribal, and local governments may rely for decisionmaking about the need for, and provision of, appropriate technologies in schools, which assessment and report shall use, to the extent possible, existing information and resources;

(13) conferences on, and dissemination of information regarding, the uses of technology in education;

(14) the development of model strategies to promote gender equity concerning access to, and the use of, technology in the classroom;

(15) encouraging collaboration between the Department and other Federal agencies in the development, implementation, evaluation and funding of applications of technology for education, as appropriate;

(16) the development of model programs, mentoring, or other programs that may include partnerships with a business, an industry, or an institution of higher education, that encourages students, including young women, to pursue demanding careers and higher education degrees in mathematics, science, engineering and technology;

(17) the conduct of long-term controlled studies on the effectiveness of the use of educational technology and the conduct of evaluations and applied reach studies that examine how students learn using technology and the characteristics of classrooms and other educational settings that use education technology effectively;

(18) the development, demonstration, and evaluation of model technology programs designed to improve parental involvement; and

(19) such other activities as the Secretary determines will meet the purposes of this subpart.

(d) NON-FEDERAL SHARE.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), the Secretary may require any recipient of a grant or contract under this section to share in the cost of the activities assisted under such grant or contract, which non-Federal share shall be announced through a notice in the Federal Register and may be in the form of cash or in-kind contributions, fairly valued.

(2) INCREASE.—The Secretary may increase the non-Federal share that is required of a recipient of a grant or contract under this section after the first year such recipient receives funds under such grant or contract.

(3) MAXIMUM.—The non-Federal share required under this section shall not exceed 50 percent of the cost of the activities assisted pursuant to a grant or contract under this section.

Subpart 2—State and Local Programs for School Technology Resources

SEC. 5131. ALLOTMENT AND REALLOTMENT.

(a) ALLOTMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), each State educational agency shall be eligible to receive a grant under this subpart for a fiscal year in an amount which bears the same relationship to the amount made available under section 5113(a)(3)(A) for such year as the amount such State received under part A of title I for such year bears to the amount received for such year under such part by all States.

(2) MINIMUM.—No State educational agency shall be eligible to receive a grant under paragraph (1) in any fiscal year in an amount which is less than one-half of 1 percent of the amount made available under section 5113(a)(3)(A) for such year.

(3) OUTLYING AREAS.—The Secretary shall reserve an amount equal to one-half of 1 percent of the amount made available to carry out section 5132 for each fiscal year to provide grants to outlying areas in amounts that are based on the relative needs of such areas as determined by the Secretary in accordance with the purposes of section 5132.

(b) REALLOTMENT OF UNUSED FUNDS.—

(1) IN GENERAL.—The amount of any State educational agency's allotment under subsection (a) for any fiscal year which the State educational agency determines will not be required for such fiscal year to carry out this subpart shall be available for reallotment from time to time, on such dates during such year as the Secretary may determine, to other State educational agencies in proportion to the original allotments to such State educational agencies under subsection (a) for such year.

(2) OTHER REALLOTMENTS.—The total of reductions under paragraph (1) shall be similarly reallotted among the State educational agencies whose proportionate amounts were not so reduced. Any amounts reallotted to a State educational agency under this subsection during a year shall be deemed a subpart of such agencies allotment under subsection (a) for such year.

SEC. 5132. TECHNOLOGY LITERACY FUND.

(a) GRANTS TO STATES.—

(1) IN GENERAL.—From amounts made available under section 5131, the Secretary, through the Office of Educational Technology, shall award grants to State educational agencies having applications approved under section 5133.

(2) USE OF GRANTS.—

(A) IN GENERAL.—Each State educational agency receiving a grant under paragraph (1) shall use such grant funds to award grants, on a competitive basis, to local educational agencies to enable such local educational agencies to carry out the activities described in section 5134.

(B) SIZE, SCOPE AND DURATION.—In awarding grants under subparagraph (A), each State educational agency shall ensure that each such grant is of sufficient duration,

and of sufficient size, scope, and quality, to carry out the purposes of this part effectively.

(b) TECHNICAL ASSISTANCE.—Each State educational agency receiving a grant under paragraph (1) shall—

(1) identify the local educational agencies served by the State educational agency that—

(A) have the highest number or percentage of children in poverty; and

(B) demonstrate to such State educational agency the greatest need for technical assistance in developing the application under section 5133; and

(2) offer such technical assistance to such local educational agencies.

SEC. 5133. STATE APPLICATION.

To receive funds under this subpart, each State educational agency shall submit a statewide educational technology plan which may include plans submitted under statewide technology plans which meet the requirements of this section. Such application shall be submitted to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Each such application shall contain a systemic statewide plan that—

(1) outlines long-term strategies for financing technology education in the State and describes how business, industry, and other public and private agencies, including libraries, library literacy programs, and institutions of higher education, can participate in the implementation, ongoing planning, and support of the plan;

(2) meets such other criteria as the Secretary may establish in order to enable such agency to provide assistance to local educational agencies that have the highest numbers or percentages of children in poverty and demonstrate the greatest need for technology, in order to enable such local educational agencies, for the benefit of school sites served by such local educational agencies, to carry out activities such as—

(A) purchasing quality technology resources;

(B) installing various linkages necessary to acquire connectivity;

(C) integrating technology into the curriculum in order to improve student learning and achievement;

(D) providing teachers, library media personnel, principals and superintendents with training or access to training;

(E) providing administrative and technical support and services that improve student learning through enriched technology-enhanced resources, including library media resources;

(F) promoting in individual schools the sharing, distribution, and application of educational technologies with demonstrated effectiveness;

(G) assisting schools in promoting parent involvement;

(H) assisting the community in providing literacy-related services;

(I) establishing partnerships with private or public educational providers or other entities to serve the needs of children in poverty; and

(J) providing assurances that financial assistance provided under this part shall supplement, not supplant, State and local funds;

(3) the State educational agency's specific goals for using advanced technologies to improve student achievement and student performance to challenging State academic content and performance standards by—

(A) using web-based resources and telecommunications networks to provide challenging content and improve classroom instruction;

(B) using research-based teaching practices and models of effective uses of advanced technology to promote basic skills in core academic areas and higher-order thinking skills in all students; and

(C) promoting sustained and intensive high-quality professional development that increases teacher capacity to enable students to learn challenging State content and performance standards and develop higher-order thinking skills through the integration of technology into instruction; and

(4) the State educational agency's strategy for disseminating information.

SEC. 5134. LOCAL USES OF FUNDS.

Each local educational agency, to the extent possible, shall use the funds made available under section 5132(a)(2) for—

(1) adapting or expanding existing and new applications of technology to enable teachers to help students to achieve to challenging State academic content and student performance standards through the use of research-based teaching practices and advanced technologies;

(2) funding projects of sufficient size and scope to improve student learning and, as appropriate, support professional development, and provide administrative support;

(3) acquiring connectivity linkages, resources, and services, including the acquisition of hardware and software, for use by teachers, students and school library media personnel in the classroom or in school library media centers, in order to improve student learning by supporting the instructional program offered by such agency to ensure that students in schools will have meaningful access on a regular basis to such linkages, resources and services;

(4) providing sustained and intensive, high-quality professional development in the integration of advanced technologies into curriculum and in using those technologies to create new learning environments, including training in the use of technology to access data and resources to develop curricula and instructional materials that are aligned to the challenging State academic content standards in core academic subjects;

(5) acquiring connectivity with wide area networks for purposes of accessing information and educational programming

sources, particularly with institutions of higher education and public libraries;

(6) providing educational services for adults and families;

(7) carrying out programs that prepare prospective teachers to use advanced technology to foster learning environments conducive to preparing all students to achieve challenging State and local content and student performance standards through the use of a variety of models including school-based professional development;

(8) supporting in-school and school-community collaboration to make more effective and efficient use of existing investments in technology;

(9) utilizing technology to develop or expand efforts to connect schools and teachers with parents to promote meaningful parental involvement and foster increased communication about curriculum, assignments and assessments;

(10) providing support to help parents understand the technology being applied in their children's education so that parents will be able to reinforce their children's learning;

(11) using web-based learning resources, including those that provide access to challenging courses; and

(12) providing education technology for advanced placement instruction.

SEC. 5135. LOCAL APPLICATIONS.

Each local educational agency desiring assistance from a State educational agency under section 5132(a)(2) shall submit an application, consistent with the objectives of the systemic statewide plan, to the State educational agency at such time, in such manner and accompanied by such information as the State educational agency may reasonably require. Such application, at a minimum, shall—

(1) include a strategic, long-range (3- to 5-year), plan that includes—

(A) a description of the type of technologies to be acquired, including specific provisions for interoperability among components of such technologies and, to the extent practicable, with existing technologies;

(B) an explanation of how the acquired technologies will be integrated into the curriculum to help the local educational agency enhance teaching, training, and student achievement;

(C) an explanation of how programs will be developed in collaboration with existing adult literacy services providers to maximize the use of such technologies;

(D)(i) a description of how the local educational agency will ensure ongoing, sustained professional development for teachers, principals, superintendents, appropriate school personnel, and school library media personnel served by the local educational agency to further the use of technology in the classroom or library media center;

(ii) a list of the source or sources of ongoing training and technical assistance available to schools, teachers, principals, superintendents, other appropriate school personnel and library media personnel served by the local educational agency, such as State technology offices, inter-

mediate educational support units, regional educational laboratories or institutions of higher education; and

(iii) a description of how parents will be informed of the use of technologies so that the parents will be able to reinforce at home the instruction their children receive at school;

(E) a description of the supporting resources, such as services, software and print resources, which will be acquired to ensure successful and effective use of technologies acquired under this section;

(F) the projected timetable for implementing such plan in schools;

(G) the projected cost of technologies to be acquired and related expenses needed to implement such plan; and

(H) a description of how the local educational agency will coordinate the technology provided pursuant to this subpart with other grant funds available for technology from other Federal, State and local sources;

(2) describe how the local educational agency will involve parents, public libraries, business leaders and community leaders in the development of such plan;

(3) describe how the acquired instructionally based technologies will help the local educational agency—

(A) promote equity in education in order to support State content standards and State student performance standards that may be developed;

(B) provide access for teachers, other appropriate school personnel, parents and students to the best teaching practices and curriculum resources through technology; and

(C) improve parental involvement in schools;

(4) describe a process for the ongoing evaluation of how technologies acquired under this section—

(A) will be integrated into the school curriculum; and

(B) will affect student achievement and progress toward meeting America's Education Goals and any challenging State content standards and State student performance standards that may be developed;

(5) describe how the consortia will develop or redesign teacher preparation programs to enable prospective teachers to use technology effectively in their classroom, if applicable to the consortia; and

(6) describe how the local educational agency will effectively use technology to promote parental involvement and increase communication with parents.

(d) FORMATION OF CONSORTIA.—A local educational agency for any fiscal year may apply for financial assistance as part of a consortium with other local educational agencies, institutions of higher education, intermediate educational units, libraries, or other educational entities appropriate to provide local programs. The State educational agency may assist in the formation of consortia among local educational agencies, providers of educational services for adults and families, institutions of higher education, intermediate educational units, libraries, or other appropriate educational enti-

ties to provide services for the teachers and students in a local educational agency at the request of such local educational agency.

(e) COORDINATION OF APPLICATION REQUIREMENTS.—If a local educational agency submitting an application for assistance under this section has developed a comprehensive education improvement plan, in conjunction with requirements under this Act, the State educational agency may approve such plan, or a component of such plan, notwithstanding the requirements of subsection (d) if the State educational agency determines that such approval would further the purposes of this subpart.

SEC. 5136. NATIONAL TECHNOLOGY INNOVATION GRANTS.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—From amounts made available under section 5113(a)(3)(B) for any fiscal year the Secretary is authorized to award grants, on a competitive basis, to consortia having applications approved under subsection (d), which consortia shall include at least 1 local educational agency with a high percentage or number of children living below the poverty line and may include other local educational agencies, State educational agencies, institutions of higher education, businesses, academic content experts, software designers, museums, libraries, or other appropriate entities.

(2) DURATION.—Grants under this section shall be awarded for a period of 5 years.

(3) CONTINUATION GRANTS.—The Secretary may award continuation grants under this section, where applicable, to entities receiving grants under the Preparing Tomorrows Teachers to Use Technology Program.

(b) USE OF GRANTS.—Grants awarded under subsection (a) shall be used for activities described in section 5134.

(c) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to consortia which demonstrate in the application submitted under subsection (d) that—

(1) the project for which assistance is sought is designed to serve areas with a high number or percentage of disadvantaged students or the greatest need for educational technology;

(2) the project will directly benefit students by, for example, integrating the acquired technologies into curriculum to help the local educational agency enhance teaching, training, and student achievement;

(3) the project will ensure ongoing, sustained professional development for teachers, principals, superintendents, other appropriate school personnel, and school library media personnel served by the local educational agency to further the use of technology in the classroom or library media center including the preservice education of prospective teachers in the use of educational technology if 1 of the members of the consortia is an institution of higher education that prepares teachers for their initial entry into teaching;

(4) the project will ensure successful, effective, and sustainable use of technologies acquired under this subsection;

(5) members of the consortia or other appropriate entities will contribute substantial financial and other resources to achieve the goals of the project;

(6) the project will enhance parental involvement by providing parents the information needed to more fully participate in their child's learning; and

(7) the project will use education technology for advanced placement instruction.

(d) APPLICATION.—

(1) IN GENERAL.—Each consortium desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(2) FISCAL AGENTS.—Any member of a consortium may serve as the fiscal agent of the consortium for purposes of this subpart, so long as the lead local educational agency agrees to permit such member to serve as the fiscal agent.

SEC. 5137. FEDERAL ADMINISTRATION.

(a) EVALUATION PROCEDURES.—The Secretary shall develop procedures for State and local evaluations of the programs under this subpart.

(b) SPECIFIC EVALUATIONS.—The Secretary shall submit to the Congress by not later than 3 years after the date of enactment of this title an evaluation of State and local outcomes of the technology literacy challenge funds program and of the technology innovations challenge grant program.

(c) EVALUATION SUMMARY.—The Secretary shall submit to the Congress by not later than 2 years after the date of enactment of this title a summary of the State evaluations of programs under this subpart in accordance with the provisions of section 10201.

Subpart 3—Regional Technical Support and Professional Development

SEC. 5141. REGIONAL TECHNICAL SUPPORT AND PROFESSIONAL DEVELOPMENT.

(a) GRANTS AUTHORIZED.—

(1) AUTHORITY.—The Secretary, through the Office of Educational Technology, shall make grants in accordance with the provisions of this section, to regional entities such as the Eisenhower Mathematics and Science Regional Consortia, the regional education laboratories, the comprehensive regional assistance centers, or such other regional entities as may be designated or established by the Secretary. In awarding grants under this section, the Secretary shall ensure that each geographic region of the United States shall be served by such a consortium.

(2) REQUIREMENTS.—Each consortium receiving a grant under this section shall—

(A) be composed of State educational agencies, institutions of higher education, nonprofit organizations, or a combination thereof;

(B) in cooperation with State and local educational agencies, develop a regional program that addresses professional development, technical assistance, and information resource dissemination, with special emphasis on meeting

the documented needs of educators and learners in the region; and

(C) foster regional cooperation and resource and coursework sharing.

(b) FUNCTIONS.—

(1) TECHNICAL ASSISTANCE.—Each consortium receiving a grant under this section shall, to the extent practicable—

(A) collaborate with State educational agencies and local educational agencies requesting collaboration, particularly in the development of strategies for assisting those schools with the highest numbers or percentages of disadvantaged students with little or no access to technology in the classroom;

(B) provide information, in coordination with information available from the Secretary, to State educational agencies, local educational agencies, schools and adult education programs, on the types and features of various educational technology equipment and software available, evaluate and make recommendations on equipment and software that support America's Education Goals and are suited for a school's particular needs, and compile and share information regarding creative and effective applications of technology in the classroom and school library media centers in order to support the purposes of this part;

(C) collaborate with such State educational agencies, local educational agencies, or schools requesting to participate in the tailoring of software programs and other supporting materials to meet challenging State content standards or challenging State student performance standards that may be developed; and

(D) provide technical assistance to facilitate use of the electronic dissemination networks by State and local educational agencies and schools throughout the region.

(2) PROFESSIONAL DEVELOPMENT.—Each consortium receiving a grant under this section shall, to the extent practicable—

(A) develop and implement, in collaboration with State educational agencies and institutions of higher education, technology-specific, ongoing professional development, such as—

(i) intensive school year and summer workshops that use teachers, school librarians, and school library personnel to train other teachers, school librarians, and other school library media personnel; and

(ii) distance professional development, including—

(I) interactive training telecourses using researchers, educators, and telecommunications personnel who have experience in developing, implementing, or operating educational and instructional technology as a learning tool;

(II) onsite courses teaching teachers to use educational and instructional technology and to develop their own instructional materials for effectively incorporating technology and programming in their own classrooms;

(III) methods for successful integration of instructional technology into the curriculum in order to improve student learning and achievement;

(IV) video conferences and seminars which offer professional development through peer interaction with experts as well as other teachers using technologies in their classrooms; and

(V) mobile education technology and training resources;

(B) develop training resources that—

(i) are relevant to the needs of the region and schools within the region;

(ii) are relevant to the needs of adult literacy staff and volunteers, including onsite courses on how to—

(I) use instructional technology; and

(II) develop instructional materials for adult learning; and

(iii) are aligned with the needs of teachers and administrators in the region;

(C) establish a repository of professional development and technical assistance resources;

(D) identify and link technical assistance providers to State and local educational agencies, as needed;

(E) ensure that training, professional development, and technical assistance meet the needs of educators, parents, and students served by the region;

(F) assist colleges and universities within the region to develop and implement preservice training programs for students enrolled in teacher education programs; and

(G) assist local educational agencies and schools in working with community members and parents to develop support from communities and parents for educational technology programs and projects.

(3) INFORMATION AND RESOURCE DISSEMINATION.—Each consortium receiving a grant under this section shall, to the extent practicable—

(A) assist State and local educational agencies in the identification and procurement of financial, technological and human resources needed to implement technology plans;

(B) provide outreach and, at the request of a State or local educational agency, work with such agency to assist in the development and validation of instructionally based technology education resources; and

(C) coordinate activities and establish partnerships with organizations and institutions of higher education that represent the interests of the region as such interests pertain to the application of technology in teaching, learning, instructional management, dissemination, collection and distribution of educational statistics, and the transfer of student information.

(4) COORDINATION.—Each consortium receiving a grant under this section shall work collaboratively, and coordinate the serv-

ices the consortium provides, with appropriate regional and other entities assisted in whole or in part by the Department.

(c) REPORTS ON CURRENT GRANTEES.—Not later than 3 months after the date of enactment of this title, entities receiving grants under section 3141 of this Act (as such section existed 1 day prior to the date of enactment of this title) shall prepare and submit to the Secretary a report concerning activities undertaken with amounts received under such grants.

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PART B—STAR SCHOOLS PROGRAM

SEC. 5201. SHORT TITLE.

This part may be cited as the "Star Schools Act".

SEC. 5202. PURPOSE.

It is the purpose of this part to encourage improved instruction in mathematics, science, and foreign languages and challenging and advanced courses as well as other subjects, such as literacy skills and vocational education, and to serve underserved populations, including the disadvantaged, illiterate, limited-English proficient, and individuals with disabilities, through a star schools program under which grants are made to eligible telecommunication partnerships to enable such partnerships to—

(1) develop, construct, acquire, maintain and operate telecommunications facilities and equipment;

(2) develop and acquire educational and instructional programming; and

(3) obtain technical assistance for the use of such facilities and instructional programming.

SEC. 5203. GRANTS AUTHORIZED.

(a) AUTHORITY.—The Secretary, through the Office of Educational Technology, is authorized to make grants, in accordance with the provisions of this part, to eligible entities to pay the Federal share of the cost of—

(1) the development, construction, acquisition, maintenance and operation of telecommunications facilities and equipment;

(2) the development and acquisition of interactive instructional programming;

(3) the development and acquisition of preservice and inservice teacher training programs based on established research regarding teacher-to-teacher mentoring, effective skill transfer, and ongoing, in-class instruction;

(4) the establishment of web-based resources or teleconferencing facilities and resources for making interactive training available to teachers;

(5) obtaining technical assistance; and

(6) the coordination of the design and connectivity of broadband and other telecommunications networks to reach the greatest number of schools.

(b) DURATION.—

(1) IN GENERAL.—The Secretary shall award grants pursuant to subsection (a) for a period of 5 years.

(2) RENEWAL.—Grants awarded pursuant to subsection (a) may be renewed for 1 additional 3-year period.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated $50,000,000 for fiscal year 2001, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this part.

(2) AVAILABILITY.—Funds appropriated pursuant to the authority of subsection (a) shall remain available until expended.

(d) LIMITATIONS.—

(1) IN GENERAL.—A grant under this section shall not exceed—

(A) five years in duration; and

(B) $10,000,000 in any 1 fiscal year.

(2) INSTRUCTIONAL PROGRAMMING.—Not less than 25 percent of the funds available to the Secretary in any fiscal year under this part shall be used for the cost of instructional programming.

(3) SPECIAL RULE.—Not less than 50 percent of the funds available in any fiscal year under this part shall be used for the cost of facilities, equipment, teacher training or retraining, technical assistance, or programming, for local educational agencies which are eligible to receive assistance under part A of title I.

(e) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share of the cost of projects funded under this section shall not exceed—

(A) 75 percent for the first and second years for which an eligible telecommunications partnership receives a grant under this part;

(B) 60 percent for the third and fourth such years; and

(C) 50 percent for the fifth such year.

(2) REDUCTION OR WAIVER.—The Secretary may reduce or waive the requirement of the non-Federal share under paragraph (1) upon a showing of financial hardship.

(f) AUTHORITY TO ACCEPT FUNDS FROM OTHER AGENCIES.—The Secretary is authorized to accept funds from other Federal departments or agencies to carry out the purposes of this section, including funds for the purchase of equipment.

(g) COORDINATION.—The Department, the National Science Foundation, the Department of Agriculture, the Department of Commerce, and any other Federal department or agency operating a telecommunications network for educational purposes, shall coordinate the activities assisted under this part with the activities of such department or agency relating to a telecommunications network for educational purposes.

(h) CLOSED CAPTIONING AND DESCRIPTIVE VIDEO.—Each entity receiving funds under this part is encouraged to provide—

(1) closed captioning of the verbal content of such program, where appropriate, to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies; and

(2) descriptive video of the visual content of such program, as appropriate.

(i) ADVANCED PLACEMENT INSTRUCTION.—Each eligible entity receiving funds under this part is encouraged to deliver advanced placement instruction to underserved communities.

SEC. 5204. ELIGIBLE ENTITIES.

(a) ELIGIBLE ENTITIES.—

(1) REQUIRED PARTICIPATION.—The Secretary may make a grant under section 5203 to any eligible entity, if at least 1 local educational agency is participating in the proposed project.

(2) ELIGIBLE ENTITY.—For the purpose of this part, the term "eligible entity" may include—

(A) a public agency or corporation established for the purpose of developing and operating telecommunications networks to enhance educational opportunities provided by educational institutions, teacher training centers, and other entities, except that any such agency or corporation shall represent the interests of elementary and secondary schools that are eligible to participate in the program under part A of title I; or

(B) a partnership that will provide telecommunications services and which includes 3 or more of the following entities, at least 1 of which shall be an agency described in clause (i) or (ii):

(i) a local educational agency that serves a significant number of elementary and secondary schools that are eligible for assistance under part A of title I, or elementary and secondary schools operated or funded for Indian children by the Department of the Interior eligible under section 1121(b)(2);

(ii) a State educational agency;

(iii) adult and family education programs;

(iv) an institution of higher education or a State higher education agency;

(v) a teacher training center or academy that—

(I) provides teacher pre-service and in-service training; and

(II) receives Federal financial assistance or has been approved by a State agency;

(vi)(I) a public or private entity with experience and expertise in the planning and operation of a telecommunications network, including entities involved in telecommunications through the Internet, satellite, cable, telephone, or computer; or

(II) a public broadcasting entity with such experience; or

(vii) a public or private elementary or secondary school.

(b) SPECIAL RULE.—An eligible entity receiving assistance under this part shall be organized on a statewide or multistate basis.

SEC. 5205. APPLICATIONS.

(a) APPLICATIONS REQUIRED.—Each eligible entity which desires to receive a grant under section 5203 shall submit an application to the Secretary, at such time, in such manner, and containing or

accompanied by such information as the Secretary may reasonably require.

(b) STAR SCHOOL AWARD APPLICATIONS.—Each application submitted pursuant to subsection (a) shall—

(1) describe how the proposed project will assist in achieving America's Education Goals, how such project will assist all students to have an opportunity to learn to challenging State and local standards, how such project will assist State and local educational reform efforts, and how such project will contribute to creating a high quality system of lifelong learning;

(2) describe the telecommunications facilities and equipment and technical assistance for which assistance is sought, which may include—

(A) the design, development, construction, acquisition, maintenance and operation of State or multistate educational telecommunications networks and technology resource centers;

(B) microwave, fiber optics, cable, and satellite transmission equipment or any combination thereof;

(C) reception facilities and equipment;

(D) satellite time and other transmissions;

(E) production facilities and equipment;

(F) other Internet education portals and telecommunications equipment capable of serving a wide geographic area;

(G) the provision of training services to instructors who will be using the facilities and equipment for which assistance is sought, including training in using such facilities and equipment and training in integrating programs into the classroom curriculum; and

(H) the development of educational and related programming for use on a telecommunications network;

(3) in the case of an application for assistance for instructional programming, describe the types of programming which will be developed to enhance instruction and training and provide assurances that such programming will be designed in consultation with professionals (including classroom teachers) who are experts in the applicable subject matter and grade level;

(4) describe how the eligible entity has engaged in sufficient survey and analysis of the area to be served to ensure that the services offered by the eligible entity will increase the availability of courses of instruction in English, mathematics, science, foreign languages, arts, history, geography, or other disciplines;

(5) describe the professional development policies for teachers and other school personnel to be implemented to ensure the effective use of the telecommunications facilities and equipment for which assistance is sought;

(6) describe the manner in which historically underserved students (such as students from low-income families, limited English proficient students, students with disabilities, or students who have low literacy skills) and their families, will participate in the benefits of the telecommunications facilities,

equipment, technical assistance, and programming assisted under this part;

(7) describe how existing telecommunications equipment, facilities, and services, where available, will be used;

(8) provide assurances that the financial interest of the United States in the telecommunications facilities and equipment will be protected for the useful life of such facilities and equipment;

(9) provide assurances that a significant portion of any facilities and equipment, technical assistance, and programming for which assistance is sought for elementary and secondary schools will be made available to schools or local educational agencies that have a high number or percentage of children eligible to be counted under part A of title I;

(10) provide assurances that the applicant will use the funds provided under this part to supplement and not supplant funds otherwise available for the purposes of this part;

(11) if any member of the consortia receives assistance under subpart 3 of part A, describe how funds received under this part will be coordinated with funds received for educational technology in the classroom under such section;

(12) describe the activities or services for which assistance is sought, such as—

(A) providing facilities, equipment, training services, and technical assistance;

(B) making programs accessible to students with disabilities through mechanisms such as closed captioning and descriptive video services;

(C) linking networks around issues of national importance (such as elections) or to provide information about employment opportunities, job training, or student and other social service programs;

(D) sharing curriculum resources between networks and development of program guides which demonstrate cooperative, cross-network listing of programs for specific curriculum areas;

(E) providing teacher and student support services including classroom and training support materials which permit student and teacher involvement in the live interactive distance learning telecasts;

(F) incorporating community resources such as libraries and museums into instructional programs;

(G) providing professional development for teachers, including, as appropriate, training to early childhood development and Head Start teachers and staff and vocational education teachers and staff, and adult and family educators;

(H) providing programs for adults to maximize the use of telecommunications facilities and equipment;

(I) providing teacher training on proposed or established voluntary national content standards in mathematics and science and other disciplines as such standards are developed; and

(J) providing parent education programs during and after the regular school day which reinforce a student's course of study and actively involve parents in the learning process;

(13) describe how the proposed project as a whole will be financed and how arrangements for future financing will be developed before the project expires;

(14) provide an assurance that a significant portion of any facilities, equipment, technical assistance, and programming for which assistance is sought for elementary and secondary schools will be made available to schools in local educational agencies that have a high percentage of children counted for the purpose of part A of title I;

(15) provide an assurance that the applicant will provide such information and cooperate in any evaluation that the Secretary may conduct under this part; and

(16) include such additional assurances as the Secretary may reasonably require.

(c) PRIORITIES.—The Secretary, in approving applications for grants authorized under section 5203, shall give priority to applications describing projects that—

(1) propose high-quality plans to assist in achieving 1 or more of America's Education Goals, will provide instruction consistent with State content standards, or will otherwise provide significant and specific assistance to States and local educational agencies undertaking systemic education reform;

(2) will provide services to programs serving adults, especially parents, with low levels of literacy;

(3) will serve schools with significant numbers of children counted for the purposes of part A of title I;

(4) ensure that the eligible entity will—

(A) serve the broadest range of institutions, programs providing instruction outside of the school setting, programs serving adults, especially parents, with low levels of literacy, institutions of higher education, teacher training centers, research institutes, and private industry;

(B) have substantial academic and teaching capabilities, including the capability of training, retraining, and inservice upgrading of teaching skills and the capability to provide professional development;

(C) provide a comprehensive range of courses for educators to teach instructional strategies for students with different skill levels;

(D) provide training to participating educators in ways to integrate telecommunications courses into existing school curriculum;

(E) provide instruction for students, teachers, and parents;

(F) serve a multistate area; and

(G) give priority to the provision of equipment and linkages to isolated areas; and

(5) involve a telecommunications entity (such as a satellite, cable, telephone, computer, or public or private television sta-

tions) participating in the eligible entity and donating equipment or in-kind services for telecommunications linkages.

(d) GEOGRAPHIC DISTRIBUTION.—In approving applications for grants authorized under section 5203, the Secretary shall, to the extent feasible, ensure an equitable geographic distribution of services provided under this part.

SEC. 5206. DEFINITIONS.

In this part:

(1) EDUCATIONAL INSTITUTION.—The term "educational institution" means an institution of higher education, a local educational agency, or a State educational agency.

(2) INSTRUCTIONAL PROGRAMMING.—The term "instructional programming" means courses of instruction and training courses for elementary and secondary students, teachers, and others, and materials for use in such instruction and training that have been prepared in audio and visual form on either analog or digital format and are presented by means of telecommunications devices.

(3) TERM PUBLIC BROADCASTING ENTITY.—The term "public broadcasting entity" has the same meaning given such term in section 397 of the Communications Act of 1934.

SEC. 5207. ADMINISTRATIVE PROVISIONS.

(a) CONTINUING ELIGIBILITY.—

(1) IN GENERAL.—In order to be eligible to receive a grant under section 5203 for a second 3-year grant period an eligible entity shall demonstrate in the application submitted pursuant to section 5205 that such partnership shall—

(A) continue to provide services in the subject areas and geographic areas assisted with funds received under this part for the previous 5-year grant period; and

(B) use all grant funds received under this part for the second 3-year grant period to provide expanded services by—

(i) increasing the number of students, schools or school districts served by the courses of instruction assisted under this part in the previous fiscal year;

(ii) providing new courses of instruction; and

(iii) serving new populations of underserved individuals, such as children or adults who are disadvantaged, have limited-English proficiency, are individuals with disabilities, are illiterate, or lack secondary school diplomas or their recognized equivalent.

(2) SPECIAL RULE.—Grant funds received pursuant to paragraph (1) shall be used to supplement and not supplant services provided by the grant recipient under this part in the previous fiscal year.

(b) FEDERAL ACTIVITIES.—The Secretary may assist grant recipients under section 5203 in acquiring satellite time and other transmissions technologies, where appropriate, as economically as possible.

SEC. 5208. OTHER ASSISTANCE.

(a) SPECIAL STATEWIDE NETWORK.—

(1) IN GENERAL.—The Secretary, through the Office of Educational Technology, may provide assistance to a statewide fiber optics telecommunications network under this subsection if such network—

(A) provides 2-way full motion interactive video and voice communications via Internet, cable and other technologies;

(B) links together public colleges and universities and schools throughout the State; and

(C) includes such additional assurances as the Secretary may reasonably require.

(2) STATE CONTRIBUTION.—A statewide telecommunications network assisted under paragraph (1) shall contribute, either directly or through private contributions, non-Federal funds equal to not less than 50 percent of the cost of such network.

(b) SPECIAL LOCAL NETWORK.—

(1) IN GENERAL.—The Secretary may provide assistance, on a competitive basis, to a local educational agency or consortium thereof to enable such agency or consortium to establish a high technology demonstration program.

(2) PROGRAM REQUIREMENTS.—A high technology demonstration program assisted under paragraph (1) shall—

(A) include 2-way full motion interactive video, data and voice communications;

(B) link together elementary and secondary schools, colleges, and universities;

(C) provide parent participation and family programs;

(D) include a staff development program; and

(E) have a significant contribution and participation from business and industry.

(3) SPECIAL RULE.—Each high technology demonstration program assisted under paragraph (1) shall be of sufficient size and scope to have an effect on meeting America's Education Goals.

(4) MATCHING REQUIREMENT.—A local educational agency or consortium receiving a grant under paragraph (1) shall provide, either directly or through private contributions, non-Federal matching funds equal to not less than 50 percent of the amount of the grant.

(c) TELECOMMUNICATIONS PROGRAMS FOR CONTINUING EDUCATION.—

(1) AUTHORITY.—The Secretary is authorized to award grants, on a competitive basis, to eligible entities to enable such partnerships to develop and operate 1 or more programs which provide on-line access to educational resources in support of continuing education and curriculum requirements relevant to achieving a secondary school diploma or its recognized equivalent. The program authorized by this section shall be designed to advance adult literacy, secondary school completion and the acquisition of specified competency by the end of the 12th grade.

(2) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary. Each such application shall—

(A) demonstrate that the applicant will use publicly funded or free public telecommunications infrastructure to de-

liver video, voice and data in an integrated service to support and assist in the acquisition of a secondary school diploma or its recognized equivalent;

(B) assure that the content of the materials to be delivered is consistent with the accreditation requirements of the State for which such materials are used;

(C) incorporate, to the extent feasible, materials developed in the Federal departments and agencies and under appropriate federally funded projects and programs;

(D) assure that the applicant has the technological and substantive experience to carry out the program; and

(E) contain such additional assurances as the Secretary may reasonably require.

[PART C—ASSISTANCE TO ADDRESS SCHOOL DROPOUT PROBLEMS

[SEC. 5301. [20 U.S.C. 7261] SHORT TITLE.

[This part may be cited as the "School Dropout Assistance Act".

[SEC. 5302. [20 U.S.C. 7262] PURPOSE.

[The purpose of this part is to reduce the number of children who do not complete their elementary and secondary education by providing grants to local educational agencies to establish—

[(1) effective programs to identify potential student dropouts, including pregnant and parenting teenagers, and prevent such students from dropping out of school;

[(2) effective programs to identify and encourage children who have already dropped out to reenter school and complete their elementary and secondary education;

[(3) effective early intervention programs designed to identify at-risk students in elementary and secondary schools; and

[(4) model systems for collecting and reporting information to local school officials on the number, ages, sex, race or ethnicity, and grade levels of the children not completing their elementary and secondary education and the reasons why such children have dropped out of school.

[SEC. 5303. [20 U.S.C. 7263] GRANTS TO LOCAL EDUCATIONAL AGENCIES.

[(a) ALLOTMENT TO CATEGORIES OF LOCAL EDUCATIONAL AGENCIES.—From the amount appropriated under section 5308 for any fiscal year, the Secretary shall first reserve not more than $2,000,000 for the purposes of evaluating programs carried out with assistance under this part in accordance with section 14701. From the remaining amount, the Secretary shall allot the following percentages to each of the following categories of local educational agencies:

[(1) Local educational agencies administering schools with a total enrollment of 100,000 or more elementary and secondary school students shall be allotted 25 percent of such remaining amount.

[(2) Local educational agencies administering schools with a total enrollment of at least 20,000 but less than 100,000 ele-

mentary and secondary school students shall be allotted 40 percent of such remaining amount.

[(3) Local educational agencies administering schools with a total enrollment of less than 20,000 elementary and secondary school students shall be allotted 30 percent of such remaining amount. Grants may be made under this paragraph to educational service agencies and consortia of not more than 5 local educational agencies in any case in which the total enrollment of the largest such local educational agency is less than 20,000 elementary and secondary students. Such agencies and consortia may also apply for assistance under this part in conjunction with the State educational agency. Not less than 20 percent of funds available under this paragraph shall be awarded to local educational agencies administering schools with a total enrollment of less than 2,000 elementary and secondary school students.

[(4) Community-based organizations shall be allotted 5 percent of such remaining amount. Grants under this paragraph shall be made after consultation between the community-based organization and the local educational agency that is to benefit from such a grant.

[(b) SPECIAL CONSIDERATION.—

[(1) IN GENERAL.—The Secretary shall give special consideration to awarding funds available for each category described in paragraphs (1), (2), and (3) of subsection (a) to local educational agencies participating in an educational partnership.

[(2) EDUCATIONAL PARTNERSHIPS.—For the purpose of this part the term "educational partnerships" means a partnership between—

[(A) a local educational agency; and

[(B) a business concern or business organization, community-based organization, nonprofit private organization, institution of higher education, State educational agency, State or local public agency, private industry council (established under the Job Training Partnership Act), museum, library, or educational television or broadcasting station.

[(c) AWARD OF GRANT.—

[(1) IN GENERAL.—From the amount allotted for any fiscal year to a category of local educational agencies under subsection (a), the Secretary shall award as many grants as practicable within each such category to local educational agencies and educational partnerships whose applications have been approved by the Secretary for such fiscal year under section 5304 and whose applications propose a program of sufficient size, scope, and quality to be effective.

[(2) ADDITIONAL FUNDS.—Any local educational agency or educational partnership that has received a grant under this part shall be eligible for additional funds as provided under subsection (d).

[(3) TERMS AND CONDITIONS.—Grants under this part shall be made under such terms and conditions as the Secretary shall prescribe.

[(d) USE OF FUNDS WHEN NOT FULLY ALLOTTED TO CATEGORIES UNDER SUBSECTION (a).—

[(1) IN GENERAL.—Whenever the Secretary determines that the full amount of the sums allotted under any category set forth under subsection (a) will not be required for applications of the local educational agencies in the case of categories described in paragraphs (1), (2), or (3) of subsection (a), the Secretary shall make the amount not so required available to another category under subsection (a). In carrying out the provisions of this subsection, the Secretary shall assure that the transfer of amounts from one category to another is made to a category in which there is the greatest need for funds.

[(2) PEER REVIEW.—In order to transfer funds under this subsection, the Secretary shall use a peer review process to determine that such excess funds are not needed to fund projects in particular categories and shall prepare a list of the categories in which funds were not fully expended and the reasons therefor, and make such list available to local educational agencies and educational partnerships upon request. The Secretary may use the peer review process to determine grant recipients of funds transferred in accordance with this subsection.

[(e) FEDERAL SHARE.—

[(1) FEDERAL SHARE.—The Federal share of a grant under this part may not exceed—

[(A) 90 percent of the total cost of a project for the first year for which the project receives assistance under this part; and

[(B) 75 percent of such cost in each such succeeding fiscal year.

[(2) REMAINING COSTS.—The remaining cost of a project that receives assistance under this part may be paid from any source other than funds made available under this part, except that not more than 10 percent of the remaining cost in any fiscal year may be provided from Federal sources other than this part.

[(3) NON-FEDERAL SHARE.—The share of payments from sources other than funds made available under this part may be in cash or in kind fairly evaluated, including plant, equipment or services.

[SEC. 5404. [20 U.S.C. 7264] APPLICATION.

[(a) APPLICATION REQUIRED.—

[(1) IN GENERAL.—A grant under this part may be made only to a local educational agency or an educational partnership which submits an application to the Secretary containing such information as may be required by the Secretary by regulation.

[(2) DURATION.—Each such application shall be for a three-year period.

[(b) CONTENTS.—Each such application shall—

[(1) provide documentation of—

[(A) the number of children who were enrolled in the schools to be served by the applicant for the five academic years prior to the date application is made who have not

completed their elementary or secondary education and who are classified as school dropouts; and

[(B) the percentage that such number of children is of the total school-age population in the applicant's schools;

[(2) include a plan for the development and implementation of a school dropout information collection and reporting system for documenting the extent and nature of the dropout problem, which system shall collect and cross tabulate data, where feasible, by sex according to race or ethnicity and socioeconomic status;

[(3) include a plan for coordinated activities involving not less than one secondary school and its feeder junior high or middle schools and elementary schools for local educational agencies that have feeder systems;

[(4) when applicable, describe how programs assisted under this part will be coordinated with, and not duplicate, programs assisted under title I;

[(5) include a description of how the program assisted under this part is consistent with the second National Education Goal, relating to school completion, and other Federal programs as appropriate; and

[(6) contain such other information as the Secretary considers necessary to determine the nature of the local needs, the quality of the proposed project, and the capability of the applicant to carry out the project.

[(c) PRIORITY.—The Secretary shall, in approving applications under this section, give priority to applications which—

[(1) demonstrate the replication of successful programs conducted in other local educational agencies or the expansion of successful programs within a local educational agency; and

[(2) reflect very high numbers or very high percentages of school dropouts in the schools of the applicant in each category described in section 5303(a).

[(d) SPECIAL CONSIDERATION.—The Secretary shall give additional special consideration to applications that include—

[(1) provisions which emphasize early intervention services designed to identify at-risk students in elementary or early secondary schools; and

[(2) provisions for significant parental involvement.

[(e) GRANTS FOR NEW GRANTEES.—In awarding grants under this part the Secretary shall use only the priorities and special considerations described in subsections (c) and (d).

[(f) CONTINUATION OF ASSISTANCE.—For the two fiscal years beginning after the date of enactment of the Improving America's Schools Act of 1994, the Secretary shall approve an application under this section for a local educational agency which received funding in fiscal year 1994 under the School Dropout Demonstration Assistance Act of 1988 (20 U.S.C. 3241 et seq.) and which—

[(1) satisfies the requirements of this section;

[(2) qualifies for special consideration or priority under—

[(A) section 5303(b); and

[(B) subsections (c) and (d) of this section; and

[(3) provides evidence that the program for which such agency is seeking assistance is effective in—

[(A) providing early intervention services to at-risk students in elementary and secondary schools;

[(B) identifying potential student dropouts; and

[(C) preventing students from dropping out of school.

[SEC. 5305. [20 U.S.C. 7265] AUTHORIZED ACTIVITIES.

[Grants under this part shall be used to carry out activities and services described in applications approved under section 5304. In addition, grants may be used for educational, occupational, and basic skills testing services and activities, including—

[(1) the establishment of systemwide or school-level policies, procedures, and plans for dropout prevention and school reentry;

[(2) the development and implementation of activities, including extended day or summer programs, designed to address poor achievement, basic skills deficiencies, language deficiencies, or course failures, in order to assist students at risk of dropping out of school and students reentering school, including youth returning to school from a correctional or other facility operated for delinquent youth;

[(3) the establishment or expansion of work-study, apprentice, or internship programs;

[(4) the use of resources of the community, including contracting with public or private entities or community-based organizations of demonstrated performance, to provide services to the grant recipient or the target population;

[(5) the evaluation and revision of program placement of students at risk;

[(6) the evaluation of program effectiveness of dropout programs;

[(7) the development and implementation of programs for traditionally underserved groups of students;

[(8) the implementation of activities which will improve student motivation and the school learning environment;

[(9) the provision of training for school personnel on strategies and techniques designed to—

[(A) identify children at risk of dropping out of school;

[(B) intervene in the instructional program for such children with support and remedial services;

[(C) develop realistic expectations for student performance; and

[(D) improve student-staff interactions;

[(10) the study of the relationship between drugs and school dropouts and between youth gangs and school dropouts, and the coordination of dropout prevention and reentry programs with appropriate drug prevention and community organizations for the prevention of youth gangs;

[(11) the study of the relationship between disabling conditions and student dropouts;

[(12) the study of the relationship between the dropout rate for gifted and talented students compared to the dropout rate for the general student enrollment;

[(13) the use of educational telecommunications and broadcasting technologies and educational materials designed to ex-

tend, motivate, and reinforce school, community, and home dropout prevention and reentry activities;

[(14) the development and implementation of efforts to identify and address factors in a student's decision to drop out of school that are related to gender and family roles, including activities and services designed to meet the needs of pregnant and parenting teenagers;

[(15) the provision of other educational, occupational and testing services and activities which directly relate to the purpose of this part;

[(16) activities which offer jobs and college admissions for successful completion of the program for which assistance is sought;

[(17) summer employment programs;

[(18) occupational training programs;

[(19) career opportunity and skills counseling;

[(20) job placement services;

[(21) the development of skill employment competency testing programs;

[(22) special school staff training projects; and

[(23) mentoring programs.

[SEC. 5306. [20 U.S.C. 7266] DISTRIBUTION OF ASSISTANCE; LIMITATION ON COSTS.

[(a) DISTRIBUTION OF ASSISTANCE.—The Secretary shall ensure that, to the extent practicable, in approving grant applications under this part—

[(1) grants are equitably distributed on a geographic basis within each category set forth in section 5303(a);

[(2) the amount of a grant to a local educational agency or an educational partnership for a fiscal year is proportionate to the extent and severity of the local school dropout problem;

[(3) not less than 30 percent of the amount available for grants in each fiscal year is used for activities relating to school dropout prevention; and

[(4) not less than 30 percent of the amount available for grants in each fiscal year is used for activities relating to persuading school dropouts to return to school and assisting former school dropouts with specialized services once school dropouts return to school.

[(b) ADMINISTRATIVE COSTS.—Not more than five percent of any grant made under this part may be used for administrative costs.

[SEC. 5307. [20 U.S.C. 7267] REPORTS.

[(a) ANNUAL REPORTS.—The Secretary shall submit to the Congress a report by January 1 of each year, beginning on January 1, 1995, which sets forth the progress of the Commissioner of Education Statistics, established under section 403(b) of the National Education Statistics Act of 1994, to implement a definition and data collection process for school dropouts in elementary and secondary schools, including statistical information for the number and percentage of elementary and secondary school students by gender, race, and ethnic origin who drop out of school each year, including dropouts—

[(1) throughout the Nation by rural and urban location as defined by the Secretary; and

[(2) in each of the individual States and the District of Columbia.

[(b) RECOMMENDATIONS.—The report under subsection (a) shall also contain recommendations on ways in which the Federal Government, States and localities can further support the implementation of an effective methodology to accurately measure school dropout and retention rates on the national, State, and local levels.

[SEC. 5308. [20 U.S.C. 7268] AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $50,000,000 for fiscal year 1995, and such sums as may be necessary for each of the 4 succeeding fiscal years, to carry out this part.]

PART C—MAGNET SCHOOLS ASSISTANCE

SEC. 5301. FINDINGS AND STATEMENT OF PURPOSE.

(a) FINDINGS.—Congress makes the following findings:

(1) Magnet schools are a significant part of our Nation's effort to achieve voluntary desegregation of our Nation's schools.

(2) It is in the national interest to continue the Federal Government's support of school districts that are implementing court-ordered desegregation plans and school districts that are voluntarily seeking to foster meaningful interaction among students of different racial and ethnic backgrounds.

(3) Desegregation can help ensure that all students have equitable access to high-quality education that will prepare them to function well in a technologically oriented and highly competitive society comprised of people from many different racial and ethnic backgrounds.

(4) It is in the national interest to desegregate and diversify those schools in our Nation that are racially, economically, linguistically, or ethnically segregated. Such segregation exists between minority and non-minority students as well as among students of different minority groups.

(b) STATEMENT OF PURPOSE.—The purpose of this part is to assist in the desegregation of schools served by local educational agencies by providing financial assistance to eligible local educational agencies for—

(1) the elimination, reduction, or prevention of minority group isolation in elementary schools and secondary schools with substantial proportions of minority students which shall assist in the efforts of the United States to achieve voluntary desegregation in public schools;

(2) the development and implementation of magnet school projects that will assist local educational agencies in achieving systemic reforms and providing all students the opportunity to meet challenging State and local content standards and challenging State and local student performance standards;

(3) the development and design of innovative educational methods and practices;

(4) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and

the grasp of tangible and marketable vocational, technological and career skills of students attending such schools;

(5) improving the capacity of local educational agencies, including through professional development, to continue operating magnet schools at a high performance level after Federal funding is terminated; and

(6) ensuring that all students enrolled in the magnet school program have equitable access to high quality education that will enable the students to succeed academically and continue with post secondary education or productive employment.

SEC. 5302. PROGRAM AUTHORIZED.

The Secretary, in accordance with this part, is authorized to make grants to eligible local educational agencies, and consortia of such agencies where appropriate, to carry out the purpose of this part for magnet schools that are—

(1) part of an approved desegregation plan; and

(2) designed to bring students from different social, economic, ethnic, and racial backgrounds together.

SEC. 5303. DEFINITION.

For the purpose of this part, the term "magnet school" means a public elementary school or secondary school or a public elementary or secondary education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.

SEC. 5304. ELIGIBILITY.

A local educational agency, or consortium of such agencies where appropriate, is eligible to receive assistance under this part to carry out the purposes of this part if such agency or consortium—

(1) is implementing a plan undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, that requires the desegregation of minority-group-segregated children or faculty in the elementary schools and secondary schools of such agency; or

(2) without having been required to do so, has adopted and is implementing, or will, if assistance is made available to such local educational agency or consortium of such agencies under this part, adopt and implement a plan that has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority-group-segregated children or faculty in such schools.

SEC. 5305. APPLICATIONS AND REQUIREMENTS.

(a) APPLICATIONS.—An eligible local educational agency or consortium of such agencies desiring to receive assistance under this part shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may reasonably require.

(b) INFORMATION AND ASSURANCES.—Each such application shall include—

(1) a description of—

(A) how assistance made available under this part will be used to promote desegregation, including how the pro-

posed magnet school project will increase interaction among students of different social, economic, ethnic, and racial backgrounds;

(B) the manner and extent to which the magnet school project will increase student achievement in the instructional area or areas offered by the school;

(C) how an applicant will continue the magnet school project after assistance under this part is no longer available, including, if applicable, an explanation of why magnet schools established or supported by the applicant with funds under this part cannot be continued without the use of funds under this part;

(D) how funds under this part will be used to implement services and activities that are consistent with other programs under this Act, and other Acts, as appropriate, in accordance with the provisions of section 6506; and

(E) the criteria to be used in selecting students to attend the proposed magnet school projects; and

(2) assurances that the applicant will—

(A) use funds under this part for the purposes specified in section 5301(b);

(B) employ State certified or licensed teachers in the courses of instruction assisted under this part to teach or supervise others who are teaching the subject matter of the courses of instruction;

(C) not engage in discrimination based on race, religion, color, national origin, sex, or disability in—

(i) the hiring, promotion, or assignment of employees of the agency or other personnel for whom the agency has any administrative responsibility;

(ii) the assignment of students to schools, or to courses of instruction within the school, of such agency, except to carry out the approved plan; and

(iii) designing or operating extracurricular activities for students;

(D) carry out a high-quality education program that will encourage greater parental decisionmaking and involvement; and

(E) give students residing in the local attendance area of the proposed magnet school project equitable consideration for placement in the project, consistent with desegregation guidelines and the capacity of the project to accommodate these students.

(c) SPECIAL RULE.—No application may be approved under this section unless the Assistant Secretary of Education for Civil Rights determines that the assurances described in subsection (b)(2)(C) will be met.

SEC. 5306. PRIORITY.

In approving applications under this part, the Secretary shall give priority to applicants that—

(1) demonstrate the greatest need for assistance, based on the expense or difficulty of effectively carrying out an approved desegregation plan and the projects for which assistance is sought;

(2) propose to carry out new magnet school projects, or significantly revise existing magnet school projects;

(3) propose to select students to attend magnet school projects by methods such as lottery, rather than through academic examination;

(4) propose to implement innovative educational approaches that are consistent with the State and local content and student performance standards; and

(5) propose activities, which may include professional development, that will build local capacity to operate the magnet school program once Federal assistance has terminated.

SEC. 5307. USE OF FUNDS.

(a) IN GENERAL.—Grant funds made available under this part may be used by an eligible local educational agency or consortium of such agencies—

(1) for planning and promotional activities directly related to the development, expansion, continuation, or enhancement of academic programs and services offered at magnet schools;

(2) for the acquisition of books, materials, and equipment, including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools;

(3) for the payment, or subsidization of the compensation, of elementary school and secondary school teachers who are certified or licensed by the State, and instructional staff where applicable, who are necessary for the conduct of programs in magnet schools;

(4) with respect to a magnet school program offered to less than the entire student population of a school, for instructional activities that—

(A) are designed to make available the special curriculum that is offered by the magnet school project to students who are enrolled in the school but who are not enrolled in the magnet school program; and

(B) further the purposes of this part;

(5) to include professional development, which professional development shall build the agency's or consortium's capacity to operate the magnet school once Federal assistance has terminated;

(6) to enable the local educational agency or consortium to have more flexibility in the administration of a magnet school program in order to serve students attending a school who are not enrolled in a magnet school program; and

(7) to enable the local educational agency or consortium to have flexibility in designing magnet schools for students at all grades.

(b) SPECIAL RULE.—Grant funds under this part may be used in accordance with paragraphs (2) and (3) of subsection (a) only if the activities described in such paragraphs are directly related to improving the students' reading skills or knowledge of mathematics, science, history, geography, English, foreign languages, art, or music, or to improving vocational, technological and career skills.

SEC. 5308. PROHIBITION.

Grants under this part may not be used for transportation or any activity that does not augment academic improvement.

SEC. 5309. LIMITATIONS.

(a) DURATION OF AWARDS.—A grant under this part shall be awarded for a period that shall not exceed three fiscal years.

(b) LIMITATION ON PLANNING FUNDS.—A local educational agency may expend for planning (professional development shall not be considered as planning for purposes of this subsection) not more than 50 percent of the funds received under this part for the first year of the project, 25 percent of such funds for the second such year, and 15 percent of such funds for the third such year.

(c) AMOUNT.—No local educational agency or consortium awarded a grant under this part shall receive more than $4,000,000 under this part in any one fiscal year.

(d) TIMING.—To the extent practicable, the Secretary shall award grants for any fiscal year under this part not later than June 1 of the applicable fiscal year.

SEC. 5310. INNOVATIVE PROGRAMS.

(a) IN GENERAL.—From amounts reserved under subsection (d) for each fiscal year, the Secretary shall award grants to local educational agencies or consortia of such agencies described in section 5304 to enable such agencies or consortia to conduct innovative programs that—

(1) involve innovative strategies other than magnet schools, such as neighborhood or community model schools, to support desegregation of schools and to reduce achievement gaps;

(2) assist in achieving systemic reforms and providing all students the opportunity to meet challenging State and local content standards and challenging State and local student performance standards; and

(3) include innovative educational methods and practices that—

(A) are organized around a special emphasis, theme, or concept; and

(B) involve extensive parent and community involvement.

(b) APPLICABILITY.—Sections 5301(b), 5302, 5305, 5306, and 5307, shall not apply to grants awarded under subsection (a).

(c) APPLICATIONS.—Each local educational agency or consortia of such agencies desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may reasonably require.

(d) INNOVATIVE PROGRAMS.—The Secretary shall reserve not more than 5 percent of the funds appropriated under section 5312(a) for each fiscal year to award grants under this section.

SEC. 5311. EVALUATIONS.

(a) RESERVATION.—The Secretary may reserve not more than two percent of the funds appropriated under section 5312(a) for any fiscal year to carry out evaluations of projects assisted under this part and to provide technical assistance for grant recipients under this part.

(b) CONTENTS.—Each evaluation described in subsection (a), at a minimum, shall address—

(1) how and the extent to which magnet school programs lead to educational quality and improvement;

(2) the extent to which magnet school programs enhance student access to quality education;

(3) the extent to which magnet school programs lead to the elimination, reduction, or prevention of minority group isolation in elementary schools and secondary schools with substantial proportions of minority students;

(4) the extent to which magnet school programs differ from other school programs in terms of the organizational characteristics and resource allocations of such magnet school programs; and

(5) the extent to which magnet school programs continue once grant assistance under this part is terminated.

(c) DISSEMINATION.—The Secretary shall collect and disseminate to the general public information on successful magnet school programs.

SEC. 5312. AUTHORIZATION OF APPROPRIATIONS; RESERVATION.

(a) AUTHORIZATION.—For the purpose of carrying out this part, there are authorized to be appropriated $125,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(b) AVAILABILITY OF FUNDS FOR GRANTS TO AGENCIES NOT PREVIOUSLY ASSISTED.—In any fiscal year for which the amount appropriated pursuant to subsection (a) exceeds $75,000,000, the Secretary shall give priority to using such amounts in excess of $75,000,000 to award grants to local educational agencies or consortia of such agencies that did not receive a grant under this part in the preceding fiscal year.

PART [C]*D*—PUBLIC CHARTER SCHOOLS

SEC. [10301.] *5401.* [20 U.S.C. 8061] FINDINGS AND PURPOSE.

[(a) FINDINGS.—The Congress finds that—

[(1) enhancement of parent and student choices among public schools can assist in promoting comprehensive educational reform and give more students the opportunity to learn to challenging State content standards and challenging State student performance standards, if sufficiently diverse and high-quality choices, and genuine opportunities to take advantage of such choices, are available to all students;

[(2) useful examples of such choices can come from States and communities that experiment with methods of offering teachers and other educators, parents, and other members of the public the opportunity to design and implement new public schools and to transform existing public schools;

[(3) charter schools are a mechanism for testing a variety of educational approaches and should, therefore, be exempted from restrictive rules and regulations if the leadership of such schools commits to attaining specific and ambitious educational results for educationally disadvantaged students consistent

with challenging State content standards and challenging State student performance standards for all students;

[(4) charter schools, as such schools have been implemented in a few States, can embody the necessary mixture of enhanced choice, exemption from restrictive regulations, and a focus on learning gains;

[(5) charter schools, including charter schools that are schools-within-schools, can help reduce school size, which reduction can have a significant effect on student achievement;

[(6) the Federal Government should test, evaluate, and disseminate information on a variety of charter school models in order to help demonstrate the benefits of this promising educational reform; and

[(7) there is a strong documented need for cash-flow assistance to charter schools that are starting up, because State and local operating revenue streams are not immediately available.

[(b) PURPOSE.—]It is the purpose of this part to increase national understanding of the charter schools model by—

(1) providing financial assistance for the planning, program design and initial implementation of charter schools;

(2) evaluating the effects of such schools, including the effects on students, student achievement, staff, and parents; and

(3) expanding the number of high-quality charter schools available to students across the Nation.

SEC. [10302.] *5402.* [20 U.S.C. 8062] PROGRAM AUTHORIZED.

(a) IN GENERAL.—The Secretary may award grants to State educational agencies having applications approved pursuant to section [10303] *5413* to enable such agencies to conduct a charter school grant program in accordance with this part.

(b) SPECIAL RULE.—If a State educational agency elects not to participate in the program authorized by this part or does not have an application approved under section [10303], *5413* the Secretary may award a grant to an eligible applicant that serves such State and has an application approved pursuant to section [10303] *5413*(c).

(c) PROGRAM PERIODS.—

(1) GRANTS TO STATES.—Grants awarded to State educational agencies under this part shall be awarded for a period of not more than 3 years.

(2) GRANTS TO ELIGIBLE APPLICANTS.—Grants awarded by the Secretary to eligible applicants or subgrants awarded by State educational agencies to eligible applicants under this part shall be awarded for a period of not more than 3 years, of which the eligible applicant may use—

(A) not more than 18 months for planning and program design;

(B) not more than 2 years for the initial implementation of a charter school; and

(C) not more than 2 years to carry out dissemination activities described in section [10304] *5404*(f)(6)(B).

(d) LIMITATION.—A charter school may not receive—

(1) more than one grant for activities described in subparagraphs (A) and (B) of subsection (c)(2); or

(2) more than one grant for activities under subparagraph (C) of subsection (c)(2).

(e) PRIORITY TREATMENT.—

(1) IN GENERAL.—

(A) FISCAL YEARS 1999, 2000, AND 2001.—In awarding grants under this part for any of the fiscal years 1999, 2000, and 2001 from funds appropriated under section [10311] *5411* that are in excess of $51,000,000 for the fiscal year, the Secretary shall give priority to States to the extent that the States meet the criteria described in paragraph (2) and one or more of the criteria described in subparagraph (A), (B), or (C) of paragraph (3).

(B) SUCCEEDING FISCAL YEARS.—In awarding grants under this part for fiscal year 2002 or any succeeding fiscal year from any funds appropriated under section 10311, the Secretary shall give priority to States to the extent that the States meet the criteria described in paragraph (2) and one or more of the criteria described in subparagraph (A), (B), or (C) of paragraph (3).

(2) REVIEW AND EVALUATION PRIORITY CRITERIA.—The criteria referred to in paragraph (1) is that the State provides for periodic review and evaluation by the authorized public chartering agency of each charter school, at least once every 5 years unless required more frequently by State law, to determine whether the charter school is meeting the terms of the school's charter, and is meeting or exceeding the academic performance requirements and goals for charter schools as set forth under State law or the school's charter.

(3) PRIORITY CRITERIA.—The criteria referred to in paragraph (1) are the following:

(A) The State has demonstrated progress, in increasing the number of high quality charter schools that are held accountable in the terms of the schools' charters for meeting clear and measurable objectives for the educational progress of the students attending the schools, in the period prior to the period for which a State educational agency or eligible applicant applies for a grant under this part.

(B) The State—

(i) provides for one authorized public chartering agency that is not a local educational agency, such as a State chartering board, for each individual or entity seeking to operate a charter school pursuant to such State law; or

(ii) in the case of a State in which local educational agencies are the only authorized public chartering agencies, allows for an appeals process for the denial of an application for a charter school.

(C) The State ensures that each charter school has a high degree of autonomy over the charter school's budgets and expenditures.

(f) AMOUNT CRITERIA.—In determining the amount of a grant to be awarded under this part to a State educational agency, the Secretary shall take into consideration the number of charter schools that are operating, or are approved to open, in the State.

SEC. [10303.] *5403.* [20 U.S.C. 8063] APPLICATIONS.

(a) APPLICATIONS FROM STATE AGENCIES.— Each State educational agency desiring a grant from the Secretary under this part shall submit to the Secretary an application at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

(b) CONTENTS OF A STATE EDUCATIONAL AGENCY APPLICATION.— Each application submitted pursuant to subsection (a) shall—

(1) describe the objectives of the State educational agency's charter school grant program and a description of how such objectives will be fulfilled, including steps taken by the State educational agency to inform teachers, parents, and communities of the State educational agency's charter school grant program; and

(2) describe how the State educational agency—

(A) will inform each charter school in the State regarding—

(i) Federal funds that the charter school is eligible to receive; and

(ii) Federal programs in which the charter school may participate;

(B) will ensure that each charter school in the State receives the charter school's commensurate share of Federal education funds that are allocated by formula each year, including during the first year of operation of the charter school; and

(C) will disseminate best or promising practices of charter schools to each local educational agency in the State; and

(3) contain assurances that the State educational agency will require each eligible applicant desiring to receive a subgrant to submit an application to the State educational agency containing—

(A) a description of the educational program to be implemented by the proposed charter school including—

(i) how the program will enable all students to meet challenging State student performance standards;

(ii) the grade levels or ages of children to be served; and

(iii) the curriculum and instructional practices to be used;

(B) a description of how the charter school will be managed;

(C) a description of—

(i) the objectives of the charter school; and

(ii) the methods by which the charter school will determine its progress toward achieving those objectives;

(D) a description of the administrative relationship between the charter school and the authorized public chartering agency;

(E) a description of now parents and other members of the community will be involved in the planning, program design and implementing of the charter school;

(F) a description of how the authorized public chartering agency will provide for continued operation of the school once the Federal grant has expired, if such agency determines that the school has met the objectives described in subparagraph (C)(i);

(G) a request and justification for waivers of any Federal statutory or regulatory provisions that the applicant believes are necessary for the successful operation of the charter school, and a description of any State or local rules, generally applicable to public schools, that will be waived for, or otherwise not apply to, the school;

(H) a description of how the subgrant funds or grant funds, as appropriate, will be used, including a description of how such funds will be used in conjunction with other Federal programs administered by the Secretary;

(I) a description of how students in the community will be—

(i) informed about the charter school; and

(ii) given an equal opportunity to attend the charter school;

(J) an assurance that the eligible applicant will annually provide the Secretary and the State educational agency such information as may be required to determine if the charter school is making satisfactory progress toward achieving the objectives described in subparagraph (C)(i);

(K) an assurance that the applicant will cooperate with the Secretary and the State educational agency in evaluating the program assisted under this part;

(L) a description of how a charter school that is considered a local educational agency under State law, or a local educational agency in which a charter school is located, will comply with sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act;

(M) If the eligible applicant desires to use subgrant funds for dissemination activities under section [10302]*5402*(c)(2)(C), a description of those activities and how those activities will involve charter schools and other public schools, local educational agencies, developers, and potential developers; and

(N) such other information and assurances as the Secretary and the State educational agency may require.

(c) CONTENTS OF ELIGIBLE APPLICANT APPLICATION.—Each eligible applicant desiring a grant pursuant to section [10302]*5402*(b) shall submit an application to the State educational agency or Secretary, respectively, at such time, in such manner, and accompanied by such information as the State educational agency or Secretary, respectively, may reasonably require.

(d) CONTENTS OF APPLICATION.—Each application submitted pursuant to subsection (c) shall contain—

(1) the information and assurances described in subparagraphs (A) through (N) of subsection (b)(3), except that for purposes of this subsection subparagraphs (J), (K), and (N) of such subsection shall be applied by striking "and the State educational agency" each place such term appears; and

(2) assurances that the State educational agency—

(A) will grant, or will obtain, waivers of State statutory or regulatory requirements; and

(B) will assist each subgrantee in the State in receiving a waiver under section [10304]*5404*(e).

SEC. [10304.] *5404.* [20 U.S.C. 8064] ADMINISTRATION.

(a) SELECTION CRITERIA FOR STATE EDUCATIONAL AGENCIES.—The Secretary shall award grants to State educational agencies under this part on the basis of the quality of the applications submitted under section [10303]*5403*(b), after taking into consideration such factors as—

(1) the contribution that the charter schools grant program will make to assisting educationally disadvantaged and other students to achieving State content standards and State student performance standards and, in general, a State's education improvement plan;

(2) the degree of flexibility afforded by the State educational agency to charter schools under the State's charter schools law;

(3) the ambitiousness of the objectives for the State charter school grant program;

(4) the quality of the strategy for assessing achievement of those objectives;

(5) the likelihood that the charter school grant program will meet those objectives and improve educational results for students;

(6) the number of high quality charter schools created under this part in the State; and

(7) in the case of State educational agencies that propose to use grant funds to support dissemination activities under section [10302]*5402*(c)(2)(C), the quality of those activities and the likelihood that those activities will improve student achievement.

(b) SELECTION CRITERIA FOR ELIGIBLE APPLICANTS.—The Secretary shall award grants to eligible applicants under this part on the basis of the quality of the applications submitted under section [10303]*5403*(c), after taking into consideration such factors as—

(1) the quality of the proposed curriculum and instructional practices;

(2) the degree of flexibility afforded by the State educational agency and if applicable, the local educational agency to the charter school;

(3) the extent of community support for the application;

(4) the ambitiousness of the objectives for the charter school;

(5) the quality of the strategy for assessing achievement of those objectives;

(6) the likelihood that the charter school will meet those objectives and improve educational results for students; and

(7) in the case of an eligible applicant that proposes to use grant funds to support dissemination activities under section [10302]*5402*(c)(2)(C), the quality of those activities and the likelihood that those activities will improve student achievement.

(c) PEER REVIEW.—The Secretary, and each State educational agency receiving a grant under this part, shall use a peer review process to review applications for assistance under this part.

(d) DIVERSITY OF PROJECTS.—The Secretary and each State educational agency receiving a grant under this part, shall award subgrants under this part in a manner that, to the extent possible, ensures that such grants and subgrants—

(1) are distributed throughout different areas of the Nation and each State, including urban and rural areas; and

(2) will assist charter schools representing a variety of education approaches, such as approaches designed to reduce school size.

(e) WAIVERS.—The Secretary may waive any statutory or regulatory requirement over which the Secretary exercises administrative authority except any such requirement relating to the elements of a charter school described in section [10310]*5410*(1), if—

(1) the waiver is requested in an approved application under this part; and

(2) the Secretary determines that granting such a waiver will promote the purpose of this part.

(f) USE OF FUNDS.—

(1) STATE EDUCATIONAL AGENCIES.—Each State educational agency receiving a grant under this part shall use such grant funds to award subgrants to one or more eligible applicants in the State to enable such applicant to plan and implement a charter school in accordance with this part, except that the State educational agency may reserve not more than 10 percent of the grant funds to support dissemination activities described in paragraph (6).

(2) ELIGIBLE APPLICANTS.—Each eligible applicant receiving funds from the Secretary or a State educational agency shall use such funds to plan and implement a charter school, or to disseminate information about the charter school and successful practices in the charter school, in accordance with this part.

(3) ALLOWABLE ACTIVITIES.—An eligible applicant receiving a grant or subgrant under this part may use the grant or subgrant funds only for—

(A) post-award planning and design of the educational program, which may include—

(i) refinement of the desired educational results and of the methods for measuring progress toward achieving those results; and

(ii) professional development of teachers and other staff who will work in the charter school; and

(B) initial implementation of the charter school, which may include—

(i) informing the community about the school;

(ii) acquiring necessary equipment and educational materials and supplies;

(iii) acquiring or developing curriculum materials; and

(iv) other initial operational costs that cannot be met from State or local sources.

(4) ADMINISTRATIVE EXPENSES.—Each State educational agency receiving a grant pursuant to this part may reserve not more than 5 percent of such grant funds for administrative expenses associated with the charter school grant program assisted under this part.

(5) REVOLVING LOAN FUNDS.—Each State educational agency receiving a grant pursuant to this part may reserve not more than 10 percent of the grant amount for the establishment of a revolving loan fund. Such fund may be used to make loans to eligible applicants that have received a subgrant under this part, under such terms as may be determined by the State educational agency, for the initial operation of charter school grant program of such recipient until such time as the recipient begins receiving ongoing operational support from State or local financing sources.

(6) DISSEMINATION.—

(A) IN GENERAL.—A charter school may supply for funds under this part, whether or not the charter school has applied for or received funds under this part for planning, program design, or implementation, to carry out the activities described in subparagraph (B) if the charter school has been in operation for at least 3 consecutive years and has demonstrated overall success, including—

(i) substantial progress in improving student achievement;

(ii) high levels of parent satisfaction; and

(iii) the management and leadership necessary to overcome initial start-up problems and establish a thriving, financially viable charter school.

(B) ACTIVITIES.—A charter school described in subparagraph (A) may use funds reserved under paragraph (1) to assist other schools in adapting the charter school's program (or certain aspects of the charter school's program), or to disseminate information about the charter school, through such activities as—

(i) assisting other individuals with the planning and start-up of one or more new public schools, including charter schools, that are independent of the assisting charter school and the assisting charter school's developers, and that agree to be held to at least as high a level of accountability as the assisting charter school;

(ii) developing partnerships with other public schools, including charter schools, designed to improve student performance in each of the schools participating in the partnership;

(iii) developing curriculum materials, assessments, and other materials that promote increased student achievement and are based on successful practices within the assisting charter school; and

(iv) conducting evaluations and developing materials that document the successful practices of the assisting charter school and that are designed to improve student performance in other schools.

(g) TRIBALLY CONTROLLED SCHOOLS.—Each State that receives a grant under this part and designates a tribally controlled school as a charter school shall not consider payments to a school under the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2507) in determining—

(1) the eligibility of the school to receive any other Federal, State, or local aid; or

(2) the amount of such aid.

SEC. [10305.] *5405.* [20 U.S.C. 8065] NATIONAL ACTIVITIES.

(a) IN GENERAL.—The Secretary shall reserve for each fiscal year the greater of 5 percent or $5,000,000 of the amount appropriate to carry out this part, except that in no fiscal year shall the total amount so reserved exceed $8,000,000, to carry out the following activities:

(1) To provide charter schools, either directly or through State educational agencies, with—

(A) information regarding—

(i) Federal funds that charter schools are eligible to receive; and

(ii) other Federal programs in which charter schools may participate; and

(B) assistance in applying for Federal education funds that are allocated by formula, including assistance with filing deadlines and submission of applications.

(2) To provide for the completion of the 4-year national study (which began in 1995) of charter schools.

(3) To provide for other evaluations or studies that include the evaluation of the impact of charter schools on student achievement, including information regarding—

(A) students attending charter schools reported on the basis of race, age, disability, gender, limited English proficiency, and previous enrollment in public school; and

(B) the professional qualifications of teachers within a charter school and the turnover of the teaching force.

(4) To provide—

(A) information to applicants for assistance under this part;

(B) assistance to applicants for assistance under this part with the preparation of applications under section [10303] *5403*;

(C) assistance in the planning and startup of charter schools;

(D) training and technical assistance to existing charter schools; and

(E) for the dissemination to other public schools of best or promising practices in charter schools.

(5) To provide (including through the use of one or more contracts that use a competitive bidding process) for the collection of information regarding the financial resources available to charter schools, including access to private capital, and to widely disseminate to charter schools any such relevant information and model descriptions of successful programs.

(b) CONSTRUCTION.—Nothing in this section shall be construed to require charter schools to collect any data described in subsection (a).

SEC. [10306.] *5406.* [20 U.S.C. 8065a] FEDERAL FORMULA ALLOCATION DURING FIRST YEAR AND FOR SUCCESSIVE ENROLLMENT EXPANSIONS.

(a) IN GENERAL.—For purposes of the allocation to schools by the States or their agencies of funds under part A of title I, and any other Federal funds which the Secretary allocates to States on a formula basis, the Secretary and each State educational agency shall take such measures not later than 6 months after the date of the enactment of the Charter School Expansion Act of 1998 as are necessary to ensure that every charter school receives the Federal funding for which the charter school is eligible not later than 5 months after the charter school first opens, notwithstanding the fact that the identity and characteristics of the students enrolling in that charter school are not fully and completely determined until that charter school actually opens. The measures similarly shall ensure that every charter school expanding its enrollment in any subsequent year of operation receives the Federal funding for which the charter school is eligible not later than 5 months after such expansion.

(b) ADJUSTMENT AND LATE OPENINGS.—

(1) IN GENERAL.—The measures described in subsection (a) shall include provision for appropriate adjustments, through recovery of funds or reduction of payments for the succeeding year, in cases where payments made to a charter school on the basis of estimated or projected enrollment date exceed the amounts that the school is eligible to receive on the basis of actual or final enrollment data.

(2) RULE.—For charter school that first open after November 1 of any academic year, the State, in accordance with guidance provided by the Secretary and applicable Federal statutes and regulations, shall ensure that such charter schools that are eligible for the funds described in subsection (a) for such academic year have a full and fair opportunity to receive those funds during the charter schools' first year of operation.

SEC. [10307.] *5407.* [20 U.S.C. 8065b] SOLICITATION OF INPUT FROM CHARTER SCHOOL OPERATORS.

To the extent practicable, the Secretary shall ensure that administrators, teachers, and other individuals directly involved in the operation of charter schools are consulted in the development of any rules or regulations required to implement this part as well as in the development of any rules or regulations relevant to charter schools that are required to implement part A of title I, the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), or any other program administered by the Secretary that provides education funds to charter schools or regulates the activities of charter schools.

SEC. [10308.] *5408.* [20 U.S.C. 8065c] RECORDS TRANSFER.

State educational agencies and local educational agencies, to the extent practicable, shall ensure that a student's records and, if applicable, a student's individualized education program as defined in

section 602(11) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(11)), are transferred to a charter school upon the transfer of the student to the charter school, and to another public school upon the transfer of the student from a charter school to another public school, in accordance with applicable State law.

SEC. [10309.] *5409.* [20 U.S.C. 8065d] PAPERWORK REDUCTION.

To the extent practicable, the Secretary and each authorized public chartering agency shall ensure that implementation of this part results in a minimum of paperwork for any eligible applicant or charter school.

SEC. [10310.] *5410.* [20 U.S.C. 8066] DEFINITIONS.

As used in this part:

(1) The term "charter school" means a public school that—

(A) in accordance with a specific State statute authorizing the granting of charters to schools[1], is exempted from significant State or local rules that inhibit the flexible operation and management of public schools, but not from any rules relating to the other requirements of this paragraph;

(B) is created by a developer as a public school, or is adapted by a developer from an existing public school, and is operated under public supervision and direction;

operates in pursuit of a specific set of educational objectives determined by the school's developer and agreed to by the authorized public chartering agency;

(D) provides a program of elementary or secondary education, or both;

(E) is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

(F) does not charge tuition;

(G) complies with the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and part B of the Individuals with Disabilities Education Act;

(H) is a school to which parents choose to send their children, and that admits students on the basis of a lottery, if more students apply for admission than can be accommodated;

(I) agrees to comply with the same Federal and State audit requirements as do other elementary and secondary schools in the State, unless such requirements are specifically waived for the purpose of this program;

(J) meets all applicable Federal, State, and local health and safety requirements;

(K) operates in accordance with State law; and

(L) has a written performance contract with the authorized public chartering agency in the State that includes a description of how student performance will be measured in charter schools pursuant to State assessments that are required of other schools and pursuant to any other assess-

ments mutually agreeable to the authorized public chartering agency and the charter school.

(2) The term "developer" means an individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out.

(3) The term "eligible applicant" means an authorized public chartering agency participating in a partnership with a developer to establish a charter school in accordance with this part.

(4) The term "authorized public chartering agency" means a State educational agency, local educational agency, or other public entity that has the authority pursuant to State law and approved by the Secretary to authorize or approve a charter school.

SEC. [10311.] *5411.* [20 U.S.C. 8067] AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this part, there are authorized to be appropriated [$100,000,000 for fiscal year 1999] *$175,000,000 for fiscal year 2001* and such sums as may be necessary for each of the four succeeding fiscal years.

PART [B] *E*—WOMEN'S EDUCATIONAL EQUITY

[SEC. 5201. [20 U.S.C. 7231] SHORT TITLE; FINDINGS.

[(a) SHORT TITLE.—This part may be cited as the "Women's Educational Equity Act of 1994".

[(b) FINDINGS.—The Congress finds that—

[(1) since the enactment of title IX of the Education Amendments of 1972, women and girls have made strides in educational achievement and in their ability to avail themselves of educational opportunities;

[(2) because of funding provided under the Women's Educational Equity Act, more curricula, training, and other educational materials concerning educational equity for women and girls are available for national dissemination;

[(3) teaching and learning practices in the United States are frequently inequitable as such practices relate to women and girls, for example—

[(A) sexual harassment, particularly that experienced by girls, undermines the ability of schools to provide a safe and equitable learning or workplace environment;

[(B) classroom textbooks and other educational materials do not sufficiently reflect the experiences, achievements, or concerns of women and, in most cases, are not written by women or persons of color;

[(C) girls do not take as many mathematics and science courses as boys, girls lose confidence in their mathematics and science ability as girls move through adolescence, and there are few women role models in the sciences; and

[(D) pregnant and parenting teenagers are at high risk for dropping out of school and existing dropout prevention programs do not adequately address the needs of such teenagers;

[(4) efforts to improve the quality of public education also must include efforts to ensure equal access to quality education programs for all women and girls;

[(5) Federal support should address not only research and development of innovative model curricula and teaching and learning strategies to promote gender equity, but should also assist schools and local communities implement gender equitable practices;

[(6) Federal assistance for gender equity must be tied to systemic reform, involve collaborative efforts to implement effective gender practices at the local level, and encourage parental participation; and

[(7) excellence in education, high educational achievements and standards, and the full participation of women and girls in American society, cannot be achieved without educational equity for women and girls.]

SEC. [5201.] 5501. SHORT TITLE.

This part may be cited as the "Women's Educational Equity Act of 1999".

SEC. [5202.] *5502.* [20 U.S.C. 7232] STATEMENT OF PURPOSES.

It is the purpose of this part—

(1) to promote gender equity in education in the United States;

(2) to provide financial assistance to enable educational agencies and institutions to meet the requirements of title IX of the Educational Amendments of 1972; and

(3) to promote equity in education for women and girls who suffer from multiple forms of discrimination based on [sex] *sex and* race, ethnic origin, limited-English proficiency, [disability,] *socioeconomic status,* or age.

SEC. [5203.] *5503.* [20 U.S.C. 7233] PROGRAMS AUTHORIZED.

(a) IN GENERAL.—* * *

* * * * * * *

(b) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with, public agencies, private nonprofit agencies, organizations, institutions, student groups, community groups, and individuals, for a period not to exceed four [years, to] *years*—

(A) [provide grants] to develop model equity programs; and

(B) [provide funds] for the implementation of equity programs in schools throughout the Nation.

(2) SUPPORT AND TECHNICAL ASSISTANCE.—To achieve the purposes of this part, the Secretary is authorized to provide support and technical assistance—

(A) to implement effective gender-equity policies and programs at all educational levels, including—

(i) * * *

* * * * * * *

(v) enhancing educational and career opportunities for those women and girls who suffer multiple forms

of discrimination, based on sex [and on race] *and race*, ethnic origin, limited English proficiency, disability, socioeconomic status, or age;

* * * * * * *

(xii) planning, development and initial implementation of—

(I) comprehensive [institution] *institutional* or districtwide evaluation to assess the presence or absence of gender equity in educational settings;

(II) comprehensive plans for implementation [of equity] *of gender equity* programs in State and local educational agencies and institutions of higher [education;] *education,* including community colleges; and

(III) innovative approaches to school-community partnerships for educational equity[.] *for women and girls; and*

(B) * * *

* * * * * * *

(i) * * *

* * * * * * *

(viii) the development and improvement of programs and activities to increase opportunity for women, including continuing educational activities, vocational education, and programs for low-income women, including underemployment [and unemployed] *women, unemployed* women, and women receiving assistance under the State program funded under part A of title IV of the Social Security Act; and

* * * * * * *

SEC. [5204.] *5504.* [20 U.S.C. 7234] APPLICATIONS.

[An application under this part shall—] *Each entity desiring assistance under this part shall submit to the Secretary an application at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall—*

(1) * * *

* * * * * * *

(2) where appropriate, demonstrate how funds received under this part will be used to promote the attainment of one or more of [the National Education Goals]; *America's Education Goals*;

* * * * * * *

[(4) where appropriate, describe how funds under this part will be used in a manner that is consistent with programs under the School-to-Work Opportunities Act of 1994;]

[(5)] *(4)* for applications for assistance under section [5203(b)(1)] *5503(b)(1)*, demonstrate how the applicant will foster partnerships and, where applicable, share resources with State educational agencies, local education agencies, institutions of higher education, community-based organizations (in-

cluding organizations serving women), parent, teacher, and student groups, businesses or other recipients of Federal educational funding which may include State literacy resource centers;

[(6)] *(5)* for applications for assistance under section [5203(b)(1)] *5503(b)(1)*, demonstrate how parental involvement in the project will be encouraged; and

[(7)] *(6)* for applications for assistance under section [5203(b)(1)] *5503(b)(1)*, describe plans for continuation of the activities assisted under this part with local support following completion of the grant period and termination of Federal support under this part.

SEC. [5205.]*5505* [20 U.S.C. 7235] CRITERIA AND PRIORITIES.

(a) [CRITERIA AND PRIORITIES.—

[(1) IN GENERAL.—The] *CRITERIA AND PRIORITIES.—The* Secretary shall establish separate criteria and priorities for awards under paragraphs (1) and (2) of section [5203(b)] *5503(b)* to ensure that funds under this part are used for programs that most effectively will achieve the purposes of this part.

[(2)] *(b)* CRITERIA.—The criteria described in subsection (a) may include the extent to which the activities assisted under this part—

[(A)] *(1)* address the needs of women and girls of color and women and girls with disabilities;

[(B)] *(2)* meet locally defined and documented educational equity needs and priorities, including compliance with title IX of the Education Amendments of 1972;

[(C)] *(3)* are a significant component of a comprehensive plan for educational equity and compliance with title IX of the Education Amendments of 1972 in the particular school district, institution of higher education, vocational-technical institution, or other educational agency of institution; and

[(D)] *(4)* implement an institutional change strategy with long-term impact that will continue as a central activity of the applicant after the grant under this part has terminated.

[(b)] *(c)* PRIORITIES.—In approving applications under this part, the Secretary may give [special consideration] *priority* to applications—

(1) submitted by applicants that have not received assistance under this part or under part C of title IX of this Act (as such part was in effect on October 1, 1998);

(2) for projects that will contribute significantly to directly improving teaching and learning practices in the local community; and

(3) for projects that will—

(A) provide for a comprehensive approach to enhancing gender equity in educational institutions and agencies;

(B) draw on a variety of resources, including the resources of local educational agencies, community-based organizations, institutions of higher education, and private organizations;

(C) implement a strategy with long-term impact that will continue as a central activity of the applicant after the grant under this part has terminated;

(D) address issues of national significance that can be duplicated; and

[(E) address the educational needs of women and girls who suffer multiple or compound discrimination based on sex and on race, ethnic origin, disability, or age.]

(E) address the educational needs of women and girls who suffer multiple forms of discrimination on the basis of sex and on race, ethnic origin, limited English proficiency, disability, socioeconomic status, or age.

[(c)] *(d)* SPECIAL RULE.—To the extent feasible, the Secretary shall ensure that grants awarded under this part for each fiscal year address—

(1) all levels of education, including preschool, elementary and secondary education, higher education, vocational education, and adult education;

(2) all regions of the United States; and

(3) urban, rural, and suburban educational institutions.

[(d)] *(e)* COORDINATION.—Research activities supported under this part—

(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported [by the Office] *by such office*; and

(2) may include collaborative research activities which are jointly funded and carried out with the Office of Educational Research and Improvement.

[(e)] *(f)* LIMITATION.—Nothing in this part shall be construed as prohibiting men and boys from participating in any programs or activities assisted with funds under this part.

SEC. [5206] *5506.* [20 U.S.C. 7236] REPORT.

The Secretary, not later than January 1, [1999] *2004*, shall submit to the President and the Congress a report on the status of educational equity for girls and women in the Nation.

SEC. [5207.] *5507.* [20 U.S.C. 7237] ADMINISTRATION.

[(A) EVALUATION AND DISSEMINATION.—The Secretary shall evaluate in accordance with section 14701, and disseminate, materials and programs developed under this part and shall report to the Congress regarding such evaluation materials and programs not later than January 1, 1998.]

(a) EVALUATION AND DISSEMINATION.—The Secretary shall—

(1) evaluate in accordance with section 10201, materials and programs developed under this part;

(2) disseminate materials and programs developed under this part; and

(3) report to the Congress regarding such evaluation materials and programs not later than January 1, 2004.

SEC. [5208.] *5508.* [20 U.S.C. 7238] AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out his part, there are authorized to be appropriated $5,000,000 for fiscal year [1995] *2001* and such sums as may be necessary for each of the four succeeding fiscal years[, of which not less than two-thirds of the amount appropriated under this section for each fiscal year shall be available to carry out the activities described in section 5203(b)(1)].

PART F—CIVIC EDUCATION

SEC. 5601. SHORT TITLE.

This part may be cited as the "Education for Democracy Act".

SEC. 5602. THE STUDY OF THE DECLARATION OF INDEPENDENCE, UNITED STATES CONSTITUTION, AND THE FEDERALIST PAPERS.

It is the sense of Congress that—

(1) State and local governments and local educational agencies are encouraged to dedicate at least 1 day of learning to the study and understanding of the significance of the Declaration of Independence, the United States Constitution, and the Federalist Papers; and

(2) State and local governments and local educational agencies are encouraged to include a requirement that, before receiving a certificate or diploma of graduation from secondary school, students be tested on their competency in understanding the Declaration of Independence, the United States Constitution, and the Federalist Papers.

SEC. 5603. PURPOSE.

It is the purpose of this part—

(1) to improve the quality of civics and government education, and to enhance the attainment of the third and sixth America's Education Goals, by educating students about the history and principles of the Constitution of the United States, including the Bill of Rights;

(2) to foster civic competence and responsibility; and

(3) to improve the quality of civic education and economic education through cooperative civic education and economic education exchange programs with other democratic nations.

SEC. 5604. GENERAL AUTHORITY.

The Secretary is authorized to award grants to or enter into contracts with the Center for Civic Education, the National Council on Economic Education, or other nonprofit educational organizations to carry out this part.

SEC. 5605. WE THE PEOPLE PROGRAM.

(a) THE CITIZEN AND THE CONSTITUTION.—

(1) EDUCATION ACTIVITIES.—The Secretary shall award a grant or enter into a contract for the Citizen and the Constitution program that—

(A) shall continue and expand the educational activities of the "We the People . . . The Citizen and the Constitution" program administered by the Center for Civic Education; and

(B) shall enhance student attainment of challenging content standards in civics and government.

(2) PROGRAM CONTENT.—The education program authorized by this section shall provide—

(A) a course of instruction on the basic principles of our Nation's constitutional democracy and the history of the Constitution of the United States and the Bill of Rights;

(B) at the request of a participating school, school and community simulated congressional hearings following the course of study;

(C) an annual national competition of simulated congressional hearings for secondary school students who wish to participate in such a program;

(D) advanced training of teachers about the Constitution of the United States and the political system the United States created;

(E) materials and methods of instruction, including teacher training, that utilize the latest advancements in educational technology; and

(F) civic education materials and services such as service learning to address specific problems such as the prevention of school violence and the abuse of drugs and alcohol.

(3) AVAILABILITY OF PROGRAM.—The education program authorized under this subsection shall be made available to public and private elementary schools and secondary schools, including Bureau funded schools, in the 435 congressional districts, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(b) PROJECT CITIZEN.—

(1) EDUCATIONAL ACTIVITIES.—The Secretary shall award a grant or enter into a contract for the Project Citizen program that—

(A) shall continue and expand the educational activities of the "We the People . . . Project Citizen" program administered by the Center for Civic Education; and

(B) shall enhance student attainment of challenging content standards in civics and government.

(2) PROGRAM CONTENT.—The education program authorized by this subsection shall provide—

(A) a course of instruction at the middle school level on the roles of State and local governments in the Federal system established by the Constitution of the United States;

(B) optional school and community simulated State legislative hearings;

(C) an annual national showcase or competition;

(D) advanced training of teachers on the roles of State and local governments in the Federal system established by the Constitution;

(E) materials and methods of instruction, including teacher training, that utilize the latest advancements in educational technology; and

(F) civic education materials and services to address specific problems such as the prevention of school violence and the abuse of drugs and alcohol.

(3) AVAILABILITY OF PROGRAM.—The education program authorized under this subsection shall be made available to public and private middle schools, including Bureau funded schools, in the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(c) DEFINITION OF BUREAU FUNDED SCHOOL.—In this section the term "Bureau funded school" has the meaning given the term in section 1146 of the Education Amendments of 1978.

SEC. 5606. CIVIC EDUCATION AND ECONOMIC EDUCATION EXCHANGE PROGRAMS.

(a) COOPERATIVE EDUCATION EXCHANGE PROGRAMS.—The Secretary, in consultation with the Secretary of State, shall carry out Cooperative Education Exchange programs in accordance with this section.

(b) PURPOSE.—The purpose of the programs provided under this section shall be to—

(1) make available to educators from eligible countries exemplary curriculum and teacher training programs in civics and government education, and economics education, developed in the United States;

(2) assist eligible countries in the adaptation, implementation, and institutionalization of such programs;

(3) create and implement civics and government education, and economic education, programs for United States students that draw upon the experiences of the participating eligible countries;

(4) provide a means for the exchange of ideas and experiences in civics and government education and economic education, among political, educational, governmental, and private sector leaders of participating eligible countries; and

(5) provide support for—

(A) research and evaluation to determine the effects of educational programs on students' development of the knowledge, skills, and traits of character essential for the preservation and improvement of constitutional democracy; and

(B) effective participation in and the preservation and improvement of an efficient market economy.

(c) AVOIDANCE OF DUPLICATION.—The Secretary shall consult with the Secretary of State to ensure that activities under this section are not duplicative of other efforts in the eligible countries and that partner institutions in the eligible countries are creditable.

(d) ACTIVITIES.—The Cooperative Education Exchange programs shall—

(1) provide eligible countries with—

(A) seminars on the basic principles of United States constitutional democracy and economics, including seminars on the major governmental and economic institutions and

systems in the United States, and visits to such institutions;

(B) visits to school systems, institutions of higher education, and nonprofit organizations conducting exemplary programs in civics and government education, and economic education, in the United States;

(C) translations and adaptations regarding United States civic and government education, and economic education, curricular programs for students and teachers, and in the case of training programs for teachers translations and adaptations into forms useful in schools in eligible countries, and joint research projects in such areas;

(D) research and evaluation assistance to determine—

(i) the effects of the Cooperative Education Exchange programs on students' development of the knowledge, skills, and traits of character essential for the preservation and improvement of constitutional democracy; and

(ii) effective participation in and the preservation and improvement of an efficient market economy; and

(2) provide United States participants with—

(A) seminars on the histories, economies, and systems of government of eligible countries;

(B) visits to school systems, institutions of higher education, and organizations conducting exemplary programs in civics and government education, and economic education, located in eligible countries;

(C) assistance from educators and scholars in eligible countries in the development of curricular materials on the history, government, and economy of such countries that are useful in United States classrooms;

(D) opportunities to provide onsite demonstrations of United States curricula and pedagogy for educational leaders in eligible countries; and

(E) research and evaluation assistance to determine—

(i) the effects of the Cooperative Education Exchange programs on students' development of the knowledge, skills, and traits of character essential for the preservation and improvement of constitutional democracy; and

(ii) effective participation in and improvement of an efficient market economy; and

(3) assist participants from eligible countries and the United States to participate in international conferences on civics and government education, and economic education, for educational leaders, teacher trainers, scholars in related disciplines, and educational policymakers.

(e) PARTICIPANTS.—The primary participants in the Cooperative Education Exchange programs assisted under this section shall be educational leaders in the areas of civics and government education, and economic education, including curriculum and teacher training specialists, scholars in relevant disciplines, and educational policymakers, and government and private sector leaders from the United States and eligible countries.

(f) DEFINITION.—For the purpose of this section, the term "eligible country" means a country with a democratic form of government that—

(1) is a Central European country, an Eastern European country, Lithuania, Latvia, Estonia, Georgia, or one of the independent states of the former Soviet Union as defined in section 3 of the FREEDOM Support Act (22 U.S.C. 5801); and

(2) may include the Republic of Ireland, the province of Northern Ireland in the United Kingdom, and any developing country as defined in section 209(d) of the Education for the Deaf Act.

SEC. 5607. AUTHORIZATION OF APPROPRIATIONS.

(a) SECTION 5605.—There are authorized to be appropriated to carry out section 5605, $10,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(b) SECTION 5606.—There are authorized to be appropriated to carry out section 5606, $10,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

PART G—FUND FOR THE IMPROVEMENT OF EDUCATION

SEC. 5701. FUND FOR THE IMPROVEMENT OF EDUCATION.

(a) FUND AUTHORIZED.—From funds appropriated under subsection (d), the Secretary is authorized to support nationally significant programs and projects to improve the quality of elementary and secondary education. The Secretary is authorized to carry out such programs and projects directly or through grants to, or contracts with, State and local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions.

(b) USES OF FUNDS.—Funds under this section may be used for—

(1) programs under section 5702;

(2) programs under section 5703;

(3) programs under section 5704;

(4) programs under section 5705;

(5) programs under section 5706;

(6) the identification and recognition of exemplary schools and programs, such as Blue Ribbon Schools; and

(7) the development and evaluation of model strategies for professional development for teachers and administrators.

(c) AWARDS.—

(1) IN GENERAL.—The Secretary may make awards under this section on the basis of competitions announced by the Secretary.

(2) SPECIAL RULE.—The Secretary shall ensure that programs, projects, and activities supported under this section are designed so that the effectiveness of such programs, projects, and activities is readily ascertainable.

(3) PEER REVIEW.—The Secretary shall use a peer review process in reviewing applications for assistance under this section and may use funds appropriated under subsection (d) for the cost of such peer review.

(d) AUTHORIZATION.—For the purpose of carrying out this section, there are authorized to be appropriated $100,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

SEC. 5702. PARTNERSHIPS IN CHARACTER EDUCATION PROGRAM.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants to eligible entities for the design and implementation of character education programs that incorporate the elements of character described in subsection (d), as well as other character elements identified by the eligible entities.

(2) ELIGIBLE ENTITY.—The term "eligible entity" means—

(A) a State educational agency in partnership with 1 or more local educational agencies;

(B) a State educational agency in partnership with—

(i) 1 or more local educational agencies; and

(ii) 1 or more nonprofit organizations or entities, including institutions of higher education;

(C) a local educational agency or consortium of local educational agencies; or

(D) a local educational agency in partnership with another nonprofit organization or entity, including institutions of higher education.

(3) DURATION.—Each grant under this section shall be awarded for a period not to exceed 3 years, of which the eligible entity shall not use more than 1 year for planning and program design.

(b) APPLICATIONS.—

(1) REQUIREMENT.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

(2) CONTENTS OF APPLICATION.—Each application submitted under this section shall include—

(A) a description of any partnerships or collaborative efforts among the organizations and entities of the eligible entity;

(B) a description of the goals and objectives of the program proposed by the eligible entity;

(C) a description of activities that will be pursued and how those activities will contribute to meeting the goals and objectives described in subparagraph (B), including—

(i) how parents, students, and other members of the community, including members of private and nonprofit organizations, will be involved in the design and implementation of the program and how the eligible entity will work with the larger community to increase the reach and promise of the program;

(ii) curriculum and instructional practices that will be used or developed;

(iii) methods of teacher training and parent education that will be used or developed; and

(iv) how the program will be linked to other efforts in the schools to improve student performance;

(D) in the case of an eligible entity that is a State educational agency—

(i) a description of how the State educational agency will provide technical and professional assistance to its local educational agency partners in the development and implementation of character education programs; and

(ii) a description of how the State educational agency will assist other interested local educational agencies that are not members of the original partnership in designing and establishing character education programs;

(E) a description of how the eligible entity will evaluate the success of its program—

(i) based on the goals and objectives described in subparagraph (B); and

(ii) in cooperation with the national evaluation conducted pursuant to subsection (c)(2)(B)(iii);

(F) an assurance that the eligible entity annually will provide to the Secretary such information as may be required to determine the effectiveness of the program; and

(G) any other information that the Secretary may require.

(c) EVALUATION AND PROGRAM DEVELOPMENT.—

(1) EVALUATION AND REPORTING.—

(A) STATE AND LOCAL REPORTING AND EVALUATION.—Each eligible entity receiving a grant under this section shall submit to the Secretary a comprehensive evaluation of the program assisted under this section, including the impact on students, teachers, administrators, parents, and others—

(i) by the second year of the program; and

(ii) not later than 1 year after completion of the grant period.

(B) CONTRACTS FOR EVALUATION.—Each eligible entity receiving a grant under this section may contract with outside sources, including institutions of higher education, and private and nonprofit organizations, for purposes of evaluating its program and measuring the success of the program toward fostering in students the elements of character described in subsection (d).

(2) NATIONAL RESEARCH, DISSEMINATION, AND EVALUATION.—

(A) IN GENERAL.—The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, State or local educational agencies, institutions of higher education, tribal organizations, or other public or private agencies or organizations to carry out research, development, dissemination, technical assistance, and evaluation activities that support or inform State and local character education programs. The Secretary shall reserve not more than 5 percent of the funds made available under this section to carry out this paragraph.

(B) USES.—Funds made available under subparagraph (A) may be used—

(i) to conduct research and development activities that focus on matters such as—

(I) the effectiveness of instructional models for all students;

(II) materials and curricula that can be used by programs in character education;

(III) models of professional development in character education; and

(IV) the development of measures of effectiveness for character education programs which may include the factors described in paragraph (3);

(ii) to provide technical assistance to State and local programs, particularly on matters of program evaluation;

(iii) to conduct a national evaluation of State and local programs receiving funding under this section; and

(iv) to compile and disseminate, through various approaches (such as a national clearinghouse)—

(I) information on model character education programs;

(II) character education materials and curricula;

(III) research findings in the area of character education and character development; and

(IV) any other information that will be useful to character education program participants, educators, parents, administrators, and others nationwide.

(C) PRIORITY.—In carrying out national activities under this paragraph related to development, dissemination, and technical assistance, the Secretary shall seek to enter into partnerships with national, nonprofit character education organizations with expertise and successful experience in implementing local character education programs that have had an effective impact on schools, students, including students with disabilities, and teachers.

(3) FACTORS.—Factors which may be considered in evaluating the success of programs funded under this section may include—

(A) discipline issues;

(B) student performance;

(C) participation in extracurricular activities;

(D) parental and community involvement;

(E) faculty and administration involvement;

(F) student and staff morale; and

(G) overall improvements in school climate for all students.

(d) ELEMENTS OF CHARACTER.—

(1) IN GENERAL.—Each eligible entity desiring funding under this section shall develop character education programs that incorporate the following elements of character:

(A) Caring.

(B) Civic virtue and citizenship.

(C) Justice and fairness.

(D) Respect.

(E) Responsibility.

(F) Trustworthiness.

(G) Any other elements deemed appropriate by the members of the eligible entity.

(2) ADDITIONAL ELEMENTS OF CHARACTER.—An eligible entity participating under this section may, after consultation with schools and communities served by the eligible entity, define additional elements of character that the eligible entity determines to be important to the schools and communities served by the eligible entity.

(e) USE OF FUNDS BY STATE EDUCATIONAL AGENCY RECIPIENTS.—Of the total funds received in any fiscal year under this section by an eligible entity that is a State educational agency—

(1) not more than 10 percent of such funds may be used for administrative purposes; and

(2) the remainder of such funds may be used for—

(A) collaborative initiatives with and between local educational agencies and schools;

(B) the preparation or purchase of materials, and teacher training;

(C) grants to local educational agencies or schools; and

(D) technical assistance and evaluation.

(f) SELECTION OF GRANTEES.—

(1) CRITERIA.—The Secretary shall select, through peer review, eligible entities to receive grants under this section on the basis of the quality of the applications submitted under subsection (b), taking into consideration such factors as—

(A) the quality of the activities proposed to be conducted;

(B) the extent to which the program fosters in students the elements of character described in subsection (d) and the potential for improved student performance;

(C) the extent and ongoing nature of parental, student, and community involvement;

(D) the quality of the plan for measuring and assessing success; and

(E) the likelihood that the goals of the program will be realistically achieved.

(2) DIVERSITY OF PROJECTS.—The Secretary shall approve applications under this section in a manner that ensures, to the extent practicable, that programs assisted under this section—

(A) serve different areas of the Nation, including urban, suburban, and rural areas; and

(B) serve schools that serve minorities, Native Americans, students of limited-English proficiency, disadvantaged students, and students with disabilities.

(g) PARTICIPATION BY PRIVATE SCHOOL CHILDREN AND TEACHERS.—Grantees under this section shall provide, to the extent feasible and appropriate, for the participation of students and teachers in private elementary and secondary schools in programs and activities under this section.

SEC. 5703. PROMOTING SCHOLAR-ATHLETE COMPETITIONS.

(a) IN GENERAL.—The Secretary is authorized to award a grant to a nonprofit organization to reimburse such organization for the costs of conducting scholar-athlete games.

(b) PRIORITY.—In awarding the grant under subsection (a), the Secretary shall give priority to a nonprofit organization that—

(1) is described in section 501(c)(3) of, and exempt from taxation under section 501(a) of, the Internal Revenue Code of 1986, and is affiliated with a university capable of hosting a large educational, cultural, and athletic event that will serve as a national model;

(2) has the capability and experience in administering federally funded scholar-athlete games;

(3) has the ability to provide matching funds, on a dollar-for-dollar basis, from foundations and the private sector for the purpose of conducting a scholar-athlete program;

(4) has the organizational structure and capability to administer a model scholar-athlete program; and

(5) has the organizational structure and expertise to replicate the scholar-athlete program in various venues throughout the United States internationally.

SEC. 5704. ELEMENTARY SCHOOL COUNSELING DEMONSTRATION.

(a) COUNSELING DEMONSTRATION.—

(1) IN GENERAL.—The Secretary may award grants under this section to establish or expand elementary school counseling programs.

(2) PRIORITY.—In awarding grants under this section, the Secretary shall give special consideration to applications describing programs that—

(A) demonstrate the greatest need for new or additional counseling services among the children in the elementary schools served by the applicant;

(B) propose the most promising and innovative approaches for initiating or expanding elementary school counseling; and

(C) show the greatest potential for replication and dissemination.

(3) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall ensure an equitable geographic distribution among the regions of the United States and among urban, suburban, and rural areas.

(4) DURATION.—A grant under this section shall be awarded for a period not to exceed 3 years.

(5) MAXIMUM GRANT.—A grant under this section shall not exceed $400,000 for any fiscal year.

(b) APPLICATIONS.—

(1) IN GENERAL.—Each local educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(2) CONTENTS.—Each application for a grant under this section shall—

(A) describe the elementary school population to be targeted by the program, the particular personal, social, emo-

tional, educational, and career development needs of such population, and the current school counseling resources available for meeting such needs;

(B) describe the activities, services, and training to be provided by the program and the specific approaches to be used to meet the needs described in subparagraph (A);

(C) describe the methods to be used to evaluate the outcomes and effectiveness of the program;

(D) describe the collaborative efforts to be undertaken with institutions of higher education, businesses, labor organizations, community groups, social service agencies, and other public or private entities to enhance the program and promote school-linked services integration;

(E) describe collaborative efforts with institutions of higher education which specifically seek to enhance or improve graduate programs specializing in the preparation of elementary school counselors, school psychologists, and school social workers;

(F) document that the applicant has the personnel qualified to develop, implement, and administer the program;

(G) describe how any diverse cultural populations, if applicable, would be served through the program;

(H) assure that the funds made available under this section for any fiscal year will be used to supplement and, to the extent practicable, increase the level of funds that would otherwise be available from non-Federal sources for the program described in the application, and in no case supplant such funds from non-Federal sources; and

(I) assure that the applicant will appoint an advisory board composed of parents, school counselors, school psychologists, school social workers, other pupil services personnel, teachers, school administrators, and community leaders to advise the local educational agency on the design and implementation of the program.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Grant funds under this section shall be used to initiate or expand elementary school counseling programs that comply with the requirements in paragraph (2).

(2) PROGRAM REQUIREMENTS.—Each program assisted under this section shall—

(A) be comprehensive in addressing the personal, social, emotional, and educational needs of all students;

(B) use a developmental, preventive approach to counseling;

(C) increase the range, availability, quantity, and quality of counseling services in the elementary schools of the local educational agency;

(D) expand counseling services only through qualified school counselors, school psychologists, and school social workers;

(E) use innovative approaches to increase children's understanding of peer and family relationships, work and self, decisionmaking, academic and career planning, or to improve social functioning;

(F) provide counseling services that are well-balanced among classroom group and small group counseling, individual counseling, and consultation with parents, teachers, administrators, and other pupil services personnel;

(G) include inservice training for school counselors, school social workers, school psychologists, other pupil services personnel, teachers, and instructional staff;

(H) involve parents of participating students in the design, implementation, and evaluation of a counseling program;

(I) involve collaborative efforts with institutions of higher education, businesses, labor organizations, community groups, social service agencies, or other public or private entities to enhance the program and promote school-linked services integration; and

(J) evaluate annually the effectiveness and outcomes of the counseling services and activities assisted under this section.

(3) REPORT.—The Secretary shall issue a report evaluating the programs assisted pursuant to each grant under this subsection at the end of each grant period in accordance with section 10201.

(4) DISSEMINATION.—The Secretary shall make the programs assisted under this section available for dissemination, either through the National Diffusion Network or other appropriate means.

(5) LIMIT ON ADMINISTRATION.—Not more than five percent of the amounts made available under this section in any fiscal year shall be used for administrative costs to carry out this section.

(d) DEFINITIONS.—For purposes of this section:

(1) SCHOOL COUNSELOR.—The term "school counselor" means an individual who has documented competence in counseling children and adolescents in a school setting and who—

(A) possesses State licensure or certification granted by an independent professional regulatory authority;

(B) in the absence of such State licensure or certification, possesses national certification in school counseling or a specialty of counseling granted by an independent professional organization; or

(C) holds a minimum of a master's degree in school counseling from a program accredited by the Council for Accreditation of Counseling and Related Educational Programs or the equivalent.

(2) SCHOOL PSYCHOLOGIST.—The term "school psychologist" means an individual who—

(A) possesses a minimum of 60 graduate semester hours in school psychology from an institution of higher education and has completed 1,200 clock hours in a supervised school psychology internship, of which 600 hours shall be in the school setting;

(B) possesses State licensure or certification in school psychology in the State in which the individual works; or

(C) in the absence of such State licensure or certification, possesses national certification by the National School Psychology Certification Board.

(3) SCHOOL SOCIAL WORKER.—The term "school social worker" means an individual who—

(A)(i) holds a master's degree in social work from a program accredited by the Council on Social Work Education; and

(ii) is licensed or certified by the State in which services are provided; or

(B) in the absence of such State licensure or certification, possesses national certification as a school social work specialist granted by an independent professional organization.

(4) SUPERVISOR.—The term "supervisor" means an individual who has the equivalent number of years of professional experience in such individual's respective discipline as is required of teaching experience for the supervisor or administrative credential in the State of such individual.

SEC. 5705. SMALLER LEARNING COMMUNITIES.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary may award grants to eligible entities to support the development of smaller learning communities.

(2) ELIGIBLE ENTITIES.—In this section, the term "eligible entity" means—

(A) a local educational agency;

(B) an elementary or secondary school;

(C) a Bureau funded school; or

(D) any of the entities described in subparagraph (A), (B), or (C) in partnership with other public agencies or private nonprofit organizations.

(b) APPLICATIONS.—An eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each such application shall describe—

(1) strategies and methods the applicant will use to create the smaller learning community;

(2) curriculum and instructional practices, including any particular themes or emphases, to be used in the learning environment;

(3) the extent of involvement of teachers and other school personnel in investigating, designing, implementing and sustaining the smaller learning community;

(4) the process to be used for involving students, parents and other stakeholders in the development and implementation of the smaller learning community;

(5) any cooperation or collaboration among community agencies, organizations, businesses, and others to develop or implement a plan to create the smaller learning community;

(6) the training and professional development activities that will be offered to teachers and others involved in the activities assisted under this section;

(7) the goals and objectives of the activities assisted under this section, including a description of how such activities will better enable all students to reach challenging State content standards and State student performance standards;

(8) the methods by which the applicant will assess progress in meeting such goals and objectives;

(9) if the smaller learning community exists as a school-within-a-school, the relationship, including governance and administration, of the smaller learning community to the rest of the school;

(10) a description of the administrative and managerial relationship between the applicant and the smaller learning community, including how such applicant will demonstrate a commitment to the continuity of the smaller learning community, including the continuity of student and teacher assignment to a particular learning community;

(11) how the applicant will coordinate or use funds provided under this section with other funds provided under this Act or other Federal laws;

(12) grade levels or ages of students who will participate in the smaller learning community; and

(13) the method of placing students in the smaller learning community, such that students are not placed according to ability, performance or any other measure, so that students are placed at random or by their own choice, not pursuant to testing or other judgments.

(c) AUTHORIZED ACTIVITIES.—Funds under this section may be used—

(1) to study the feasibility of creating the smaller learning community as well as effective and innovative organizational and instructional strategies that will be used in the smaller learning community;

(2) to research, develop and implement strategies for creating the smaller learning community, as well as effective and innovative changes in curriculum and instruction, geared to high State content standards and State student performance standards;

(3) to provide professional development for school staff in innovative teaching methods that challenge and engage students and will be used in the smaller learning community; and

(4) to develop and implement strategies to include parents, business representatives, local institutions of higher education, community-based organizations, and other community members in the smaller learning communities, as facilitators of activities that enable teachers to participate in professional development activities, as well as to provide links between students and their community.

(d) EVALUATION AND REPORT.—A recipient of a grant under this section shall provide the Secretary with an annual report that contains a description of—

(1) the specific uses of grants funds received under this section; and

(2) evidence of the impact of the grant on student performance and school safety.

SEC. 5706. NATIONAL STUDENT AND PARENT MOCK ELECTION.

(a) IN GENERAL.—The Secretary is authorized to award grants to national nonprofit, nonpartisan organizations that work to promote voter participation in American elections to enable such organizations to carry out voter education activities for students and their parents. Such activities shall—

(1) be limited to simulated national elections that permit participation by students and parents from all 50 States in the United States and territories, including Department of Defense Dependent schools and other international locales where United States citizens are based; and

(2) consist of—

(A) school forums and local cable call-in shows on the national issues to be voted upon in an "issue forum";

(B) speeches and debates before students and parents by local candidates or stand-ins for such candidates;

(C) quiz team competitions, mock press conferences and speechwriting competitions;

(D) weekly meetings to follow the course of the campaign; or

(E) school and neighborhood campaigns to increase voter turnout, including newsletters, posters, telephone chains, and transportation.

(b) REQUIREMENTS.—Each organization receiving a grant under this section shall—

(1) present awards to outstanding student and parent mock election projects; and

(2) record all votes at least 5 days prior to the date of the general election.

PART H—ALLEN J. ELLENDER FELLOWSHIP PROGRAM

SEC. 5801. PURPOSE.

It is the purpose of this part to provide fellowships to students of limited economic means, recent immigrants, students of migrant parents, the teachers who work with such students, and older Americans, so that such students, teachers, and older Americans may participate in the programs supported by the Close Up Foundation in the name of Allen J. Ellender, a Senator from Louisiana and the President pro tempore of the Senate, whose distinguished career in public service was characterized by extraordinary energy and real concern for young people.

Subpart 1—Program for Middle and Secondary School Students

SEC. 5811. ESTABLISHMENT.

(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants in accordance with the provisions of this subpart to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of increasing under-

standing of the Federal Government among middle and secondary school students.

(b) USE OF FUNDS.—Grants under this subpart shall be used only to provide financial assistance to economically disadvantaged students who participate in the programs described in subsection (a). Financial assistance received pursuant to this subpart by such students shall be known as Allen J. Ellender fellowships.

SEC. 5812. APPLICATIONS.

(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(b) CONTENTS OF APPLICATION.—Each such application shall contain provisions to assure—

(1) that fellowship grants are made to economically disadvantaged middle and secondary school students;

(2) that every effort will be made to ensure the participation of students from rural and small town areas, as well as from urban areas, and that in awarding fellowships to economically disadvantaged students, special consideration will be given to the participation of students with special educational needs, including students with disabilities, ethnic minority students, and gifted and talented students; and

(3) the proper disbursement of the funds received under this subpart.

Subpart 2—Program for Middle and Secondary School Teachers

SEC. 5821. ESTABLISHMENT.

(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants in accordance with the provisions of this subpart to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of teaching skills enhancement for middle and secondary school teachers.

(b) USE OF FUNDS.—Grants under this subpart shall be used only for financial assistance to teachers who participate in the programs described in subsection (a). Financial assistance received pursuant to this subpart by such individuals shall be known as Allen J. Ellender fellowships.

SEC. 5822. APPLICATIONS.

(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(b) CONTENTS OF APPLICATION.—Each such application shall contain provisions to assure—

(1) that fellowship grants are made only to teachers who have worked with at least one student from such teacher's school who participates in the programs described in section 5811(a);

(2) that not more than one teacher in each school participating in the programs described in section 5811(a) may receive a fellowship in any fiscal year; and

(3) the proper disbursement of the funds received under this subpart.

Subpart 3—Programs for Recent Immigrants, Students of Migrant Parents and Older Americans

SEC. 5831. ESTABLISHMENT.

(a) GENERAL AUTHORITY.—

(1) IN GENERAL.—The Secretary is authorized to make grants in accordance with the provisions of this subpart to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of increasing understanding of the Federal Government among economically disadvantaged older Americans, recent immigrants and students of migrant parents.

(2) DEFINITION.—For the purpose of this subpart, the term "older American" means an individual who has attained 55 years of age.

(b) USE OF FUNDS.—Grants under this subpart shall be used for financial assistance to economically disadvantaged older Americans, recent immigrants and students of migrant parents who participate in the programs described in subsection (a). Financial assistance received pursuant to this subpart by such individuals shall be known as Allen J. Ellender fellowships.

SEC. 5832. APPLICATIONS.

(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(b) CONTENTS OF APPLICATION.—Except such application shall contain provisions to assure—

(1) that fellowship grants are made to economically disadvantaged older Americans, recent immigrants and students of migrant parents;

(2) that every effort will be made to ensure the participation of older Americans, recent immigrants and students of migrant parents from rural and small town areas, as well as from urban areas, and that in awarding fellowships, special consideration will be given to the participation of older Americans, recent immigrants and students of migrant parents with special needs, including individuals with disabilities, ethnic minorities, and gifted and talented students;

(3) that activities permitted by subsection (a) are fully described; and

(4) the proper disbursement of the funds received under this subpart.

Subpart 4—General Provisions

SEC. 5841. ADMINISTRATIVE PROVISIONS.

(a) GENERAL RULE.—Payments under this part may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayment.

(b) AUDIT RULE.—The Comptroller General of the United States or any of the Comptroller General's duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to any grant under this part.

SEC. 5842. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out subparts 1, 2, and 3, $1,500,000 for fiscal year 2001 and such sums as may be necessary of each of the 4 succeeding fiscal years.

(b) SPECIAL RULE.—Of the funds appropriated pursuant to subsection (a), not more than 30 percent may be used for teachers associated with students participating in the programs described in section 5811(a).

PART I—READY-TO-LEARN TELEVISION

SEC. 5901. READY-TO-LEARN.

(a) IN GENERAL.—The Secretary is authorized to award grants to, or enter into contracts or cooperative agreements with, eligible entities described in section 5902(b) to develop, produce, and distribute educational and instructional video programming for preschool and elementary school children and their parents in order to facilitate the achievement of America's Education Goals.

(b) AVAILABILITY.—In making such grants, contracts, or cooperative agreements under subsection (a), the Secretary shall ensure that eligible entities make programming widely available, with support materials as appropriate, to young children, their parents, childcare workers, and Head Start providers to increase the effective use of such programming.

SEC. 5901. EDUCATIONAL PROGRAMMING.

(a) AWARDS.—The Secretary shall award grants, contracts, or cooperative agreements under section 5901 to eligible entities to—

(1) facilitate the development directly, or through contracts with producers of children and family educational television programming, of—

(A) educational programming for preschool and elementary school children; and

(B) accompanying support materials and services that promote the effective use of such programming;

(2) facilitate the development of programming and digital content especially designed for nationwide distribution over public television stations' digital broadcasting channels and the Internet, containing Ready to Learn-based children's programming and resources for parents and caregivers; and

(3) enable eligible entities to contract with entities (such as public telecommunications entities and those funded under the

Star Schools Act) so that programs developed under this section are disseminated and distributed—

(A) to the widest possible audience appropriate to be served by the programming; and

(B) by the most appropriate distribution technologies.

(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant, contract, or cooperative agreement under subsection (a), an entity shall be—

(1) a public telecommunications entity that is able to demonstrate a capacity for the development and national distribution of educational and instructional television programming of high quality for preschool and elementary school children; and

(2) able to demonstrate a capacity to contract with the producers of children's television programming for the purpose of developing educational television programming of high quality for preschool and elementary school children.

(c) CULTURAL EXPERIENCES.—Programming developed under this section shall reflect the recognition of diverse cultural experiences and the needs and experiences of both boys and girls in engaging and preparing young children for schooling.

SEC. 5903. DUTIES OF SECRETARY.

In carrying out this part, the Secretary may—

(1) award grants, contracts, or cooperative agreements to eligible entities described in section 5902(b), local public television stations, or such public television stations that are part of a consortium with 1 or more State educational agencies, local educational agencies, local schools, institutions of higher education, or community-based organizations of demonstrated effectiveness, for the purpose of—

(A) addressing the learning needs of young children in limited English proficient households, and developing appropriate educational and instructional television programming to foster the school readiness of such children;

(B) developing programming and support materials to increase family literacy skills among parents to assist parents in teaching their children and utilizing educational television programming to promote school readiness; and

(C) identifying, supporting, and enhancing the effective use and outreach of innovative programs that promote school readiness; and

(D) developing and disseminating training materials, including—

(i) interactive programs and programs adaptable to distance learning technologies that are designed to enhance knowledge of children's social and cognitive skill development and positive adult-child interactions; and

(ii) support materials to promote the effective use of materials developed under subparagraph (B) among parents, Head Start providers, in-home and center-based daycare providers, early childhood development personnel, elementary school teachers, public libraries, and after-school program personnel caring for preschool and elementary school children;

(2) establish within the Department a clearinghouse to compile and provide information, referrals, and model program

materials and programming obtained or developed under this part to parents, child care providers, and other appropriate individuals or entities to assist such individuals and entities in accessing programs and projects under this part; and

(3) coordinate activities assisted under this part with the Secretary of Health and Human Services in order to—

(A) maximize the utilization of quality educational programming by preschool and elementary school children, and make such programming widely available to federally funded programs serving such populations; and

(B) provide information to recipients of funds under Federal programs that have major training components for early childhood development, including programs under the Head Start Act and Even Start, and State training activities funded under the Child Care and Development Block Grant Act of 1990, regarding the availability and utilization of materials developed under paragraph (1)(D) to enhance parent and child care provider skills in early childhood development and education.

SEC. 5904. APPLICATIONS.

Each entity desiring a grant, contract, or cooperative agreement under section 5901 or 5903 shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

SEC. 5905. REPORTS AND EVALUATION.

(a) ANNUAL REPORT TO THE SECRETARY.—An eligible entity receiving funds under a grant, contract or cooperative agreement under section 5901 shall prepare and submit to the Secretary an annual report that contains such information as the Secretary may require. At a minimum, the report shall describe the program activities undertaken with funds received under such grant, contract or cooperative agreement, including—

(1) the programming that has been developed directly or indirectly by the eligible entity, and the target population of the programs developed;

(2) the support materials that have been developed to accompany the programming, and the method by which such materials are distributed to consumers and users of the programming;

(3) the means by which programming developed under this section has been distributed, including the distance learning technologies that have been utilized to make programming available and the geographic distribution achieved through such technologies; and

(4) the initiatives undertaken by the eligible entity to develop public-private partnerships to secure non-Federal support for the development, distribution and broadcast of educational and instructional programming.

(b) REPORT TO CONGRESS.—The Secretary shall prepare and submit to the relevant committees of Congress a biannual report that shall include—

(1) a summary of activities assisted under section 5902(a); and

(2) a description of the training materials made available under section 5903(1)(D), the manner in which outreach has been conducted to inform parents and childcare providers of the availability of such materials, and the manner in which such materials have been distributed in accordance with such section.

SEC. 5906. ADMINISTRATIVE COSTS.

With respect to the implementation of section 5902, eligible entities receiving a grant, contract, or cooperative agreement from the Secretary may use not more than 5 percent of the amounts received under such grant, contract, or cooperative agreement for the normal and customary expenses of administering the grant, contract, or cooperative agreement.

SEC. 5907. DEFINITION.

For the purposes of this part, the term "distance learning" means the transmission of educational or instructional programming to geographically dispersed individuals and groups via telecommunications.

SEC. 5908. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this part, $50,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years.

(b) FUNDING RULE.—Not less than 60 percent of the amounts appropriated under subsection (a) for each fiscal year shall be used to carry out section 5902.

PART J—INEXPENSIVE BOOK DISTRIBUTION PROGRAM

SEC. 5951. INEXPENSIVE BOOK DISTRIBUTION PROGRAM FOR READING MOTIVATION.

(a) AUTHORIZATION.—The Secretary is authorized to enter into a contract with Reading Is Fundamental (RIF) (hereafter in this section referred to as "the contractor") to support and promote programs, which include the distribution of inexpensive books to students, that motivate children to read.

(b) REQUIREMENTS OF CONTRACT.—Any contract entered into under subsection (a) shall—

(1) provide that the contractor will enter into subcontracts with local private nonprofit groups or organizations, or with public agencies, under which each subcontractor will agree to establish, operate, and provide the non-Federal share of the cost of reading motivation programs that include the distribution of books, by gift, to the extent feasible, or loan, to children from birth through secondary school age, including those in family literacy programs;

(2) provide that funds made available to subcontractors will be used only to pay the Federal share of the cost of such programs;

(3) provide that in selecting subcontractors for initial funding, the contractor will give priority to programs that will serve a substantial number or percentage of children with special needs, such as—

(A) low-income children, particularly in high-poverty areas;

(B) children at risk of school failure;

(C) children with disabilities;

(D) foster children;

(E) homeless children;

(F) migrant children;

(G) children without access to libraries;

(H) institutionalized or incarcerated children; and

(I) children whose parents are institutionalized or incarcerated;

(4) provide that the contractor will provide such technical assistance to subcontractors as may be necessary to carry out the purpose of this section;

(5) provide that the contractor will annually report to the Secretary the number of, and describe, programs funded under paragraph (3); and

(6) include such other terms and conditions as the Secretary determines to be appropriate to ensure the effectiveness of such programs.

(c) RESTRICTION ON PAYMENTS.—The Secretary shall make no payment of the Federal share of the cost of acquiring and distributing books under any contract under this section unless the Secretary determines that the contractor or subcontractor, as the case may be, has made arrangements with book publishers or distributors to obtain books at discounts at least as favorable as discounts that are customarily given by such publisher or distributor for book purchases made under similar circumstances in the absence of Federal assistance.

(d) DEFINITION OF "FEDERAL SHARE".—For the purpose of this section, the term "Federal share" means, with respect to the cost to a subcontractor of purchasing books to be paid under this section, 75 percent of such costs to the subcontractor, except that the Federal share for programs serving children of migrant or seasonal farmworkers shall be 100 percent of such costs to the subcontractor.

(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $25,000,000 for fiscal year 2001 and such sums as may be necessary for each of the four succeeding fiscal years.

[TITLE VI—INNOVATIVE EDUCATION PROGRAM STRATEGIES

[SEC. 6001. [20 U.S.C. 7301] FINDINGS AND STATEMENT OF PURPOSE.

[(a) FINDINGS.—The Congress finds that chapter 2 of title I of this Act (as such chapter was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) has been successful in achieving the goals of increasing local flexibility, reducing administrative burden, providing services for private school students, encouraging innovation, and contributing to the improvement of elementary and secondary educational programs.

[(b) STATEMENT OF PURPOSE.—It is the purpose of programs under this title—

[(1) to support local education reform efforts which are consistent with and support statewide reform efforts under Goals 2000: Educate America Act;

[(2) to support State and local efforts to accomplish the National Education Goals;

[(3) to provide funding to enable State and local educational agencies to implement promising educational reform programs;

[(4) to provide a continuing source of innovation, and educational improvement, including support for library services and instructional and media materials; and

[(5) to meet the special educational needs of at risk and high cost students.

[(c) STATE AND LOCAL RESPONSIBILITY.—The basic responsibility for the administration of funds made available under this title is within the State educational agencies, but it is the intent of Congress that the responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under this title will be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because such agencies and individuals have the most direct contact with students and are most likely to be able to design programs to meet the educational needs of students in their own school districts.

[SEC. 6002. [20 U.S.C. 7302] AUTHORIZATION OF APPROPRIATIONS; DURATION OF ASSISTANCE.

[(a) AUTHORIZATION.—To carry out the purposes of this title, there are authorized to be appropriated $370,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(b) DURATION OF ASSISTANCE.—During the period beginning October 1, 1994, and ending September 30, 1999, the Secretary shall, in accordance with the provisions of this title, make payments to State educational agencies for the purpose of this title.

[SEC. 6003. [20 U.S.C. 7303] DEFINITION.

[For the purposes of this title the term "effective schools programs" means school-based programs that may encompass preschool through secondary school levels and that have the objectives of (1) promoting school-level planning, instructional improvement, and staff development, (2) increasing the academic achievement levels of all children and particularly educationally disadvantaged children, and (3) achieving as ongoing conditions in the school the following factors identified through effective schools research as distinguishing effective from ineffective schools:

[(A) Strong and effective administrative and instructional leadership that creates consensus on instructional goals and organizational capacity for instructional problem solving.

[(B) Emphasis on the acquisition of basic and higher order skills.

[(C) A safe and orderly school environment that allows teachers and pupils to focus their energies on academic achievement.

[(D) A climate of expectation that virtually all children can learn under appropriate conditions.

[(E) Continuous assessment of students and programs to evaluate the effects of instruction.

[PART A—STATE AND LOCAL PROGRAMS

[SEC. 6101. [20 U.S.C. 7311] ALLOTMENT TO STATES.

[(a) RESERVATIONS.—From the sums appropriated to carry out this title in any fiscal year, the Secretary shall reserve not to exceed one percent for payments to outlying areas to be allotted in accordance with their respective needs.

[(b) ALLOTMENT.—From the remainder of such sums, the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to one-half of one percent of such remainder.

[(c) DEFINITIONS.—For purposes of this part:

[(1) The term "school-age population" means the population aged 5 through 17.

[(2) The term "States" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

[SEC. 6102. [20 U.S.C. 7312] ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

[(a) DISTRIBUTION RULE.—From the sums made available each year to carry out this title, the State educational agency shall distribute not less than 85 percent to local educational agencies within such State according to the relative enrollments in public and private, nonprofit schools within the school districts of such agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies which have the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as—

[(1) children living in areas with high concentrations of low-income families;

[(2) children from low-income families; and

[(3) children living in sparsely populated areas.

[(b) CALCULATION OF ENROLLMENTS.—

[(1) IN GENERAL.—The calculation of relative enrollments under subsection (a) shall be on the basis of the total of—

[(A) the number of children enrolled in public schools; and

[(B) the number of children enrolled in private nonprofit schools that desire that their children participate in programs or projects assisted under this title, for the fiscal year preceding the fiscal year for which the determination is made.

[(2) CONSTRUCTION.—Nothing in this subsection shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within the areas served by such agencies in order to

determine whether such schools desire that their children participate in programs assisted under this part.

[(3) ADJUSTMENTS.—(A) Relative enrollments under subsection (a) shall be adjusted, in accordance with criteria approved by the Secretary under subparagraph (B), to provide higher per pupil allocations only to local educational agencies which serve the greatest numbers or percentages of—

[(i) children living in areas with high concentrations of low-income families;

[(ii) children from low-income families; or

[(iii) children living in sparsely populated areas.

[(B) The Secretary shall review criteria submitted by a State educational agency for adjusting allocations under paragraph (1) and shall approve such criteria only if the Secretary determines that such criteria are reasonably calculated to produce an adjusted allocation that reflects the relative needs within the State's local educational agencies based on the factors set forth in subparagraph (A).

[(c) PAYMENT OF ALLOCATIONS.—

[(1) DISTRIBUTION.—From the funds paid to a State educational agency pursuant to section 6002 for a fiscal year, a State educational agency shall distribute to each eligible local educational agency which has submitted an application as required in section 6202 the amount of such local educational agency allocation as determined under subsection (a).

[(2) ADDITIONAL FUNDS.—(A) Additional funds resulting from higher per pupil allocations provided to a local educational agency on the basis of adjusted enrollments of children described in subsection (a), may, at the discretion of the local educational agency, be allocated for expenditures to provide services for children enrolled in public and private nonprofit schools in direct proportion to the number of children described in subsection (a) and enrolled in such schools within the local educational agency.

[(B) In any fiscal year, any local educational agency that elects to allocate such additional funds in the manner described in subparagraph (A) shall allocate all additional funds to schools within the local educational agency in such manner.

[(C) The provisions of subparagraphs (A) and (B) may not be construed to require any school to limit the use of such additional funds to the provision of services to specific students or categories of students.

[PART B—STATE PROGRAMS

[SEC. 6201. [20 U.S.C. 7331] STATE USES OF FUNDS.

[(a) AUTHORIZED ACTIVITIES.—A State educational agency may use funds made available for State use under this title only for—

[(1) State administration of programs under this title including—

[(A) supervision of the allocation of funds to local educational agencies;

[(B) planning, supervision, and processing of State funds; and

[(C) monitoring and evaluation of programs and activities under this title;

[(2) support for planning, designing, and initial implementation of charter schools as described in part C of title X; and

[(3) technical assistance and direct grants to local educational agencies and statewide education reform activities including effective schools programs which assist local educational agencies to provide targeted assistance.

[(b) LIMITATIONS AND REQUIREMENTS.—Not more than 25 percent of funds available for State programs under this title in any fiscal year may be used for State administration under subsection (a)(1).

[SEC. 6202. [20 U.S.C. 7332] STATE APPLICATIONS.

[(a) APPLICATION REQUIREMENTS.—Any State which desires to receive assistance under this part shall submit to the Secretary an application which—

[(1) designates the State educational agency as the State agency responsible for administration and supervision of programs assisted under this title;

[(2)(A) provides for a biennial submission of data on the use of funds, the types of services furnished, and the students served under this title; and

[(B) in fiscal year 1998 provides for an evaluation of the effectiveness of programs assisted under this title;

[(3) sets forth the allocation of such funds required to implement section 6402;

[(4) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this section);

[(5) provides assurance that, apart from technical and advisory assistance and monitoring compliance with this title, the State educational agency has not exercised and will not exercise any influence in the decisionmaking processes of local educational agencies as to the expenditure made pursuant to an application under section 6303;

[(6) contains assurances that there is compliance with the specific requirements of this title; and

[(7) provides for timely public notice and public dissemination of the information provided pursuant to paragraph (2).

[(b) PERIOD OF APPLICATION.—An application filed by the State under subsection (a) shall be for a period not to exceed three years, and may be amended annually as may be necessary to reflect changes without filing a new application.

[(c) AUDIT RULE.—Local educational agencies receiving less than an average of $5,000 each under this title shall not be audited more frequently than once every five years.

[PART C—LOCAL INNOVATIVE EDUCATION PROGRAMS

[SEC. 6301. [20 U.S.C. 7351] TARGETED USE OF FUNDS.

[(a) GENERAL RULE.—Funds made available to local educational agencies under section 6102 shall be used for innovative assistance described in subsection (b).

[(b) INNOVATIVE ASSISTANCE.—The innovative assistance programs referred to in subsection (a) include—

[(1) technology related to the implementation of school-based reform programs, including professional development to assist teachers and other school officials regarding how to use effectively such equipment and software;

[(2) programs for the acquisition and use of instructional and educational materials, including library services and materials (including media materials), assessments, reference materials, computer software and hardware for instructional use, and other curricular materials which are tied to high academic standards and which will be used to improve student achievement and which are part of an overall education reform program;

[(3) promising education reform projects, including effective schools and magnet schools;

[(4) programs to improve the higher order thinking skills of disadvantaged elementary and secondary school students and to prevent students from dropping out of school;

[(5) programs to combat illiteracy in the student and adult population, including parent illiteracy;

[(6) programs to provide for the educational needs of gifted and talented children;

[(7) school reform activities that are consistent with the Goals 2000: Educate America Act;

[(8) planning, designing, and initial implementation of charter schools as described in part C of title X; and

[(9) school improvement programs or activities under sections 1116 and 1117.

[SEC. 6302. [20 U.S.C. 7352] ADMINISTRATIVE AUTHORITY.

[In order to conduct the activities authorized by this title, each State or local educational agency may use funds reserved for this title to make grants to and to enter into contracts with local educational agencies, institutions of higher education, libraries, museums, and other public and private nonprofit agencies, organizations, and institutions.

[SEC. 6303. [20 U.S.C. 7353] LOCAL APPLICATIONS.

[(a) CONTENTS OF APPLICATION.—A local educational agency or consortium of such agencies may receive an allocation of funds under this title for any year for which an application is submitted to the State educational agency and such application is certified to meet the requirements of this section. The State educational agency shall certify any such application if such application—

[(1)(A) sets forth the planned allocation of funds among innovative assistance programs described in section 6301 and describes the programs, projects, and activities designed to carry

out such innovative assistance which the local educational agency intends to support, together with the reasons for the selection of such programs, projects, and activities; and

[(B) sets forth the allocation of such funds required to implement section 6402;

[(2) describes how assistance under this title will contribute to meeting the National Education Goals and improving student achievement or improving the quality of education for students;

[(3) provide assurances of compliance with the provisions of this title, including the participation of children enrolled in private, nonprofit schools in accordance with section 6402;

[(4) agrees to keep such records, and provide such information to the State educational agency as reasonably may be required for fiscal audit and program evaluation, consistent with the responsibilities of the State agency under this title; and

[(5) provides in the allocation of funds for the assistance authorized by this title, and in the design, planning and implementation of such programs, for systematic consultation with parents of children attending elementary and secondary schools in the area served by the local educational agency, with teachers and administrative personnel in such schools, and with other groups involved in the implementation of this title (such as librarians, school counselors, and other pupil services personnel) as may be considered appropriate by the local educational agency.

[(b) PERIOD OF APPLICATION.—An application filed by a local educational agency under subsection (a) shall be for a period not to exceed three fiscal years, may provide for the allocation of funds to programs for a period of three years, and may be amended annually as may be necessary to reflect changes without filing a new application.

[(c) LOCAL EDUCATIONAL AGENCY DISCRETION.—Subject to the limitations and requirements of this title, a local educational agency shall have complete discretion in determining how funds under this part shall be divided among the areas of targeted assistance. In exercising such discretion, a local educational agency shall ensure that expenditures under this part carry out the purposes of this title and are used to meet the educational needs within the schools of such local educational agency.

[PART D—GENERAL ADMINISTRATIVE PROVISIONS

[SEC. 6401. [20 U.S.C. 7371] MAINTENANCE OF EFFORT; FEDERAL FUNDS SUPPLEMENTARY.

[(a) MAINTENANCE OF EFFORT.—

[(1) IN GENERAL.—Except as provided in paragraph (2), a State is entitled to receive its full allocation of funds under this part for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the fiscal year preceding the fiscal year for which the determination is made was not less than 90 percent

of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

[(2) REDUCTION OF FUNDS.—The Secretary shall reduce the amount of the allocation of funds under this part in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

[(3) WAIVERS.—The Secretary may waive, for one fiscal year only, the requirements of this section if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

[(b) FEDERAL FUNDS SUPPLEMENTARY.—A State or local educational agency may use and allocate funds received under this part only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of Federal funds made available under this part, be made available from non-Federal sources, and in no case may such funds be used so as to supplant funds from non-Federal sources.

[SEC. 6402. [20 U.S.C. 7372] PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

[(a) PARTICIPATION ON EQUITABLE BASIS.—

[(1) IN GENERAL.—To the extent consistent with the number of children in the school district of a local educational agency which is eligible to receive funds under this title or which serves the area in which a program or project assisted under this title is located who are enrolled in private nonprofit elementary and secondary schools, or with respect to instructional or personnel training programs funded by the State educational agency from funds made available for State use, such agency, after consultation with appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral, and nonideological services, materials, and equipment, including the participation of the teachers of such children (and other educational personnel serving such children) in training programs, and the repair, minor remodeling, or construction of public facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such services, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this title.

[(2) OTHER PROVISIONS FOR SERVICES.—If no program or project is carried out under paragraph (1) in the school district of a local educational agency, the State educational agency shall make arrangements, such as through contracts with nonprofit agencies or organizations, under which children in pri-

vate schools in such district are provided with services and materials to the extent that would have occurred if the local educational agency had received funds under this title.

[(3) APPLICATION OF REQUIREMENTS.—The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs and projects carried out under this title by a State or local educational agency, whether directly or through grants to or contracts with other public or private agencies, institutions, or organizations.

[(b) EQUAL EXPENDITURES.—Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this title for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors which relate to such expenditures, and when funds available to a local educational agency under this title are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

[(c) FUNDS.—

[(1) ADMINISTRATION OF FUNDS AND PROPERTY.—The control of funds provided under this title, and title to materials, equipment, and property repaired, remodeled, or constructed with such funds, shall be in a public agency for the uses and purposes provided in this title, and a public agency shall administer such funds and property.

[(2) PROVISION OF SERVICES.—The provision of services pursuant to this title shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which, in the provision of such services, is independent of such private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this title shall not be commingled with State or local funds.

[(d) STATE PROHIBITION WAIVER.—If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation in programs of children enrolled in private elementary and secondary schools, as required by this section, the Secretary shall waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

[(e) WAIVER AND PROVISION OF SERVICES.—

[(1) FAILURE TO COMPLY.—If the Secretary determines that a State or a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in private elementary and secondary schools as required by this section, the Secretary may waive such requirements and shall arrange for the provision of serv-

ices to such children through arrangements which shall be subject to the requirements of this section.

[(2) WITHHOLDING OF ALLOCATION.—Pending final resolution of any investigation or complaint that could result in a determination under this subsection or subsection (d), the Secretary may withhold from the allocation of the affected State or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of those services.

[(f) DETERMINATION.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State or local educational agency to meet the requirements of subsections (a) and (b).

[(g) PAYMENT FROM STATE ALLOTMENT.—When the Secretary arranges for services pursuant to this section, the Secretary shall, after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the State under this title.

[(h) REVIEW.—

[(1) WRITTEN OBJECTIONS.—The Secretary shall not take any final action under this section until the State educational agency and the local educational agency affected by such action have had an opportunity, for not less than 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary's designee to show cause why that action should not be taken.

[(2) COURT ACTION.—If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under paragraph (1), such agency may, not later than 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based this action, as provided in section 2112 of title 28, United States Code.

[(3) REMAND TO SECRETARY.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

[(4) COURT REVIEW.—Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set such action aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

[(i) PRIOR DETERMINATION.—Any bypass determination by the Secretary under chapter 2 of title I of this Act (as such chapter was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) shall, to the extent consistent with the purposes of this title, apply to programs under this title.

[SEC. 6403. [20 U.S.C. 7373] FEDERAL ADMINISTRATION.

[(a) TECHNICAL ASSISTANCE.—The Secretary, upon request, shall provide technical assistance to State and local educational agencies under this title.

[(b) RULEMAKING.—The Secretary shall issue regulations under this title only to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements and assurances required by this title.

[(c) AVAILABILITY OF APPROPRIATIONS.—Notwithstanding any other provision of law, unless expressly in limitation of this subsection, funds appropriated in any fiscal year to carry out activities under this title shall become available for obligation on July 1 of such fiscal year and shall remain available for obligation until the end of the subsequent fiscal year.]

TITLE VI—INNOVATIVE EDUCATION

PART A—INNOVATIVE EDUCATION PROGRAM STRATEGIES

SEC. 6101. PURPOSE; STATE AND LOCAL RESPONSIBILITY.

(a) PURPOSE.—The purpose of this part is—

(1) to support local education reform efforts that are consistent with and support statewide education reform efforts;

(2) to support State and local efforts to accomplish America's Education Goals;

(3) to provide funding to enable State and local educational agencies to implement promising educational reform strategies;

(4) to provide a continuing source of innovation and educational improvement, including support for library services and instructional and media materials; and

(5) to develop and implement education programs to improve school, student, and teacher performance, including professional development activities and class size reduction programs.

(b) STATE AND LOCAL RESPONSIBILITY.—The basic responsibility for the administration of funds made available under this part is within the State educational agencies, but it is the intent of Congress that the responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under this part will be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because such agencies and individuals have the most direct contact with students and are most likely to be able to design programs to meet the educational needs of students in their own school districts.

SEC. 6102. AUTHORIZATION OF APPROPRIATIONS; DURATION OF ASSISTANCE.

(a) AUTHORIZATION.—To carry out the purposes of this part, there are authorized to be appropriated $850,000,000 for fiscal year 2001 and such sums as may be necessary for each of the four succeeding fiscal years.

(b) DURATION OF ASSISTANCE.—During the period beginning October 1, 2001, and ending September 30, 2006, the Secretary shall, in accordance with the provisions of this part, make payments to State educational agencies for the purpose of this part.

SEC. 6103. DEFINITION OF EFFECTIVE SCHOOLS PROGRAM.

In this part the term "effective schools program" means a school-based program that—

(1) may encompass preschool through secondary school levels; and

(2) has the objectives of—

(A) promoting school-level planning, instructional improvement, and staff development for all personnel;

(B) increasing the academic performance levels of all children and particularly educationally disadvantaged children; and

(C) achieving as an ongoing condition in the school the following factors identified through effective schools research:

(i) Strong and effective administrative and instructional leadership.

(ii) A safe and orderly school environment that enables teachers and students to focus on academic performance.

(iii) Continuous assessment of students and initiatives to evaluate instructional techniques.

Subpart 1—State and Local Programs

SEC. 6111. ALLOTMENT TO STATES.

(a) RESERVATIONS.—From the sums appropriated to carry out this part in any fiscal year, the Secretary shall reserve not more than one percent for payments to outlying areas to be allotted in accordance with their respective needs.

(b) ALLOTMENT.—From the remainder of such sums, the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to one-half of one percent of such remainder.

(c) DEFINITIONS.—In this subpart:

(1) SCHOOL-AGE POPULATION.—The term "school-age population" means the population aged 5 through 17.

(2) STATE.—The term "State" includes the 50 States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 6112. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

(a) FORMULA.—From the sums made available each year to carry out this part, the State educational agency shall distribute not less than 85 percent to local educational agencies within such State according to the relative enrollments in public and private elementary schools and secondary schools within the school districts of such agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies serving the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as—

(1) children living in areas with high concentrations of low-income families;

(2) children from low-income families; and

(3) children living in sparsely populated areas.

(b) CALCULATION OF ENROLLMENTS.—

(1) IN GENERAL.—The calculation of relative enrollments under subsection (a) shall be on the basis of the total of—

(A) the number of children enrolled in public schools; and

(B) the number of children enrolled in private nonprofit schools that desire that their children participate in programs or projects assisted under this part, for the fiscal year preceding the fiscal year for which the determination is made.

(2) CONSTRUCTION.—Nothing in this subsection shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within the areas served by such agencies in order to determine whether such schools desire that their children participate in programs assisted under this part.

(3) ADJUSTMENTS.—

(A) IN GENERAL.—Relative enrollments under subsection (a) shall be adjusted, in accordance with criteria approved by the Secretary under subparagraph (B), to provide higher per pupil allocations only to local educational agencies which serve the greatest numbers or percentages of—

(i) children living in areas with high concentrations of low-income families;

(ii) children from low-income families; or

(iii) children living in sparsely populated areas.

(B) CRITERIA.—The Secretary shall review criteria submitted by a State educational agency for adjusting allocations under subparagraph (A) and shall approve such criteria only if the Secretary determines that such criteria are reasonably calculated to produce an adjusted allocation that reflects the relative needs within the State's local educational agencies based on the factors set forth in subparagraph (A).

(c) PAYMENT OF ALLOCATIONS.—

(1) DISTRIBUTION.—From the funds paid to a State educational agency pursuant to section 6111 for a fiscal year, a State educational agency shall distribute to each eligible local educational agency which has submitted an application as re-

quired in section 6133 the amount of such local educational agency's allocation as determined under subsection (a).

(2) ADDITIONAL FUNDS.—

(A) IN GENERAL.—Additional funds resulting from higher per pupil allocations provided to a local educational agency on the basis of adjusted enrollments of children described in subsection (a), may, at the discretion of the local educational agency, be allocated for expenditures to provide services for children enrolled in public and private nonprofit schools in direct proportion to the number of children described in subsection (a) and enrolled in such schools within the local educational agency.

(B) REQUIREMENT.—In any fiscal year, any local educational agency that elects to allocate such additional funds in the manner described in subparagraph (A) shall allocate all additional funds to schools within the local educational agency in such manner.

(C) CONSTRUCTION.—The provisions of subparagraphs (A) and (B) may not be construed to require any school to limit the use of such additional funds to the provision of services to specific students or categories of students.

Subpart 2—State Programs

SEC. 6121. STATE USES OF FUNDS.

(a) AUTHORIZED ACTIVITIES.—A State educational agency may use funds made available for State use under this part only for—

(1) State administration of programs under this part including—

(A) supervision of the allocation of funds to local educational agencies;

(B) planning, supervision, and processing of State funds; and

(C) monitoring and evaluation of programs and activities under this part;

(2) support for planning, designing, and initial implementation of charter schools as described in part D of title V;

(3) support for designing and implementation of high-quality yearly student assessments;

(4) support for implementation of State and local standards; and

(5) technical assistance and direct grants to local educational agencies and statewide education reform activities including effective schools programs which assist local educational agencies to provide targeted assistance.

(b) LIMITATIONS AND REQUIREMENTS.—Not more than 15 percent of funds available for State programs under this part in any fiscal year may be used for State administration under subsection (a)(1).

SEC. 6122. STATE APPLICATIONS.

(a) APPLICATION REQUIREMENTS.—Any State which desires to receive assistance under this part shall submit to the Secretary an application which—

(1) designates the State educational agency as the State agency responsible for administration and supervision of programs assisted under this part;

(2) provides for a biennial submission of data on the use of funds, the types of services furnished, and the students served under this part;

(3) sets forth the allocation of such funds required to implement section 6142;

(4) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this section);

(5) provides assurances that, apart from technical and advisory assistance and monitoring compliance with this part, the State educational agency has not exercised and will not exercise any influence in the decisionmaking processes of local educational agencies as to the expenditure made pursuant to an application under section 6133;

(6) contains assurances that there is compliance with the specific requirements of this part; and

(7) provides for timely public notice and public dissemination of the information provided pursuant to paragraph (2).

(b) PERIOD OF APPLICATION.—An application filed by the State under subsection (a) shall be for a period not to exceed three years, and may be amended annually as may be necessary to reflect changes without filing a new application.

(c) AUDIT RULE.—A local educational agency that receives less than an average of $10,000 under this part for 3 fiscal years shall not be audited more frequently than once every 5 years.

Subpart 3—Local Innovative Education Programs

SEC. 6131. TARGETED USE OF FUNDS.

(a) GENERAL RULE.—Funds made available to local educational agencies under section 6112 shall be used for innovative assistance described in subsection (b).

(b) INNOVATIVE ASSISTANCE.—

(1) IN GENERAL.—The innovative assistance programs referred to in subsection (a) include—

(A) programs for the acquisition and use of instructional and educational materials, including library services and materials (including media materials), assessments, and other curricular materials that—

(B) programs to improve teaching and learning, including professional development activities, that are consistent with comprehensive State and local systemic education reform efforts;

(C) activities that encourage and expand improvements throughout the local educational agency that are designed to advance student performance;

(D) initiatives to generate, maintain, and strengthen parental and community involvement, including initiatives creating activities for school-age children and activities to

meet the educational needs of children aged birth through 5;

(E) programs to recruit, hire, and train certified teachers (including teachers certified through State and local alternative routes) in order to reduce class size;

(F) programs to improve the academic performance of educationally disadvantaged elementary school and secondary school students, including activities to prevent students from dropping out of school;

(G) programs and activities that expand learning opportunities through best practice models designed to improve classroom learning and teaching;

(H) programs to combat both student and parental illiteracy;

(I) technology activities related to the implementation of school-based reform efforts, including professional development to assist teachers and other school personnel (including school library media personnel) regarding how to effectively use technology in the classrooms and the school library media centers involved;

(J) school improvement programs or activities under section 1116 or 1117;

(K) programs to provide for the educational needs of gifted and talented children;

(L) programs to provide same gender schools and classrooms, if equal educational opportunities are made available to students of both sexes, consistent with the Constitution of the United States of America;

(M) service learning activities; and

(N) school safety programs.

(2) REQUIREMENTS.—The innovative assistance programs referred to in subsection (a) shall be—

(A) tied to promoting high academic standards;

(B) used to improve student performance; and

(C) part of an overall education reform strategy.

SEC. 6132. ADMINISTRATIVE AUTHORITY.

In order to conduct the activities authorized by this part, each State or local educational agency may use funds made available under this part to make grants to and to enter into contracts with local educational agencies, institutions of higher education, libraries, museums, and other public and private nonprofit agencies, organizations, and institutions.

SEC. 6133. LOCAL APPLICATIONS.

(a) CONTENTS OF APPLICATION.—A local educational agency or consortium of such agencies may receive an allocation of funds under this part for any year for which an application is submitted to the State educational agency and such application is certified to meet the requirements of this section. The State educational agency shall certify any such application if such application—

(1)(A) sets forth the planned allocation of funds among innovative assistance programs described in section 6131 and describes the programs, projects, and activities designed to carry out such innovative assistance which the local educational

agency intends to support, together with the reasons for the selection of such programs, projects, and activities; and

(B) sets forth the allocation of such funds required to implement section 6142;

(2) describes how assistance under this part will contribute to meeting America's Education Goals and improving student achievement or improving the quality of education for students;

(3) provides assurances of compliance with the provisions of this part, including the participation of children enrolled in private, nonprofit schools in accordance with section 6142;

(4) agrees to keep such records, and provide such information to the State educational agency as reasonably may be required for fiscal audit and program evaluation, consistent with the responsibilities of the State educational agency under this part; and

(5) provides in the allocation of funds for the assistance authorized by this part, and in the design, planning, and implementation of such programs, for systematic consultation with parents of children attending elementary schools and secondary schools in the area served by the local educational agency, with teachers and administrative personnel in such schools, and with other groups involved in the implementation of this part (such as librarians, school counselors, and other pupil services personnel) as may be considered appropriate by the local educational agency.

(b) PERIOD OF APPLICATION.—An application filed by a local educational agency under subsection (a) shall be for a period not to exceed three fiscal years, may provide for the allocation of funds to programs for a period of three years, and may be amended annually as may be necessary to reflect changes without filing a new application.

(c) LOCAL EDUCATIONAL AGENCY DISCRETION.—Subject to the limitations and requirements of this part, a local educational agency shall have complete discretion in determining how funds under this subpart shall be divided among the areas of targeted assistance. In exercising such discretion, a local educational agency shall ensure that expenditures under this subpart carry out the purposes of this part and are used to meet the educational needs within the schools of such local educational agency.

Subpart 4—General Administrative Provisions

SEC. 6141. MAINTENANCE OF EFFORT; FEDERAL FUNDS SUPPLEMENTARY.

(a) MAINTENANCE OF EFFORT.—

(1) IN GENERAL.—Except as provided in paragraph (2), a State is entitled to receive its full allocation of funds under this part for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the fiscal year preceding the fiscal year for which the determination is made was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second

fiscal year preceding the fiscal year for which the determination is made.

(2) REDUCTION OF FUNDS.—The Secretary shall reduce the amount of the allocation of funds under this part in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

(3) WAIVERS.—The Secretary may waive, for one fiscal year only, the requirements of this section if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

(b) FEDERAL FUNDS SUPPLEMENTARY.—A State or local educational agency may use and allocate funds received under this part only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of Federal funds made available under this part, be made available from non-Federal sources, and in no case may such funds be used so as to supplant funds from non-Federal sources.

SEC. 6142. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

(a) PARTICIPATION ON EQUITABLE BASIS.—

(1) IN GENERAL.—To the extent consistent with the number of children in the school district of a local educational agency which is eligible to receive funds under this part or which serves the area in which a program or project assisted under this part is located who are enrolled in private nonprofit elementary and secondary schools, or with respect to instructional or personnel training programs funded by the State educational agency from funds made available for State use, such agency, after consultation with appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral, and nonideological services, materials, and equipment, including the participation of the teachers of such children (and other educational personnel serving such children) in training programs, and the repair, minor remodeling, or construction of public facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such services, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this part.

(2) OTHER PROVISIONS FOR SERVICES.—If no program or project is carried out under paragraph (1) in the school district of a local educational agency, the State educational agency shall make arrangements, such as through contracts with nonprofit agencies or organizations, under which children in private schools in such district are provided with services and ma-

terials to the extent that would have occurred if the local educational agency had received funds under this part.

(3) APPLICATION OF REQUIREMENTS.—The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs and projects carried out under this part by a State or local educational agency, whether directly or through grants to or contracts with other public or private agencies, institutions, or organizations.

(b) EQUAL EXPENDITURES.—Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this part for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors which relate to such expenditures, and when funds available to a local educational agency under this part are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

(c) FUNDS.—

(1) ADMINISTRATION OF FUNDS AND PROPERTY.—The control of funds provided under this part, and title to materials, equipment, and property repaired, remodeled, or constructed with such funds, shall be in a public agency for the uses and purposes provided in this part, and a public agency shall administer such funds and property.

(2) PROVISION OF SERVICES.—The provision of services pursuant to this part shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which, in the provision of such services, is independent of such private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this part shall not be commingled with State or local funds.

(d) STATE PROHIBITION WAIVER.—If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation in programs of children enrolled in private elementary schools and secondary schools, as required by this section, the Secretary shall waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(e) WAIVER AND PROVISION OF SERVICES.—

(1) FAILURE TO COMPLY.—If the Secretary determines that a State or a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in private elementary schools and secondary schools as required by this section, the Secretary may waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(2) WITHHOLDING OF ALLOCATION.—Pending final resolution of any investigation or complaint that could result in a determination under this subsection or subsection (d), the Secretary may withhold from the allocation of the affected State or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of those services.

(f) DETERMINATION.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State or local educational agency to meet the requirements of subsections (a) and (b).

(g) PAYMENT FROM STATE ALLOTMENT.—When the Secretary arranges for services pursuant to this section, the Secretary shall, after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the State under this part.

(h) REVIEW.—

(1) WRITTEN OBJECTIONS.—The Secretary shall not take any final action under this section until the State educational agency and the local educational agency affected by such action have had an opportunity, for not less than 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary's designee to show cause why that action should not be taken.

(2) COURT ACTION.—If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under paragraph (1), such agency may, not later than 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based this action, as provided in section 2112 of title 28, United States Code.

(3) REMAND TO SECRETARY.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(4) COURT REVIEW.—Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set such action aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(i) PRIOR DETERMINATION.—Any bypass determination by the Secretary under chapter 2 of part I of this Act (as such chapter was in effect on the day preceding the date of enactment of the Improv-

ing America's Schools Act of 1994) shall, to the extent consistent with the purposes of this part, apply to programs under this part.

SEC. 6143. FEDERAL ADMINISTRATION.

(a) TECHNICAL ASSISTANCE.—The Secretary, upon request, shall provide technical assistance to State and local educational agencies under this part.

(b) RULEMAKING.—The Secretary shall issue regulations under this part to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements and assurances required by this part.

(c) AVAILABILITY OF APPROPRIATIONS.—Notwithstanding any other provision of law, unless expressly in limitation of this subsection, funds appropriated in any fiscal year to carry out activities under this part shall become available for obligation on July 1 of such fiscal year and shall remain available for obligation until the end of the subsequent fiscal year.

PART B—RURAL EDUCATION INITIATIVE

SEC. 6201. SHORT TITLE.

This part may be cited as the "Rural Education Achievement Program".

SEC. 6202. FINDINGS.

Congress makes the following findings:

(1) Under Federal law there is no consistent definition of rural schools.

(2) Rural school districts do not benefit as much as the school districts could from Federal education funding because the unique needs of rural school districts do not necessarily fit the categorical Federal formula programs.

(3) Rural schools often cannot compete for Federal funding distributed by competitive grants because the schools lack the personnel needed to prepare grant applications and the resources to hire specialists in the writing of Federal grant proposals.

(4) Small school districts with fewer than 600 students often cannot use Federal grant funds distributed by formula because the formula allocation does not provide enough revenue to carry out the program the grant is intended to fund.

SEC. 6203. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part—

(1) $125,000,000 for fiscal year 2001, of which $62,500,000 shall be made available to carry out subpart 1; and

(2) such sums as may be necessary for each of the 5 succeeding fiscal years.

Subpart 1—Small, Rural School Achievement Program

SEC. 6211. FORMULA GRANT PROGRAM AUTHORIZED.

(a) ALTERNATIVE USES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, an eligible local educational agency may use the applicable

funding, that the agency is eligible to receive from the State educational agency for a fiscal year, to carry out innovative assistance activities described in section 6131(b).

(2) NOTIFICATION.—An eligible local educational agency shall notify the State educational agency of the local educational agency's intention to use the applicable funding in accordance with paragraph (1) not later than a date that is established by the State educational agency for the notification.

(b) ELIGIBILITY.—A local educational agency shall be eligible to use the applicable funding in accordance with subsection (a) if—

(1) the total number of students in average daily attendance at all of the schools served by the local educational agency is less than 600; and

(2) all of the schools served by the local educational agency are designated with a School Locale Code of 7, as determined by the Secretary of Education.

(c) APPLICABLE FUNDING.—In this section, the term "applicable funding" means funds provided under each of titles II, IV, and VI.

(d) DISBURSAL.—Each State educational agency that receives applicable funding for a fiscal year shall disburse the applicable funding to local educational agencies for alternative uses under this section for the fiscal year at the same time that the State educational agency disburses the applicable funding to local educational agencies that do not intend to use the applicable funding for such alternative uses for the fiscal year.

(e) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement and not supplant any other Federal, State, or local education funds.

(f) SPECIAL RULE.—References in Federal law to funds for the provisions of law set forth in subsection (c) may be considered to be references to funds for this section.

(g) CONSTRUCTION.—Nothing in this subpart shall be construed to prohibit a local educational agency that enters into cooperative arrangements with other local educational agencies for the provision of special, compensatory, or other education services pursuant to State law or a written agreement from entering into similar arrangements for the use or the coordination of the use of the funds made available under this section.

SEC. 6212. COMPETITIVE GRANT PROGRAM AUTHORIZED.

(a) IN GENERAL.—The Secretary is authorized to award grants to eligible local educational agencies to enable the local educational agencies to carry out innovative assistance activities described in section 6131(b).

(b) ELIGIBILITY.—A local educational agency shall be eligible to receive a grant under this section if—

(1) the total number of students in average daily attendance at all of the schools served by the local educational agency is less than 600; and

(2) all of the schools served by the local educational agency are designated with a School Locale Code of 7, as determined by the Secretary of Education.

(c) AMOUNT.—

(1) IN GENERAL.—The Secretary shall award a grant to a local educational agency under this section for a fiscal year in

an amount equal to the amount determined under paragraph (2) for the fiscal year minus the total amount received under the provisions of law described under section 6211(c) for the fiscal year.

(2) DETERMINATION.—The amount referred to in paragraph (1) is equal to $100 multiplied by the total number of students in excess of 50 students that are in average daily attendance at the schools served by the local educational agency, plus $20,000, except that the amount may not exceed $60,000.

(3) CENSUS DETERMINATION.—

(A) IN GENERAL.—Each local educational agency desiring a grant under this section shall conduct a census not later than December 1 of each year to determine the number of kindergarten through grade 12 students in average daily attendance at the schools served by the local educational agency.

(B) SUBMISSION.—Each local educational agency shall submit the number described in subparagraph (A) to the Secretary not later than March 1 of each year.

(4) PENALTY.—If the Secretary determines that a local educational agency has knowingly submitted false information under paragraph (3) for the purpose of gaining additional funds under this section, then the local educational agency shall be fined an amount equal to twice the difference between the amount the local educational agency received under this section, and the correct amount the local educational agency would have received under this section if the agency had submitted accurate information under paragraph (3).

(d) DISBURSAL.—The Secretary shall disburse the funds awarded to a local educational agency under this section for a fiscal year not later than July 1 of that year.

(e) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement and not supplant any other Federal, State, or local education funds.

(f) CONSTRUCTION.—Nothing in this subpart shall be construed to prohibit a local educational agency that enters into cooperative arrangements with other local educational agencies for the provision of special, compensatory, or other education services pursuant to State law or a written agreement from entering into similar arrangements for the use or the coordination of the use of the funds made available under this section.

SEC. 6213. ACCOUNTABILITY.

(a) ACADEMIC ACHIEVEMENT.—

(1) IN GENERAL.—Each local educational agency that uses or receives funds under section 6211 or 6212 for a fiscal year shall—

(A) administer an assessment that is used statewide and is consistent with the assessment described in section 1111(b), to assess the academic achievement of students in the schools served by the local educational agency; or

(B) in the case of a local educational agency for which there is no statewide assessment described in subparagraph (A), administer a test, that is selected by the local edu-

cational agency, to assess the academic achievement of students in the schools served by the local educational agency.

(2) SPECIAL RULE.—Each local educational agency that uses or receives funds under section 6211 or 6212 shall use the same assessment or test described in paragraph (1) for each year of participation in the program carried out under such section.

(b) STATE EDUCATIONAL AGENCY DETERMINATION REGARDING CONTINUING PARTICIPATION.—Each State educational agency that receives funding under the provisions of law described in section 6211(c) shall—

(1) after the fifth year that a local educational agency in the State participates in a program authorized under section 6211 or 6212 and on the basis of the results of the assessments or tests described in subsection (a), determine whether the students served by the local educational agency participating in the program performed better on the assessments or tests after the fifth year of the participation than the students performed on the assessments or tests after the first year of the participation;

(2) permit only the local educational agencies that participated in the program and served students that performed better on the assessments or tests, as described in paragraph (1), to continue to participate in the program for an additional period of 5 years; and

(3) prohibit the local educational agencies that participated in the program and served students that did not perform better on the assessments or tests, as described in paragraph (1), from participating in the program, for a period of 5 years from the date of the determination.

SEC. 6214. RATABLE REDUCTIONS IN CASE OF INSUFFICIENT APPROPRIATIONS.

(a) IN GENERAL.—If the amount appropriated for any fiscal year and made available for grants under this subpart is insufficient to pay the full amount for which all agencies are eligible under this subpart, the Secretary shall ratably reduce each such amount.

(b) ADDITIONAL AMOUNTS.—If additional funds become available for making payments under paragraph (1) for such fiscal year, payments that were reduced under subsection (a) shall be increased on the same basis as such payments were reduced.

Subpart 2—Low-Income and Rural School Program

SEC. 6221. DEFINITIONS.

In this subpart:

(1) POVERTY LINE.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

(2) SPECIALLY QUALIFIED AGENCY.—The term "specially qualified agency" means an eligible local educational agency, located in a State that does not participate in a program carried out under this subpart for a fiscal year, which may apply directly

to the Secretary for a grant for such year in accordance with section 6222(b).

SEC. 6222. PROGRAM AUTHORIZED.

(a) GRANTS TO STATES.—

(1) IN GENERAL.—From the sum appropriated under section 6203 for a fiscal year and made available to carry out this subpart, the Secretary shall award grants, from allotments made under paragraph (2), to State educational agencies that have applications approved under section 6224 to enable the State educational agencies to award grants to eligible local educational agencies for innovative assistance activities described in section 6131(b).

(2) ALLOTMENT.—From the sum appropriated under section 6203 for a fiscal year and made available to carry out this subpart, the Secretary shall allot to each State educational agency an amount that bears the same ratio to the sum as the number of students in average daily attendance at the schools served by eligible local educational agencies in the State for that fiscal year bears to the number of all such students at the schools served by eligible local educational agencies in all States for that fiscal year.

(b) DIRECT GRANTS TO SPECIALLY QUALIFIED AGENCIES.—

(1) NONPARTICIPATING STATE.—If a State educational agency elects not to participate in the program carried out under this subpart or does not have an application approved under section 6224, a specially qualified agency in such State desiring a grant under this subpart shall apply directly to the Secretary under section 6224 to receive a grant under this subpart.

(2) DIRECT AWARDS TO SPECIALLY QUALIFIED AGENCIES.—The Secretary may award, on a competitive basis, the amount the State educational agency is eligible to receive under subsection (a)(2) directly to specially qualified agencies in the State.

(c) ADMINISTRATIVE COSTS.—A State educational agency that receives a grant under this subpart may not use more than 5 percent of the amount of the grant for State administrative costs.

SEC. 6223. STATE DISTRIBUTION OF FUNDS.

(a) IN GENERAL.—A State educational agency that receives a grant under this subpart may use the funds made available through the grant to award grants to eligible local educational agencies to enable the local educational agencies to carry out innovative assistance activities described in section 6131(b).

(b) LOCAL AWARDS.—

(1) ELIGIBILITY.—A local educational agency shall be eligible to receive a grant under this subpart if—

(A) 20 percent or more of the children age 5 through 17 that are served by the local educational agency are from families with incomes below the poverty line; and

(B) all of the schools served by the agency are located in a community with a Rural-Urban Continuum Code of 6, 7, 8, or 9, as determined by the Secretary of Agriculture.

(c) AWARD BASIS.—The State educational agency shall award the grants to eligible local educational agencies—

(1) on a competitive basis; or

(2) according to a formula based on the number of students in average daily attendance at schools served by the eligible local educational agencies.

SEC. 6224. APPLICATIONS.

(a) IN GENERAL.—Each State educational agency and specially qualified agency desiring to receive a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

(b) CONTENTS.—At a minimum, such application shall include information on specific measurable goals and objectives to be achieved through the activities carried out through the grant, which may include specific educational goals and objectives relating to—

(1) increased student academic achievement;

(2) decreased student dropout rates; or

(3) such other factors as the State educational agency or specially qualified agency may choose to measure.

SEC. 6225. ACCOUNTABILITY.

(a) STATE REPORTS.—Each State educational agency that receives a grant under this subpart shall prepare and submit to the Secretary an annual report. The report shall describe—

(1) the method the State educational agency used to award grants to eligible local educational agencies under this subpart;

(2) how the local educational agencies used the funds provided under this subpart; and

(3) the degree to which the State made progress toward meeting the goals and objectives described in the application submitted under section 6224.

(b) SPECIALLY QUALIFIED AGENCY REPORT.—Each specially qualified agency that receives a grant under this subpart shall prepare and submit to the Secretary an annual report. The report shall describe—

(1) how such agency used the funds provided under this subpart; and

(2) the degree to which the agency made progress toward meeting the goals and objectives described in the application submitted under section 6224.

(c) ACADEMIC ACHIEVEMENT.—

(1) IN GENERAL.—Each local educational agency that receives a grant under this subpart for a fiscal year shall—

(A) administer an assessment that is used statewide and is consistent with the assessment described in section 1111(b), to assess the academic achievement of students in the schools served by the local educational agency; or

(B) in the case of a local educational agency for which there is no statewide assessment described in subparagraph (A), administer a test, that is selected by the local educational agency, to assess the academic achievement of students in the schools served by the local educational agency.

(2) SPECIAL RULE.—Each local educational agency that receives a grant under this subpart shall use the same assessment or test described in paragraph (1) for each year of participation in the program carried out under this subpart.

(d) STATE EDUCATIONAL AGENCY DETERMINATION REGARDING CONTINUING PARTICIPATION.—Each State educational agency that receives a grant under this subpart shall—

(1) after the fifth year that a local educational agency in the State participates in the program authorized under this subpart and on the basis of the results of the assessments or tests described in subsection (c), determine whether the students served by the local educational agency participating in the program performed better on the assessments or tests after the fifth year of the participation than the students performed on the assessments or tests after the first year of the participation;

(2) permit only the local educational agencies that participated in the program and served students that performed better on the assessments or tests, as described in paragraph (1), to continue to participate in the program for an additional period of 5 years; and

(3) prohibit the local educational agencies that participated in the program and served students that did not perform better on the assessments or tests, as described in paragraph (1), from participating in the program for a period of 5 years from the date of the determination.

SEC. 6226. SUPPLEMENT NOT SUPPLANT.

Funds made available under this subpart shall be used to supplement and not supplant any other Federal, State, or local education funds.

SEC. 6227. SPECIAL RULE.

No local educational agency may concurrently participate in activities carried out under subpart 1 and activities carried out under this subpart.

PART C—EDUCATION FLEXIBILITY PARTNERSHIPS

SEC. 6301. SHORT TITLE.

This part may be cited as the "Education Flexibility Partnership Act of 2000".

SEC. 6302. DEFINITIONS.

In this part:

(1) ELIGIBLE SCHOOL ATTENDANCE AREA; SCHOOL ATTENDANCE AREA.—The terms "eligible school attendance area" and "school attendance area" have the meanings given the terms in section 1113(a)(2).

(2) STATE.—The term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and each outlying area.

SEC. 6303. EDUCATION FLEXIBILITY PARTNERSHIP.

(a) EDUCATIONAL FLEXIBILITY PROGRAM.—

(1) PROGRAM AUTHORIZED.—

(A) IN GENERAL.—The Secretary may carry out an educational flexibility program under which the Secretary authorizes a State educational agency that serves an eligible State to waive statutory or regulatory requirements applica-

ble to one or more programs described in subsection (b), other than requirements described in subsection (c), for any local educational agency or school within the State.

(B) DESIGNATION.—Each eligible State participating in the program described in subparagraph (A) shall be known as an "Ed-Flex Partnership State".

(2) ELIGIBLE STATE.—For the purpose of this section the term "eligible State" means a State that—

(A) has—

(i) developed and implemented the challenging State content standards, challenging State student performance standards, and aligned assessments described in section 1111(b), and for which local educational agencies in the State are producing the individual school performance profiles required by section 1116(a)(3); or

(ii)(I) developed and implemented the content standards described in clause (i);

(II) developed and implemented interim assessments; and

(III) made substantial progress (as determined by the Secretary) toward developing and implementing the performance standards and final aligned assessments described in clause (i), and toward having local educational agencies in the State produce the profiles described in clause (i);

(B) holds local educational agencies and schools accountable for meeting the educational goals described in the local applications submitted under paragraph (4), and for engaging in technical assistance and corrective actions consistent with section 1116, for the local educational agencies and schools that do not make adequate yearly progress as described in section 1111(b)(2); and

(C) waives State statutory or regulatory requirements relating to education while holding local educational agencies or schools within the State that are affected by such waivers accountable for the performance of the students who are affected by such waivers.

(3) STATE APPLICATION.—

(A) IN GENERAL.—Each State educational agency desiring to participate in the educational flexibility program under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall demonstrate that the eligible State has adopted an educational flexibility plan for the State that includes—

(i) a description of the process the State educational agency will use to evaluate applications from local educational agencies or schools requesting waivers of—

(I) Federal statutory or regulatory requirements as described in paragraph (1)(A); and

(II) State statutory or regulatory requirements relating to education;

(ii) a detailed description of the State statutory and regulatory requirements relating to education that the State educational agency will waive;

(iii) a description of clear educational objectives the State intends to meet under the educational flexibility plan;

(iv) a description of how the educational flexibility plan is consistent with and will assist in implementing the State comprehensive reform plan or, if a State does not have a comprehensive reform plan, a description of how the educational flexibility plan is coordinated with activities described in section 1111(b);

(v) a description of how the State educational agency will evaluate, consistent with the requirements of title I, the performance of students in the schools and local educational agencies affected by the waivers; and

(vi) a description of how the State educational agency will meet the requirements of paragraph (8).

(B) APPROVAL AND CONSIDERATIONS.—The Secretary may approve an application described in subparagraph (A) only if the Secretary determines that such application demonstrates substantial promise of assisting the State educational agency and affected local educational agencies and schools within the State in carrying out comprehensive educational reform, after considering—

(i) the eligibility of the State as described in paragraph (2);

(ii) the comprehensiveness and quality of the educational flexibility plan described in subparagraph (A);

(iii) the ability of the educational flexibility plan to ensure accountability for the activities and goals described in such plan;

(iv) the degree to which the State's objectives described in subparagraph (A)(iii)—

(I) are clear and have the ability to be assessed; and

(II) take into account the performance of local educational agencies or schools, and students, particularly those affected by waivers;

(v) the significance of the State statutory or regulatory requirements relating to education that will be waived; and

(vi) the quality of the State educational agency's process for approving applications for waivers of Federal statutory or regulatory requirements as described in paragraph (1)(A) and for monitoring and evaluating the results of such waivers.

(4) LOCAL APPLICATION.—

(A) IN GENERAL.—Each local educational agency or school requesting a waiver of a Federal statutory or regulatory requirement as described in paragraph (1)(A) and any relevant State statutory or regulatory requirement from a State educational agency shall submit an application to the State educational agency at such time, in such manner,

and containing such information as the State educational agency may reasonably require. Each such application shall—

(i) indicate each Federal program affected and each statutory or regulatory requirement that will be waived;

(ii) describe the purposes and overall expected results of waiving each such requirement;

(iii) describe, for each school year, specific, measurable, educational goals for each local educational agency or school affected by the proposed waiver, and for the students served by the local educational agency or school who are affected by the waiver;

(iv) explain why the waiver will assist the local educational agency or school in reaching such goals; and

(v) in the case of an application from a local educational agency, describe how the local educational agency will meet the requirements of paragraph (8).

(B) EVALUATION OF APPLICATIONS.—A State educational agency shall evaluate an application submitted under subparagraph (A) in accordance with the State's educational flexibility plan described in paragraph (3)(A).

(C) APPROVAL.—A State educational agency shall not approve an application for a waiver under this paragraph unless—

(i) the local educational agency or school requesting such waiver has developed a local reform plan that is applicable to such agency or school, respectively;

(ii) the waiver of Federal statutory or regulatory requirements as described in paragraph (1)(A) will assist the local educational agency or school in reaching its educational goals, particularly goals with respect to school and student performance; and

(iii) the State educational agency is satisfied that the underlying purposes of the statutory requirements of each program for which a waiver is granted will continue to be met.

(D) TERMINATION.—The State educational agency shall annually review the performance of any local educational agency or school granted a waiver of Federal statutory or regulatory requirements as described in paragraph (1)(A) in accordance with the evaluation requirement described in paragraph (3)(A)(v), and shall terminate any waiver granted to the local educational agency or school if the State educational agency determines, after notice and an opportunity for a hearing, that the local educational agency or school's performance with respect to meeting the accountability requirement described in paragraph (2)(C) and the goals described in paragraph (4)(A)(iii)—

(i) has been inadequate to justify continuation of such waiver; or

(ii) has decreased for two consecutive years, unless the State educational agency determines that the de-

crease in performance was justified due to exceptional or uncontrollable circumstances.

(5) OVERSIGHT AND REPORTING.—

(A) OVERSIGHT.—Each State educational agency participating in the educational flexibility program under this section shall annually monitor the activities of local educational agencies and schools receiving waivers under this section.

(B) STATE REPORTS.—

(i) ANNUAL REPORTS.—The State educational agency shall submit to the Secretary an annual report on the results of such oversight and the impact of the waivers on school and student performance.

(ii) PERFORMANCE DATA.—Not later than 2 years after the date a State is designated an Ed-Flex Partnership State, each such State shall include, as part of the State's annual report submitted under clause (i), data demonstrating the degree to which progress has been made toward meeting the State's educational objectives. The data, when applicable, shall include—

(I) information on the total number of waivers granted for Federal and State statutory and regulatory requirements under this section, including the number of waivers granted for each type of waiver;

(II) information describing the effect of the waivers on the implementation of State and local educational reforms pertaining to school and student performance;

(III) information describing the relationship of the waivers to the performance of schools and students affected by the waivers; and

(IV) an assurance from State program managers that the data reported under this section are reliable, complete, and accurate, as defined by the State, or a description of a plan for improving the reliability, completeness, and accuracy of such data as defined by the State.

(C) SECRETARY'S REPORTS.—The Secretary, not later than 2 years after the date of enactment of the Education Flexibility Partnership Act of 1999 and annually thereafter, shall—

(i) make each State report submitted under subparagraph (B) available to Congress and the public; and

(ii) submit to Congress a report that summarizes the State reports and describes the effects that the educational flexibility program under this section had on the implementation of State and local educational reforms and on the performance of students affected by the waivers.

(6) DURATION OF FEDERAL WAIVERS.—

(A) IN GENERAL.—The Secretary shall not approve the application of a State educational agency under paragraph (3) for a period exceeding 5 years, except that the Secretary

may extend such period if the Secretary determines that such agency's authority to grant waivers—

(i) has been effective in enabling such State or affected local educational agencies or schools to carry out their State or local reform plans and to continue to meet the accountability requirement described in paragraph (2)(C); and

(ii) has improved student performance.

(B) PERFORMANCE REVIEW.—Three years after the date a State is designated an Ed-Flex Partnership State, the Secretary shall review the performance of the State educational agency in granting waivers of Federal statutory or regulatory requirements as described in paragraph (1)(A) and shall terminate such agency's authority to grant such waivers if the Secretary determines, after notice and an opportunity for a hearing, that such agency's performance (including performance with respect to meeting the objectives described in paragraph (3)(A)(iii)) has been inadequate to justify continuation of such authority.

(C) RENEWAL.—In deciding whether to extend a request for a State educational agency's authority to issue waivers under this section, the Secretary shall review the progress of the State educational agency to determine if the State educational agency—

(i) has made progress toward achieving the objectives described in the application submitted pursuant to paragraph (3)(A)(iii); and

(ii) demonstrates in the request that local educational agencies or schools affected by the waiver authority or waivers have made progress toward achieving the desired results described in the application submitted pursuant to paragraph (4)(A)(iii).

(7) AUTHORITY TO ISSUE WAIVERS.—Notwithstanding any other provision of law, the Secretary is authorized to carry out the educational flexibility program under this section for each of the fiscal years 1999 through 2004.

(8) PUBLIC NOTICE AND COMMENT.—Each State educational agency seeking waiver authority under this section and each local educational agency seeking a waiver under this section—

(A) shall provide the public with adequate and efficient notice of the proposed waiver authority or waiver, consisting of a description of the agency's application for the proposed waiver authority or waiver in a widely read or distributed medium, including a description of any improved student performance that is expected to result from the waiver authority or waiver;

(B) shall provide the opportunity for parents, educators, and all other interested members of the community to comment regarding the proposed waiver authority or waiver;

(C) shall provide the opportunity described in subparagraph (B) in accordance with any applicable State law specifying how the comments may be received, and how the comments may be reviewed by any member of the public; and

(D) shall submit the comments received with the agency's application to the Secretary or the State educational agency, as appropriate.

(b) INCLUDED PROGRAMS.—The statutory or regulatory requirements referred to in subsection (a)(1)(A) are any such requirements for programs carried out under the following provisions:

(1) Title I (other than subsections (a) and (c) of section 1116).

(2) Subparts 1, 2, and 3 of part A of title II.

(3) Subpart 2 of part A of title V (other than section 5136).

(4) Part A of title IV.

(5) Part A of title VI.

(6) Part C of title VII.

(7) The Carl D. Perkins Vocational and Technical Education Act of 1998.

(c) WAIVERS NOT AUTHORIZED.—The Secretary and the State educational agency may not waive under subsection (a)(1)(A) any statutory or regulatory requirement—

(1) relating to—

(A) maintenance of effort;

(B) comparability of services;

(C) equitable participation of students and professional staff in private schools;

(D) parental participation and involvement;

(E) distribution of funds to States or to local educational agencies;

(F) serving eligible school attendance areas in rank order under section 1113(a)(3);

(G) the selection of a school attendance area or school under subsections (a) and (b) of section 1113, except that a State educational agency may grant a waiver to allow a school attendance area or school to participate in activities under part A of title I if the percentage of children from low-income families in the school attendance area of such school or who attend such school is not less than 10 percentage points below the lowest percentage of such children for any school attendance area or school of the local educational agency that meets the requirements of such subsections (a) and (b);

(H) use of Federal funds to supplement, not supplant, non-Federal funds; and

(I) applicable civil rights requirements; and

(2) unless the underlying purposes of the statutory requirements of the program for which a waiver is granted continue to be met to the satisfaction of the Secretary.

(d) TREATMENT OF EXISTING ED-FLEX PARTNERSHIP STATES.—

(1) IN GENERAL.—Except as provided in paragraphs (3) and (4), this section shall not apply to a State educational agency that has been granted waiver authority under the provisions of law described in paragraph (2) (as such provisions were in effect on the day before the date of enactment of the Educational Opportunities Act) for the duration of the waiver authority.

(2) APPLICABLE PROVISIONS.—The provisions of law referred to in paragraph (1) are as follows:

(A) Section 311(e) of the Goals 2000: Educate America Act (as such section was in effect on the day before the date of enactment of the Educational Opportunities Act).

(B) The proviso referring to such section 311(e) under the heading "EDUCATION REFORM" in the Department of Education Appropriations Act, 1996 (Public Law 104–134; 110 Stat. 1321–229).

(3) SPECIAL RULE.—If a State educational agency granted waiver authority pursuant to the provisions of law described in subparagraph (A) or (B) of paragraph (2) applies to the Secretary for waiver authority under this section—

(A) the Secretary shall review the progress of the State educational agency in achieving the objectives set forth in the application submitted pursuant to section 311(e) of the Goals 2000: Educate America Act (as such section was in effect on the day before the date of enactment of the Educational Opportunities Act); and

(B) the Secretary shall administer the waiver authority granted under this section in accordance with the requirements of this section.

(4) TECHNOLOGY.—In the case of a State educational agency granted waiver authority under the provisions of law described in subparagraph (A) or (B) of paragraph (2), the Secretary shall permit a State educational agency to expand, on or after the date of the enactment of the Educational Opportunities Act, the waiver authority to include programs under subpart 2 of part A of title V (other than section 5136).

(e) PUBLICATION.—A notice of the Secretary's decision to authorize State educational agencies to issue waivers under this section, including a description of the rationale the Secretary used to approve applications under subsection (a)(3)(B), shall be published in the Federal Register and the Secretary shall provide for the dissemination of such notice to State educational agencies, interested parties (including educators, parents, students, and advocacy and civil rights organizations), and the public.

PART D—FLEXIBILITY IN THE USE OF ADMINISTRATIVE AND OTHER FUNDS

SEC. 6401. CONSOLIDATION OF STATE ADMINISTRATIVE FUNDS FOR ELEMENTARY AND SECONDARY EDUCATION PROGRAMS.

(a) CONSOLIDATION OF ADMINISTRATIVE FUNDS.—

(1) IN GENERAL.—A State educational agency may consolidate the amounts specifically made available to such agency for State administration under one or more of the programs specified under paragraph (2) if such State educational agency can demonstrate that the majority of such agency's resources come from non-Federal sources.

(2) APPLICABILITY.—This section applies to programs under title I, those covered programs described in subparagraphs (C), (D), (E), and (F) of section 3(10).

(b) USE OF FUNDS.—

(1) IN GENERAL.—A State educational agency shall use the amount available under this section for the administration of

the programs included in the consolidation under subsection (a).

(2) ADDITIONAL USES.—A State educational agency may also use funds available under this section for administrative activities designed to enhance the effective and coordinated use of funds under the programs included in the consolidation under subsection (a), such as—

(A) the coordination of such programs with other Federal and non-Federal programs;

(B) the establishment and operation of peer-review mechanisms under this Act;

(C) the coordinated administration of such programs;

(D) the dissemination of information regarding model programs and practices; and

(E) technical assistance under programs specified in subsection (a)(2).

(c) RECORDS.—A State educational agency that consolidates administrative funds under this section shall not be required to keep separate records, by individual program, to account for costs relating to the administration of programs included in the consolidation under subsection (a).

(d) REVIEW.—To determine the effectiveness of State administration under this section, the Secretary may periodically review the performance of State educational agencies in using consolidated administrative funds under this section and take such steps as the Secretary finds appropriate to ensure the effectiveness of such administration.

(e) UNUSED ADMINISTRATIVE FUNDS.—If a State educational agency does not use all of the funds available to such agency under this section for administration, such agency may use such funds during the applicable period of availability as funds available under one or more programs included in the consolidation under subsection (a).

(f) CONSOLIDATION OF FUNDS FOR STANDARDS AND ASSESSMENT DEVELOPMENT.—In order to develop challenging State standards and assessments, a State educational agency may consolidate the amounts made available to such agency for such purposes under title I of this Act.

SEC. 6402. SINGLE LOCAL EDUCATIONAL AGENCY STATES.

A State educational agency that also serves as a local educational agency, in such agency's applications or plans under this Act, shall describe how such agency will eliminate duplication in the conduct of administrative functions.

SEC. 6403. CONSOLIDATION OF FUNDS FOR LOCAL ADMINISTRATION.

(a) GENERAL AUTHORITY.—In accordance with regulations of the Secretary, a local educational agency, with the approval of its State educational agency, may consolidate and use for the administration of one or more covered programs for any fiscal year not more than the percentage, established in each covered program, of the total amount available to the local educational agency under such covered programs.

(b) STATE PROCEDURES.—Not later than one year after the date of enactment of the Educational Opportunities Act, a State edu-

cational agency shall, in collaboration with local educational agencies in the State, establish procedures for responding to requests from local educational agencies to consolidate administrative funds under subsection (a) and for establishing limitations on the amount of funds under covered programs that may be used for administration on a consolidated basis.

(c) CONDITIONS.—A local educational agency that consolidates administrative funds under this section for any fiscal year shall not use any other funds under the programs included in the consolidation for administration for that fiscal year.

(d) USES OF ADMINISTRATIVE FUNDS.—A local educational agency that consolidates administrative funds under this section may use such consolidated funds for the administration of covered programs and for the uses described in section 6401(b)(2).

(e) RECORDS.—A local educational agency that consolidates administrative funds under this section shall not be required to keep separate records, by individual covered program, to account for costs relating to the administration of covered programs included in the consolidation.

SEC. 6404. ADMINISTRATIVE FUNDS EVALUATION.

(a) FEDERAL FUNDS EVALUATION.—

(1) IN GENERAL.—The Secretary shall conduct an evaluation of the use of funds under this Act for the administration, by State and local educational agencies, of all covered programs, including the percentage of grant funds used for such purpose in all covered programs. The evaluation shall examine—

(A) the methods employed by schools, local educational agencies, and State educational agencies to reduce administrative expenses and maximize the use of funds for activities directly affecting student learning; and

(B) the steps which may be taken to assist schools, local educational agencies, and State educational agencies to account for and reduce administrative expenses.

(2) STATE DATA.—Beginning in fiscal year 2001 and each succeeding fiscal year thereafter, each State educational agency which receives funds under title I shall submit to the Secretary a report on the use of title I funds for the State administration of activities assisted under title I. Such report shall include the proportion of State administrative funds provided under section 1603 that are expended for—

(A) basic program operation and compliance monitoring;

(B) statewide program services such as development of standards and assessments, curriculum development, and program evaluation; and

(C) technical assistance and other direct support to local educational agencies and schools.

(3) FEDERAL FUNDS EVALUATION REPORT.—The Secretary shall complete the evaluation conducted under this section not later than July 1, 2004, and shall submit to the President and the appropriate committees of Congress a report regarding such evaluation within 30 days of the completion of such evaluation.

SEC. 6405. CONSOLIDATED SET-ASIDE FOR DEPARTMENT OF THE INTERIOR FUNDS.

(a) GENERAL AUTHORITY.—

(1) TRANSFER.—The Secretary shall transfer to the Department of the Interior, as a consolidated amount for covered programs, the Indian education programs under part A of title IX, and the education for homeless children and youth program under subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act, the amounts allotted to the Department of the Interior under those programs.

(2) AGREEMENT.—

(A) IN GENERAL.—The Secretary and the Secretary of the Interior shall enter into an agreement, consistent with the requirements of the programs specified in paragraph (1), for the distribution and use of those program funds under terms that the Secretary determines best meet the purposes of those programs.

(B) REQUIREMENTS.—The agreement shall—

(i) set forth the plans of the Secretary of the Interior for the use of the amount transferred, the steps to be taken to achieve America's Education Goals, and performance measures to assess program effectiveness, including measurable goals and objectives; and

(ii) be developed in consultation with Indian tribes.

(b) ADMINISTRATION.—The Department of the Interior may use not more than 1.5 percent of the funds consolidated under this section for such department's costs related to the administration of the funds transferred under this section.

SEC. 6406. AVAILABILITY OF UNNEEDED PROGRAM FUNDS.

(a) UNNEEDED PROGRAM FUNDS.—With the approval of its State educational agency, a local educational agency that determines for any fiscal year that funds under a covered program (other than part A of title I) are not needed for the purpose of that covered program, may use such funds, not to exceed five percent of the total amount of such local educational agency's funds under that covered program, for the purpose of another covered program.

(b) COORDINATION OF SERVICES.—A local educational agency, individual school, or consortium of schools may use a total of not more than five percent of the funds such agency, school, or consortium, respectively, receives under this part for the establishment and implementation of a coordinated services project.

PART E—COORDINATION OF PROGRAMS; CONSOLIDATED STATE AND LOCAL PLANS AND APPLICATIONS

SEC. 6501. PURPOSE.

It is the purpose of this part to improve teaching and learning by encouraging greater cross-program coordination, planning, and service delivery under this Act and enhanced integration of programs under this Act with educational activities carried out with State and local funds.

SEC. 6502. OPTIONAL CONSOLIDATED STATE PLANS OR APPLICATIONS.

(a) GENERAL AUTHORITY.—

(1) SIMPLIFICATION.—In order to simplify application requirements and reduce the burden for State educational agencies under this Act, the Secretary, in accordance with subsection (b), shall establish procedures and criteria under which a State educational agency may submit a consolidated State plan or a consolidated State application meeting the requirements of this section for—

(A) each of the covered programs in which the State participates; and

(B) the additional programs described in paragraph (2).

(2) ADDITIONAL PROGRAMS.—A State educational agency may also include in its consolidated State plan or consolidated State application—

(A) the Even Start program under part B of title I;

(B) the Prevention and Intervention Programs for Youth Who Are Neglected, Delinquent, or At-Risk of Dropping Out under part D of title I;

(C) programs under Public Law 103–239; and

(D) such other programs as the Secretary may designate.

(3) CONSOLIDATED APPLICATIONS AND PLANS.—A State educational agency that submits a consolidated State plan or a consolidated State application under this section shall not be required to submit separate State plans or applications under any of the programs to which the consolidated State plan or consolidated State application under this section applies.

(b) COLLABORATION.—

(1) IN GENERAL.—In establishing criteria and procedures under this section, the Secretary shall collaborate with State educational agencies and, as appropriate, with other State agencies, local educational agencies, public and private nonprofit agencies, organizations, and institutions, private schools, and representatives of parents, students, and teachers.

(2) CONTENTS.—Through the collaborative process described in subsection (b)(1), the Secretary shall establish, for each program under this Act to which this section applies, the descriptions, information, assurances, and other material required to be included in a consolidated State plan or consolidated State application.

(3) NECESSARY MATERIALS.—The Secretary shall require only descriptions, information, assurances, and other materials that are absolutely necessary for the consideration of the consolidated State plan or consolidated State application.

SEC. 6503. GENERAL APPLICABILITY OF STATE EDUCATIONAL AGENCY ASSURANCES.

(a) ASSURANCES.—A State educational agency that submits a consolidated State plan or consolidated State application under this Act, whether separately or under section 6502, shall have on file with the Secretary a single set of assurances, applicable to each program for which such plan or application is submitted, that provides that—

(1) each such program will be administered in accordance with all applicable statutes, regulations, program plans, and applications;

(2)(A) the control of funds provided under each such program and title to property acquired with program funds will be in a public agency, in a nonprofit private agency, institution, or organization, or in an Indian tribe if the law authorizing the program provides for assistance to such entities; and

(B) the public agency, nonprofit private agency, institution, or organization, or Indian tribe will administer such funds and property to the extent required by the authorizing law;

(3) the State will adopt and use proper methods of administering each such program, including—

(A) the enforcement of any obligations imposed by law on agencies, institutions, organizations, and other recipients responsible for carrying out each program;

(B) the correction of deficiencies in program operations that are identified through audits, monitoring, or evaluation; and

(C) the adoption of written procedures for the receipt and resolution of complaints alleging violations of law in the administration of such programs;

(4) the State will cooperate in carrying out any evaluation of each such program conducted by or for the Secretary or other Federal officials;

(5) the State will use such fiscal control and fund accounting procedures as will ensure proper disbursement of, and accounting for, Federal funds paid to the State under each such program;

(6) the State will—

(A) make reports to the Secretary as may be necessary to enable the Secretary to perform the Secretary's duties under each such program; and

(B) maintain such records, provide such information to the Secretary, and afford access to the records as the Secretary may find necessary to carry out the Secretary's duties; and

(7) before the plan or application was submitted to the Secretary, the State has afforded a reasonable opportunity for public comment on the plan or application and has considered such comment.

(b) GEPA PROVISION.—Section 441 of the General Education Provisions Act shall not apply to this part.

SEC. 6504. ADDITIONAL COORDINATION.

(a) ADDITIONAL COORDINATION.—In order to explore ways for State educational agencies to reduce administrative burdens and promote the coordination of the education services of this Act with other health and social service programs administered by such agencies, the Secretary is directed to seek agreements with other Federal agencies (including the Departments of Health and Human Services, Justice, Labor and Agriculture) for the purpose of establishing procedures and criteria under which a State educational agency would submit a consolidated State plan or consolidated

State application that meets the requirements of the covered programs.

(b) REPORT.—The Secretary shall report to the relevant committees of Congress not later than 6 months after the date of enactment of the Educational Opportunities Act.

SEC. 6505. CONSOLIDATED LOCAL PLANS OR APPLICATIONS.

(a) GENERAL AUTHORITY.—A local educational agency receiving funds under more than one covered program may submit plans or applications to the State educational agency under such programs on a consolidated basis.

(b) REQUIRED CONSOLIDATED PLANS OR APPLICATIONS.—A State educational agency that has submitted and had approved a consolidated State plan or application under section 6502 may require local educational agencies in the State receiving funds under more than one program included in the consolidated State plan or consolidated State application to submit consolidated local plans or applications under such programs.

(c) COLLABORATION.—A State educational agency shall collaborate with local educational agencies in the State in establishing procedures for the submission of the consolidated State plans or consolidated State applications under this section.

(d) NECESSARY MATERIALS.—The State educational agency shall require only descriptions, information, assurances, and other material that are absolutely necessary for the consideration of the local educational agency plan or application.

SEC. 6506. OTHER GENERAL ASSURANCES.

(a) ASSURANCES.—Any applicant other than a State educational agency that submits a plan or application under this Act, whether separately or pursuant to section 6504, shall have on file with the State educational agency a single set of assurances, applicable to each program for which a plan or application is submitted, that provides that—

(1) each such program will be administered in accordance with all applicable statutes, regulations, program plans, and applications;

(2)(A) the control of funds provided under each such program and title to property acquired with program funds will be in a public agency or in a nonprofit private agency, institution, organization, or Indian tribe, if the law authorizing the program provides for assistance to such entities; and

(B) the public agency, nonprofit private agency, institution, or organization, or Indian tribe will administer such funds and property to the extent required by the authorizing statutes;

(3) the applicant will adopt and use proper methods of administering each such program, including—

(A) the enforcement of any obligations imposed by law on agencies, institutions, organizations, and other recipients responsible for carrying out each program; and

(B) the correction of deficiencies in program operations that are identified through audits, monitoring, or evaluation;

(4) the applicant will cooperate in carrying out any evaluation of each such program conducted by or for the State educational agency, the Secretary or other Federal officials;

(5) the applicant will use such fiscal control and fund accounting procedures as will ensure proper disbursement of, and accounting for, Federal funds paid to such applicant under each such program;

(6) the applicant will—

(A) make reports to the State educational agency and the Secretary as may be necessary to enable such agency and the Secretary to perform their duties under each such program; and

(B) maintain such records, provide such information, and afford access to the records as the State educational agency or the Secretary may find necessary to carry out the State educational agency's or the Secretary's duties; and

(7) before the application was submitted, the applicant afforded a reasonable opportunity for public comment on the application and has considered such comment.

(b) GEPA PROVISION.—Section 442 of the General Education Provisions Act shall not apply to this part.

SEC. 6507. RELATIONSHIP OF STATE AND LOCAL PLANS TO OTHER PLANS.

(a) STATE PLANS.—Each State plan submitted under the following programs shall be integrated with each other and the State's improvement plan, if any, either approved or being developed, under Public Law 103–239, and the Carl D. Perkins Vocational and Technical Education Act of 1998:

(1) Part A of title I (helping disadvantaged children meet high standards).

(2) Part C of title I (education of migratory children).

(3) Title II (professional development).

(4) Title IV (safe and drug-free schools).

(5) Part A of title VI (innovative education program strategies).

(6) Subpart 4 of part A of title IX (Indian education).

(b) LOCAL PLANS.—

(1) IN GENERAL.—Each local educational agency plan submitted under the following programs shall be integrated with each other:

(A) Part A of title I (helping disadvantaged children meet high standards).

(B) Title II (professional development).

(C) Title IV (safe and drug-free schools).

(D) Part A of title VI (innovative education program strategies).

(E) Subpart 1 of part A of title VII (bilingual education).

(F) Part C of title VII (emergency immigrant education).

(G) Subpart 4 of part A of title IX (Indian education).

(2) PLAN OF OPERATION.—Each plan of operation included in an application submitted by an eligible entity under part B of title I (Even Start) shall be consistent with, and promote the goals of the State plan under section 1111 and the local educational agency plan under section 1112.

PART F—WAIVERS

SEC. 6601. WAIVERS OF STATUTORY AND REGULATORY REQUIREMENTS.

(a) IN GENERAL.—Except as provided in subsection (c), the Secretary may waive any statutory or regulatory requirement of this Act for a State educational agency, local educational agency, Indian tribe, or school through a local educational agency, that—

(1) receives funds under a program authorized by this Act; and

(2) requests a waiver under subsection (b).

(b) REQUEST FOR WAIVER.—

(1) IN GENERAL.—A State educational agency, local educational agency, or Indian tribe which desires a waiver shall submit a waiver request to the Secretary that—

(A) identifies the Federal programs affected by such requested waiver;

(B) describes which Federal requirements are to be waived and how the waiving of such requirements will—

(i) increase the quality of instruction for students; or

(ii) improve the academic performance of students;

(C) if applicable, describes which similar State and local requirements will be waived and how the waiving of such requirements will assist the local educational agencies, Indian tribes or schools, as appropriate, to achieve the objectives described in clauses (i) and (ii) of subparagraph (B);

(D) describes specific, measurable educational improvement goals and expected outcomes for all affected students;

(E) describes the methods to be used to measure progress in meeting such goals and outcomes; and

(F) describes how schools will continue to provide assistance to the same populations served by programs for which waivers are requested.

(2) ADDITIONAL INFORMATION.—Such requests—

(A) may provide for waivers of requirements applicable to State educational agencies, local educational agencies, Indian tribes, and schools; and

(B) shall be developed and submitted—

(i)(I) by local educational agencies (on behalf of such agencies and schools) to State educational agencies; and

(II) by State educational agencies (on behalf of, and based upon the requests of, local educational agencies) to the Secretary; or

(ii) by Indian tribes (on behalf of schools operated by such tribes) to the Secretary.

(3) GENERAL REQUIREMENTS.—

(A) STATE EDUCATIONAL AGENCIES.—In the case of a waiver request submitted by a State educational agency acting in its own behalf, the State educational agency shall—

(i) provide all interested local educational agencies in the State with notice and a reasonable opportunity to comment on the request;

(ii) submit the comments to the Secretary; and

(iii) provide notice and information to the public regarding the waiver request in the manner that the applying agency customarily provides similar notices and information to the public.

(B) LOCAL EDUCATIONAL AGENCIES.—In the case of a waiver request submitted by a local educational agency that receives funds under this Act—

(i) such request shall be reviewed by the State educational agency and be accompanied by the comments, if any, of such State educational agency; and

(ii) notice and information regarding the waiver request shall be provided to the public by the agency requesting the waiver in the manner that such agency customarily provides similar notices and information to the public.

(c) RESTRICTIONS.—The Secretary shall not waive under this section any statutory or regulatory requirements relating to—

(1) the allocation or distribution of funds to States, local educational agencies, or other recipients of funds under this Act;

(2) maintenance of effort;

(3) comparability of services;

(4) use of Federal funds to supplement, not supplant, non-Federal funds;

(5) equitable participation of private school students and teachers;

(6) parental participation and involvement;

(7) applicable civil rights requirements;

(8) the requirement for a charter school under part D of title V;

(9) the prohibitions regarding—

(A) State aid in section 10102; or

(B) use of funds for religious worship or instruction in section 10107; or

(10) the selection of a school attendance area or school under subsections (a) and (b) of section 1113, except that the Secretary may grant a waiver to allow a school attendance area or school to participate in activities under part A of title I if the percentage of children from low-income families in the school attendance area of such school or who attend such school is not less than 10 percentage points below the lowest percentage of such children for any school attendance area or school of the local educational agency that meets the requirements of such subsections (a) and (b).

(d) DURATION AND EXTENSION OF WAIVER.—

(1) IN GENERAL.—Except as provided in paragraph (2), the duration of a waiver approved by the Secretary under this section may be for a period not to exceed three years.

(2) EXTENSION.—The Secretary may extend the period described in paragraph (1) if the Secretary determines that—

(A) the waiver has been effective in enabling the State or affected recipients to carry out the activities for which the waiver was requested and the waiver has contributed to improved student performance; and

(B) such extension is in the public interest.

(e) REPORTS.—

(1) LOCAL WAIVER.—A local educational agency that receives a waiver under this section shall at the end of the second year for which a waiver is received under this section, and each subsequent year, submit a report to the State educational agency that—

(A) describes the uses of such waiver by such agency or by schools;

(B) describes how schools continued to provide assistance to the same populations served by the programs for which waivers are requested; and

(C) evaluates the progress of such agency and of schools in improving the quality of instruction or the academic performance of students.

(2) STATE WAIVER.—A State educational agency that receives reports required under paragraph (1) shall annually submit a report to the Secretary that is based on such reports and contains such information as the Secretary may require.

(3) INDIAN TRIBE WAIVER.—An Indian tribe that receives a waiver under this section shall annually submit a report to the Secretary that—

(A) describes the uses of such waiver by schools operated by such tribe; and

(B) evaluates the progress of such schools in improving the quality of instruction or the academic performance of students.

(4) REPORT TO CONGRESS.—Beginning in fiscal year 2001 and each subsequent year, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report—

(A) summarizing the uses of waivers by State educational agencies, local educational agencies, Indian tribes, and schools; and

(B) describing whether such waivers—

(i) increased the quality of instruction to students; or

(ii) improved the academic performance of students.

(f) TERMINATION OF WAIVERS.—The Secretary shall terminate a waiver under this section if the Secretary determines that the performance of the State or other recipient affected by the waiver has been inadequate to justify a continuation of the waiver or if the waiver is no longer necessary to achieve its original purposes.

(g) PUBLICATION.—A notice of the Secretary's decision to grant each waiver under subsection (a) shall be published in the Federal Register and the Secretary shall provide for the dissemination of such notice to State educational agencies, interested parties, including educators, parents, students, advocacy and civil rights organizations, and the public.

PART G—EDUCATION PERFORMANCE PARTNERSHIPS

SEC. 6701. SHORT TITLE.

This part may be cited as the "Education Performance Partnerships Act".

SEC. 6702. PURPOSE.

The purpose of this part is to create options for States and communities—

(1) to improve the academic achievement of all students, and to focus the resources of the Federal Government on such achievement;

(2) to give States and communities maximum flexibility in determining how to boost academic achievement and implement education reforms;

(3) to hold States and communities accountable for boosting the academic achievement of all students, especially disadvantaged children;

(4) to narrow achievement gaps between the lowest and highest performing groups of students so that no child is left behind;

(5) to give States and local school districts maximum flexibility to determine how to educate students in return for standards of accountability that exceed the requirements of existing Federal law.

SEC. 6703. PERFORMANCE PARTNERSHIP AGREEMENTS.

(a) AGREEMENT AUTHORIZED.—A State may, at the option of the State, execute a performance partnership agreement with the Secretary under which the provisions of law described in section 6704(a) shall not apply to such State except as otherwise provided in this part.

(b) DETERMINATION OF STATE PARTICIPATION.—The Governor of a State, in consultation with the individual or body responsible for the education programs of the State under State law, shall determine whether the State shall participate in a performance partnership agreement.

(c) APPROVAL OF PERFORMANCE PARTNERSHIP AGREEMENT.—

(1) IN GENERAL.—A performance partnership agreement submitted to the Secretary under this section shall be approved by the Secretary unless the Secretary provides a written notification, within 60 days after receiving the performance partnership agreement, that identifies areas of the agreement that do not comply with the provisions of this part but that are subject to negotiation under paragraph (2).

(2) NEGOTIATIONS.—

(A) IN GENERAL.—Not later than 4 months after the date on which a notification is provided to a State under paragraph (1), the Secretary shall complete negotiations with the State concerning the areas of noncompliance identified in the notification.

(B) PEER REVIEW.—If the Secretary and the State do not complete negotiations within the 4-month period described in subparagraph (A), the proposed performance partnership agreement involved shall be subject to peer review, except

that such 4-month period may be extended for an additional 30 days if the Secretary and the State agree to such a continuance.

(3) RESUBMISSION.—A State may resubmit a performance partnership agreement at any time after such agreement is rejected by the Secretary. If the Secretary rejects a performance partnership agreement, a State shall have the opportunity to request peer review of the rejection.

(4) PEER REVIEW.—

(A) ESTABLISHMENT OF COMMITTEE.—The Secretary shall establish a peer review committee to conduct a review of a performance partnership agreement as provided for under paragraph (2)(B) or (3).

(B) REVIEWERS.—The committee shall be composed of 7 members, of which—

(i) 2 members shall be appointed by the State submitting the agreement;

(ii) 2 members shall be appointed by the Secretary; and

(iii) 3 members shall be appointed by the National Academy of Sciences.

(C) RESPONSIBILITIES.—The committee shall review the agreement and, at the discretion of the committee, conduct a site visit.

(D) RECOMMENDATIONS.—The committee shall make advisory recommendations to the Secretary and the State regarding the agreement, not later than 60 days after receiving the agreement.

(E) DECISION.—

(i) IN GENERAL.—Except as provided in clause (ii), not later than 30 days after receiving the recommendations, the Secretary shall decide whether to approve the agreement.

(ii) CONTINUED NEGOTIATIONS.—Negotiations on the agreement may continue for as long as the Secretary and the State agree.

(d) TERMS OF PERFORMANCE PARTNERSHIP.—Each performance partnership agreement executed pursuant to this part shall meet the following requirements:

(1) TERM.—The agreement shall contain a statement that the term of the performance partnership agreement may be not more than 5 years.

(2) APPLICATION OF PROGRAM REQUIREMENTS.—The agreement shall state that no program requirements of any program included in the performance partnership agreement shall apply to activities carried out with the program funds, except as otherwise provided in this part.

(3) LIST.—The agreement shall include a list, provided by the State, of the programs that the State wishes to include in the performance partnership agreement.

(4) USE OF FUNDS TO IMPROVE STUDENT ACHIEVEMENT.—The agreement shall contain a 5-year plan describing how the State intends to combine and use the funds from programs included in the performance partnership agreement to advance the edu-

cation priorities of the State, improve student achievement, and narrow achievement gaps between groups of students.

(5) OPPORTUNITY FOR PUBLIC REVIEW AND COMMENT.—The agreement shall include information that demonstrates that the State has, as provided for under the laws of the State, provided parents, teachers, and local educational agencies with notice and an opportunity to comment on a proposed performance partnership agreement prior to the submission of such agreement to the Secretary.

(6) ACCOUNTABILITY SYSTEM REQUIREMENTS.—If the State includes any program under part A of title I in the performance partnership agreement the State shall include a certification that—

(A)(i) the State has developed and implemented the challenging State content standards, challenging State student performance standards, and aligned assessments described in section 1111(b); or

(ii) the State has developed and implemented a system to measure the degree of change from 1 school year to the next in student performance on such aligned assessments;

(B) the State has established a system under which assessment information obtained through an assessment or measurement described in subparagraph (A) is disaggregated by race, ethnicity, English proficiency status, and socioeconomic status for the State, each local educational agency, and each school, except that such disaggregation shall not be required in cases in which—

(i) the number of students in any group that would result would be insufficient to yield statistically reliable information; or

(ii) the disaggregated information would reveal the identity of an individual student;

(C) the State has established specific, measurable, student performance objectives for determining adequate yearly progress (referred to in this part as "performance objectives"), including—

(i) a definition of performance considered to be adequate and inadequate by the State on the assessment or measurement instruments described in subparagraph (A) (and (B)), for all students; and

(ii) the objective of improving the performance of all student groups and narrowing gaps in achievement between the lowest and highest performing students; and

(D) the State has developed and implemented a statewide system for holding local educational agencies and schools in the State accountable for student performance on the performance objectives that includes—

(i) a procedure for identifying local educational agencies and schools in need of improvement;

(ii) a procedure for assisting and building capacity in local educational agencies and schools identified as needing improvement, to improve teaching and learning; and

(iii) a procedure for implementing corrective actions if the provision of assistance and capacity building described in clause (ii) is not effective.

(7) PERFORMANCE GOALS.—

(A) STUDENT ACHIEVEMENT DATA.—Each State shall establish, and include in the agreement, student performance goals for the 5-year term of the agreement that, at a minimum—

(i) establish a single high standard of performance for all students;

(ii) take into account the progress of students from every local educational agency and school in the State participating in a program subject to the performance partnership agreement;

(iii) measure changes in the percentages of students at selected grade levels meeting specified proficiency levels of achievement (established by the State) in each year of the performance partnership agreement, compared to such percentages in the baseline year (as described in subparagraph (C));

(iv) set annual goals for improving the performance of each group specified in paragraph (6)(B) and for narrowing gaps in performance between the highest and lowest performing students in accordance with section 6710(b); and

(v) require all students served by a local educational agency or school in the State participating in a program subject to the performance partnership agreement to make substantial gains in achievement.

(B) ADDITIONAL PERFORMANCE INDICATORS.—A State may identify in the performance partnership agreement any additional performance indicator such as graduation, dropout, or attendance rates.

(C) BASELINE PERFORMANCE DATA.—To determine the percentages of students at selected grade levels meeting specified proficiency levels of achievement for the baseline year, the State shall use the most recent achievement data available on the date on which the State and the Secretary execute the performance partnership agreement.

(D) CONSISTENCY OF PERFORMANCE MEASURES.—A State shall maintain, at a minimum, the same challenging State student performance standards, and consistent aligned assessments or measures, as specified in the performance partnership agreement involved, throughout the term of the agreement.

(8) ANNUAL REPORT.—The agreement shall include an assurance that not later than 2 years after the date of the execution of the performance partnership agreement, and annually thereafter, the State shall disseminate widely to the general public, submit to the Secretary, distribute to print and broadcast media, and post on the Internet, a report that includes—

(A) student performance data obtained through an assessment or measurement conducted under paragraph (6)(A), disaggregated as provided in paragraph (6)(B); and

(B) a detailed description of how the State has used Federal funds to improve student performance and reduce achievement gaps to meet the terms of the performance partnership agreement.

(9) COMPLIANCE.—The agreement shall include an assurance that the State educational agency was in compliance with the requirements of this Act as such Act was in effect on the date of enactment of this part.

(10) ALIGNMENT WITH REFORM PLAN.—The agreement shall contain an assurance that the plan described in paragraph (4) is aligned with the State's reform plan for elementary and secondary education.

(11) FISCAL RESPONSIBILITIES.—The agreement shall include an assurance that the State will use fiscal control and fund accounting procedures that will ensure proper disbursements of, and accounting for, Federal funds provided to the State under this part.

(12) IMPLEMENTATION SCHEDULE.—The agreement shall include a schedule for implementation of the plan described in paragraph (4) that aligns the plan with the school calendar for elementary schools and secondary schools in the State.

(13) TIMELINE FOR REPORTING STUDENT PERFORMANCE DATA.—The agreement shall contain a timeline for reporting student performance data obtained through an assessment or measurement conducted under paragraph (6)(A), based on the State's assessment schedule.

(e) AMENDMENT TO PERFORMANCE PARTNERSHIP AGREEMENT.—

(1) IN GENERAL.—The State may modify the terms of the performance partnership agreement—

(A) by submitting to the Secretary, and obtaining the approval of the Secretary on, an amendment described in paragraph (2); or

(B) by providing notice to the Secretary of the State's intent to make an amendment described in paragraph (3).

(2) AMENDMENTS REQUIRING APPROVAL OF SECRETARY.—

(A) WITHDRAWAL OF PROGRAMS.—A State may submit to the Secretary an amendment that withdraws a program described in section 6704(a) from the performance partnership agreement. If the Secretary approves the amendment, the requirements of applicable law shall apply for the program withdrawn.

(B) INCLUSION OF PROGRAMS.—A State may submit to the Secretary an amendment that includes an additional program described in section 6704(a) in the performance partnership agreement.

(C) INCLUSION OF PERFORMANCE OBJECTIVES.—A State may submit to the Secretary an amendment that includes in the agreement an additional performance objective for which local educational agencies and schools in the State will be held accountable.

(3) AMENDMENTS NOT REQUIRING APPROVAL OF SECRETARY.—A State, in the discretion of the State, may amend the performance partnership agreement to modify any term of the agree-

ment other than a term described in paragraph (2) or subsection (d)(7)(D).

SEC. 6704. TREATMENT OF ELIGIBLE PROGRAMS UNDER AGREEMENTS.

(a) ELIGIBLE PROGRAMS.—The programs that may be included in a performance partnership agreement under this part are the programs authorized under the following provisions of law:

(1) Part A of title I.

(2) Part B of title I.

(3) Part C of title I.

(4) Section 1502.

(5) Subparts 1, 2, and 3 of part A of title II.

(6) Part B of title III.

(7) Section 5132.

(8) Title VI.

(9) Part C of title VII.

(10) Any other provision of this Act that is not in effect on the date of enactment of the Educational Opportunities Act under which the Secretary provides grants to States on the basis of a formula.

(11) Section 310 of the Department of Education Appropriations Act, 2000.

(12) Title III of the Goals 2000: Educate America Act.

(13) Subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act.

(b) EXCLUDED PROVISIONS.—Each State entering into a performance partnership agreement under this part shall comply with any statutory or regulatory requirement applicable to a program described in subsection (a) relating to—

(1) maintenance of effort;

(2) comparability of services;

(3) equitable participation of students and professional staff of private schools;

(4) parental participation and involvement;

(5) in the case of a program carried out under part A of title I, the serving of eligible school attendance areas in rank order under section 1113(a)(3);

(6) in the case of a program carried out under part A of title I, the selection of a school attendance area or school under subsections (a) and (b) of section 1113, except that a State may grant a waiver to allow a school attendance area or school to participate in activities under part A of title I of such Act if the percentage of children from low-income families (within the meaning of section 6303(c)(1)(G)) in the school attendance area of such school or who attend such school is not less than 10 percentage points below the lowest percentage of such children for any school attendance area or school served by the local educational agency that meets the requirements of such subsections (a) and (b);

(7) use of Federal funds to supplement, not supplant, non-Federal funds; and

(8) applicable civil rights requirements.

(c) COMBINATION OF FUNDS UNDER AGREEMENT.—A State that includes programs described in subsection (a) in a partnership performance agreement may combine funds from any or all of the pro-

grams without regard to the program requirements of the programs, except—

(1) as otherwise provided in this part; and

(2) that formulas for the program for the allotment of Federal funds to States shall remain in effect except as otherwise provided in Federal law.

(d) USES OF FUNDS UNDER AGREEMENT.—Funds made available to a State under this part shall be used for educational purposes, including—

(1) carrying out activities focused on improved student learning;

(2) providing new books;

(3) providing additional technology;

(4) promoting high standards and conducting assessments;

(5) conducting teacher hiring and making improvements in the quality of teaching;

(6) reducing class sizes;

(7) operating alternative schools;

(8) constructing schools;

(9) supporting special education;

(10) operating charter schools;

(11) promoting character education;

(12) conducting dropout prevention activities; and

(13) providing tutoring and remedial help for struggling students.

SEC. 6705. LOCAL PARTICIPATION IN AGREEMENTS.

(a) NONPARTICIPATING STATE.—

(1) IN GENERAL.—If a State chooses not to submit a performance partnership agreement under this part, any local educational agency in such State is eligible, at the option of the agency, to submit to the Secretary a performance partnership agreement in accordance with this section.

(2) AGREEMENT.—The terms of a performance partnership agreement between an eligible local educational agency described in this subsection and the Secretary shall specify the programs to be included in the performance partnership agreement, as agreed upon by the State and the agency, from the list specified in section 6704(a).

(b) STATE APPROVAL.—In submitting a performance partnership agreement to the Secretary, the eligible local educational agency shall provide written documentation from the State in which such agency is located that the State has no objection to the local educational agency's proposal for a performance partnership agreement.

(c) APPLICATION.—

(1) IN GENERAL.—Except as provided in this section, and to the extent practicable, the requirements of this part shall apply to an eligible local educational agency that submits a performance partnership agreement in the same manner and to the same extent as the requirements apply to a State that submits such an agreement.

(2) EXCEPTIONS.—Sections 6706 (other than section 6706(b)) and 6707 (other than section 6707(d)) shall not apply to the eligible local educational agency.

SEC. 6706. WITHIN STATE DISTRIBUTION OF FUNDS.

(a) IN GENERAL.—A State that enters into a performance partnership agreement with respect to programs shall distribute the funds from the programs to local educational agencies within the State on the basis of the constitutional and statutory requirements of the State.

(b) TARGETING FOR PROGRAMS UNDER PART A OF TITLE I.—If a State includes programs carried out under part A of title I in the performance partnership agreement, sections 1113, 1124, 1124A, 1125, 1125A, 1126, and 1127 shall apply under the agreement, except as provided for under part C.

SEC. 6707. STATE ADMINISTRATIVE EXPENDITURES.

(a) PART A PROGRAM IN AGREEMENT.—A State that includes programs carried out under title I in the State's performance partnership agreement may use not more than 1 percent of the total amount of funds allotted to such State under such programs (as part of the performance partnership agreement) for administrative purposes.

(b) OTHER PROGRAMS IN AGREEMENT.—

(1) IN GENERAL.—With respect to programs included in the performance partnership agreement of the State other than programs carried out under title I, the State may use for administrative purposes, from the total amount of funds allotted to such State under such non-title I programs (as part of the performance partnership agreement)—

(A) for the first school year for which the agreement is in effect, not more than the total amount provided for administration under the programs for the preceding school year;

(B) for the second such school year, not more than 5 percent, plus 75 percent of the covered reduction, of the total amount of funds allotted;

(C) for the third such school year, not more than 5 percent, plus 50 percent of the covered reduction, of the total amount of funds allotted;

(D) for the fourth such school year, not more than 5 percent, plus 25 percent of the covered reduction, of the total amount of funds allotted; and

(E) for the fifth such school year, not more than 5 percent of the total amount of funds allotted.

(2) EXCEPTION.—Notwithstanding paragraph (1), a State may use not more than 7 percent of the total amount of funds allotted to such State under such non-title I programs (as part of the performance partnership agreement) for administrative and nonadministrative expenses associated with statewide or districtwide initiatives directly affecting classroom learning.

(3) DEFINITION.—In this subsection, the term "covered reduction" means the amount obtained by subtracting—

(A) 5 percent of the total amount of funds allotted to the State under the programs included in the agreement; from

(B) the total amount described in paragraph (1)(A).

(c) RENEWAL OF AGREEMENT.—Upon the renewal of the performance partnership agreement of a State for a subsequent term, the State may use not more than 5 percent of the total amount of funds allotted to such State under the programs included in the performance partnership agreement for administrative purposes.

(d) LOCAL EDUCATIONAL AGENCY.—A local educational agency submitting a performance partnership agreement under this part may use not more than 5 percent of the total amount of funds allotted to such agency under the programs included in the performance partnership agreement for administrative purposes.

SEC. 6708. PERFORMANCE REVIEW.

(a) RECOMMENDATIONS FOR IMPROVEMENT.—

(1) REVIEW.—At the end of the third year for which a performance partnership agreement is in effect for a State, the Secretary shall prepare a written performance review of the activities carried out under the agreement.

(2) RECOMMENDATIONS.—

(A) IN GENERAL.—If the Secretary determines, in the performance review that—

(i) the State has failed to carry out the requirements of the agreement;

(ii) the State has failed to implement the State accountability system described in section 6703(d)(6)(D); or

(iii) the State has failed to make adequate progress in improving student performance, as measured through performance objectives,

the Secretary shall include in the review written recommendations to the State for improvement.

(B) SIGNIFICANT DECLINE IN ACHIEVEMENT.—If the Secretary determines, in the performance review, that student achievement with respect to the performance objectives of the State has significantly declined, the Secretary shall, after notice and an opportunity for a hearing, terminate the agreement. Such agreement shall not be terminated if the State demonstrates to the Secretary that the decline in student achievement was justified based on exceptional circumstances or circumstances beyond the control of the State.

(b) WITHHOLDING OF FUNDS OR TERMINATION OF AGREEMENT.—

(1) REVIEW.—If the Secretary makes a determination described in subsection (a)(2) in the performance review for a State, not later than 1 year after the date of the determination the Secretary shall prepare a second written performance review for the State of the activities described in subsection (a)(1).

(2) ACTION.—If the Secretary makes a determination described in subsection (a)(2) in the second performance review for a State, the Secretary may take 1 or more of the following actions:

(A) Withhold a percentage of State administrative funds for programs included in the performance partnership agreement.

(B) Terminate the performance partnership agreement.

SEC. 6709. RENEWAL OF PERFORMANCE PARTNERSHIP AGREEMENT.

(a) NOTIFICATION.—A State that wishes to renew a performance partnership agreement shall notify the Secretary not later than 6 months before the end of the 5-year term of the agreement.

(b) RENEWAL REQUIREMENTS.—The Secretary shall renew the agreement for an additional 5-year term, if—

(1) at the end of the 5-year term described in subsection (a), or as soon after the term as is practicable, the State submits the data required under the agreement; and

(2) the Secretary determines, on the basis of the data, that the State that has made substantial progress toward meeting the performance goals described in section 6703(d)(7) during the 5-year term.

SEC. 6710. CLOSING THE ACHIEVEMENT GAP BONUS AWARDS.

(a) IN GENERAL.—The Secretary shall provide bonus awards to eligible States (without regard to whether the States participate in a performance partnership agreement) to reward such States for making significant progress in eliminating achievement gaps by raising the achievement levels of the lowest performing student groups.

(b) ELIGIBILITY.—

(1) IN GENERAL.—To be eligible to receive a bonus award under subsection (a), a State shall—

(A) use National Assessment of Educational Progress tests for the 4th and 8th grade levels or another non-State auditing device to measure (with a statistically significant sample of students) student academic progress for purposes of determining the progress made by the State in narrowing the achievement gap between the highest and lowest performing students in the State; and

(B) exceed the national average for reducing the achievement gap between the lowest performing students and the highest performing students in at least 3 of the 4 measured categories (math and English at both the 4th and 8th grade levels).

(2) DETERMINATION OF REDUCTION.—If, at the end of the fifth academic year that begins after performance partnerships are entered into under this part, the Secretary determines that the achievement gap between the lowest performing students and the highest performing students in a State has decreased (as determined under subsection (c)(2)) by a percentage that exceeds the national average for such reduction (as determined under subsection (c)(1)), the Secretary shall award the State the amount described in subsection (e).

(c) DETERMINING THE REDUCTION IN ACHIEVEMENT GAP.—

(1) NATIONAL AVERAGE.—

(A) IN GENERAL.—For purposes of determining the national average reduction in the achievement gap between the lowest performing students and the highest performing students, the Secretary shall compare the baseline and final levels of achievement (as determined under subparagraphs (B) and (C)) of—

(i) all those students eligible for free and reduced-price lunches under the Richard B. Russell National School Lunch Act in the States described in such subparagraphs; and

(ii) all other students not described in subparagraph (A) in the States described in such subparagraphs;

in each of the 4 measured categories described in subsection (b)(1)(B).

(B) BASELINE LEVEL.—For purposes of subparagraph (A), the baseline level of achievement shall be based on the results of the National Assessment of Educational Progress tests of 4th and 8th grade students in both math and reading during the 2001–2002 academic year for all States administering such tests, or the results on another non-State auditing device during the academic year.

(C) FINAL LEVEL.—For purposes of subparagraph (A), the final level of achievement shall be based on the results of the National Assessment of Educational Progress tests of 4th and 8th grade students in both math and reading for all States administering such tests during the fifth academic year in which performance partnerships are entered into under this part, or the results of another non-State auditing device during the calendar year.

(2) STATE REDUCTIONS.—

(A) IN GENERAL.—For purposes of determining the State reduction in the achievement gap between the lowest performing students and the highest performing students, the Secretary shall compare the baseline and final levels of achievement (as determined under subparagraphs (B) and (C)) of—

(i) those students in the State who are eligible for free and reduced-price lunches under the Richard B. Russell National School Lunch Act; and

(ii) other students in the State not described in subparagraph (A);

in each of the 4 measured categories described in subsection (b)(1)(B).

(B) BASELINE LEVEL.—For purposes of subparagraph (A), the baseline level of achievement shall be based on the results of the National Assessment of Educational Progress tests of 4th and 8th grade students in both math and reading during the 2001–2002 academic year for the State, or the results on another non-State auditing device during the academic year.

(C) FINAL LEVEL.—For purposes of subparagraph (A), the final level of achievement shall be based on the results of the National Assessment of Educational Progress tests of 4th and 8th grade students in both math and reading for the State during the fifth academic year in which performance partnerships are entered into under this part, or the results on another non-State auditing device during the academic year.

(3) LIMITATION.—A reduction in the achievement gap between the lowest performing students and the highest performing students that results from a reduction in the achievement levels of the highest performing students shall not be considered a reduction for purposes of this subsection.

(d) REVIEW.—The Secretary shall review the improvement that the State has made in closing the achievement gap, as measured on State assessments.

(e) AMOUNT OF AWARD.—

(1) IN GENERAL.—The amount described in this subsection with respect to a State described in subsection (b)(2) shall be an amount that bears the same relationship to the amount appropriated under subsection (f) as the number of eligible individuals in the State bears to the total number of eligible individuals in all such States.

(2) ELIGIBLE INDIVIDUALS.—In paragraph (1), the term "eligible individuals" means individuals who are at least 5 years of age, but less than 17 years of age, and whose family income is below the poverty line applicable to a family of the size.

(3) POVERTY LINE.—In paragraph (2), the term "poverty line" has the meaning given such term in section 673(2) of the Community Services Block Grant Act, including any revision required by such section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There shall be appropriated $2,500,000,000 for the fifth full fiscal year for which performance partnership agreements are entered into under this part to carry out this section.

SEC. 6711. PERFORMANCE REPORT.

Not later than 60 days after the Secretary receives an annual State report described in section 6703(d)(8), the Secretary shall make the report available to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

PART H—ACADEMIC ACHIEVEMENT FOR ALL DEMONSTRATION

SEC. 6801. SHORT TITLE.

This part may be cited as the "Academic Achievement for All Demonstration Act (Straight A's Act)".

SEC. 6802. PURPOSE.

The purpose of this part is to create options for States and communities—

(1) to improve the academic achievement of all students, and to focus the resources of the Federal Government upon such achievement;

(2) to improve teacher quality and subject matter mastery, especially in mathematics, reading, and science;

(3) to empower parents and schools to effectively address the needs of their children and students;

(4) to give States and communities maximum freedom in determining how to boost academic achievement and implement education reforms;

(5) to eliminate Federal barriers to implementing effective State and local education programs;

(6) to hold States and communities accountable for boosting the academic achievement of all students, especially disadvantaged children; and

(7) to narrow achievement gaps between the lowest and highest performing groups of students so that no child is left behind.

SEC. 6803. PERFORMANCE AGREEMENT.

(a) PROGRAM AUTHORIZED.—Not more than 15 States may, at their option, execute a performance agreement with the Secretary under which the provisions of law described in section 6804(a) shall not apply to such State except as otherwise provided in this part. The Secretary shall execute performance partnership agreements with the first 15 States that submit approvable performance agreements under this section.

(b) LOCAL INPUT.—States shall provide parents, teachers, and local schools and school districts notice and opportunity to comment on any proposed performance agreement prior to submission to the Secretary as provided under general State law notice and comment provisions.

(c) APPROVAL OF PERFORMANCE AGREEMENT.—A performance agreement submitted to the Secretary under this section shall be considered as approved by the Secretary within 60 days after receipt of the performance agreement unless the Secretary provides a written determination to the State that the performance agreement fails to satisfy the requirements of this part before the expiration of the 60-day period.

(d) TERMS OF PERFORMANCE AGREEMENT.—Each performance agreement executed pursuant to this part shall include the following provisions:

(1) TERM.—A statement that the term of the performance agreement shall be 5 years.

(2) APPLICATION OF PROGRAM REQUIREMENTS.—A statement that no program requirements of any program included by the State in the performance agreement shall apply, except as otherwise provided in this part.

(3) LIST.—A list provided by the State of the programs that the State wishes to include in the performance agreement.

(4) USE OF FUNDS TO IMPROVE STUDENT ACHIEVEMENT.—A 5-year plan describing how the State intends to combine and use the funds from programs included in the performance agreement to advance the education priorities of the State, improve student achievement, and narrow achievement gaps between students.

(5) ACCOUNTABILITY REQUIREMENTS.—If a State includes any part of title I in its performance agreement, the State shall include a certification that the State has done the following:

(A)(i) developed and implemented the challenging State content standards, challenging State student performance standards, and aligned assessments described in section 1111(b); or

(ii) developed and implemented a system to measure the degree of change from one school year to the next in student performance;

(B) developed and is implementing a statewide accountability system that has been or is reasonably expected to be effective in substantially increasing the numbers and percentages of all students who meet the State's proficient and advanced levels of performance;

(C) established a system under which assessment information may be disaggregated within each State, local edu-

cational agency, and school by each major racial and ethnic group, gender, English proficiency status, migrant status, and by economically disadvantaged students as compared to students who are not economically disadvantaged (except that such disaggregation shall not be required in cases in which the number of students in any such group is insufficient to yield statistically reliable information or will reveal the identity of an individual student);

(D) established specific, measurable, numerical performance objectives for student achievement, including a definition of performance considered to be proficient by the State on the academic assessment instruments described under subparagraph (A);

(E) developed and implemented a statewide system for holding its local educational agencies and schools accountable for student performance that includes—

(i) a procedure for identifying local educational agencies and schools in need of improvement, using the assessments described under subparagraph (A);

(ii) assisting and building capacity in local educational agencies and schools identified as in need of improvement to improve teaching and learning; and

(iii) implementing corrective actions after not more than 3 years if the assistance and capacity building under clause (ii) is not effective.

(6) PERFORMANCE GOALS.—

(A) STUDENT ACADEMIC ACHIEVEMENT.—Each State that includes part A of title I in its performance agreement shall establish annual student performance goals for the 5-year term of the performance agreement that, at a minimum—

(i) establish a single high standard of performance for all students;

(ii) take into account the progress of students from every local educational agency and school in the State;

(iii) are based primarily on the State's challenging content and student performance standards and assessments described under paragraph (5);

(iv) include specific annual improvement goals in each subject and grade included in the State assessment system, which shall include, at a minimum, reading or language arts and mathematics;

(v) compares the proportions of students at levels of performance (as defined by the State) with the proportions of students at the levels in the same grade in the previous school year;

(vi) includes annual numerical goals for improving the performance of each group specified in paragraph (5)(C) and narrowing gaps in performance between the highest and lowest performing students in accordance with section 6810(b); and

(vii) requires all students in the State to make substantial gains in achievement.

(B) ADDITIONAL INDICATORS OF PERFORMANCE.—A State may identify in the performance agreement any additional

indicators of performance such as graduation, dropout, or attendance rates.

(C) CONSISTENCY OF PERFORMANCE MEASURES.—A State shall maintain, at a minimum, the same level of challenging State student performance standards and assessments throughout the term of the performance agreement.

(7) FISCAL RESPONSIBILITIES.—An assurance that the State will use fiscal control and fund accounting procedures that will ensure proper disbursement of, and accounting for, Federal funds paid to the State under this part.

(8) CIVIL RIGHTS.—An assurance that the State will meet the requirements of applicable Federal civil rights laws.

(9) PRIVATE SCHOOL PARTICIPATION.—

(A) EQUITABLE PARTICIPATION.—An assurance that the State will provide for the equitable participation of students and professional staff in private schools.

(B) APPLICATION OF BYPASS.—An assurance that sections 10104, 10105, and 10106 shall apply to all services and assistance provided under this part in the same manner as such sections apply to services and assistance provided in accordance with section 10103 of such Act.

(10) STATE FINANCIAL PARTICIPATION.—An assurance that the State will not reduce the level of spending of State funds for elementary and secondary education during the term of the performance agreement.

(11) ANNUAL REPORTS.—An assurance that not later than 1 year after the execution of the performance agreement, and annually thereafter, each State shall disseminate widely to parents and the general public, submit to the Secretary, distribute to print and broadcast media, and post on the Internet, a report that includes—

(A) student academic performance data, disaggregated as provided in paragraph (5)(C); and

(B) a detailed description of how the State has used Federal funds to improve student academic performance and reduce achievement gaps to meet the terms of the performance agreement.

(e) SPECIAL RULES.—If a State does not include part A of title I in its performance agreement, the State shall—

(1) certify that the State developed a system to measure the academic performance of all students; and

(2) establish challenging academic performance goals for such other programs in accordance with paragraph (6)(A) of subsection (d), except that clause (vi) of such paragraph shall not apply to such performance agreement.

(f) AMENDMENT TO PERFORMANCE AGREEMENT.—A State may submit an amendment to the performance agreement to the Secretary under the following circumstances:

(1) REDUCE SCOPE OF PERFORMANCE AGREEMENT.—Not later than 1 year after the execution of the performance agreement, a State may amend the performance agreement through a request to withdraw a program from such agreement. If the Secretary approves the amendment, the requirements of existing

law shall apply for any program withdrawn from the performance agreement.

(2) EXPAND SCOPE OF PERFORMANCE AGREEMENT.—Not later than 1 year after the execution of the performance agreement, a State may amend its performance agreement to include additional programs and performance indicators for which the State will be held accountable.

(3) APPROVAL OF AMENDMENT.—An amendment submitted to the Secretary under this subsection shall be considered as approved by the Secretary within 60 days after receipt of the amendment unless the Secretary provides a written determination to the State that the performance agreement if amended by the amendment will fail to satisfy the requirements of this part, before the expiration of the 60-day period.

(g) DUAL PARTICIPATION PROHIBITED.—A State or local educational agency shall not enter into an agreement under both this part and part G. A local educational agency shall not enter into an agreement under this part or part G if the State in which the local educational agency is located has entered into an agreement under part G or this part, respectively.

SEC. 6804. ELIGIBLE PROGRAMS.

(a) ELIGIBLE PROGRAMS.—The provisions of law referred to in section 6803(a) except as otherwise provided in subsection (b), are as follows:

(1) Part A of title I.

(2) Part B of title I.

(3) Part C of title I.

(4) Subparts 1, 2, and 3 of part A of title II.

(5) Part B of title III.

(6) Section 5132.

(7) Title VI.

(8) Part C of title VII.

(9) Section 307 of the Department of Education Appropriation Act of 1999.

(10) Comprehensive school reform programs as authorized under section 1502 and described on pages 96–99 of the Joint Explanatory Statement of the Committee of Conference included in House Report 105–390 (Conference Report on the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1998).

(11) Sections 115 and 116, and parts B and C of title I of the Carl D. Perkins Vocational Technical Education Act.

(12) Subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act.

(b) ALLOCATIONS TO STATES.—A State may choose to consolidate funds from any or all of the programs described in subsection (a) without regard to the program requirements of the provisions referred to in such subsection, except that the proportion of funds made available for national programs and allocations to each State for State and local use, under such provisions, shall remain in effect unless otherwise provided.

(c) USES OF FUNDS.—Funds made available under this part to a State shall be used for any elementary and secondary educational purposes permitted by State law of the participating State.

SEC. 6805. WITHIN-STATE DISTRIBUTION OF FUNDS.

(a) IN GENERAL.—The distribution of funds from programs included in a performance agreement from a State to a local educational agency within the State shall be determined by the Governor of the State and the State legislature. In a State in which the constitution or State law designates another individual, entity, or agency to be responsible for education, the allocation of funds from programs included in the performance agreement from a State to a local educational agency within the State shall be determined by that individual, entity, or agency, in consultation with the Governor and State Legislature. Nothing in this section shall be construed to supersede or modify any provision of a State constitution or State law.

(b) LOCAL INPUT.—States shall provide parents, teachers, and local schools and school districts notice and opportunity to comment on the proposed allocation of funds as provided under general State law notice and comment provisions.

(c) LOCAL HOLD HARMLESS OF PART A TITLE 1 FUNDS.—

(1) IN GENERAL.—In the case of a State that includes part A of title I in the performance agreement, the agreement shall provide an assurance that each local educational agency shall receive under the performance agreement an amount equal to or greater than the amount such agency received under part A of title I in the fiscal year preceding the fiscal year in which the performance agreement is executed.

(2) PROPORTIONATE REDUCTION.—If the amount made available to the State from the Secretary for a fiscal year is insufficient to pay to each local educational agency the amount made available under part A of title I to such agency for the preceding fiscal year, the State shall reduce the amount each local educational agency receives by a uniform percentage.

SEC. 6806. LOCAL PARTICIPATION.

(a) NONPARTICIPATING STATE.—

(1) IN GENERAL.—If a State chooses not to submit a performance agreement under this part, any local educational agency in such State is eligible, at the local educational agency's option, to submit to the Secretary a performance agreement in accordance with this section.

(2) AGREEMENT.—The terms of a performance agreement between an eligible local educational agency and the Secretary shall specify the programs to be included in the performance agreement, as agreed upon by the State and the agency, from the list under section 6804(a).

(b) STATE APPROVAL.—When submitting a performance agreement to the Secretary, an eligible local educational agency described in subsection (a) shall provide written documentation from the State in which such agency is located that the State has no objection to the agency's proposal for a performance agreement.

(c) APPLICATION.—

(1) IN GENERAL.—Except as provided in this section, and to the extent applicable, the requirements of this part shall apply to an eligible local educational agency that submits a performance agreement in the same manner as the requirements apply to a State.

(2) EXCEPTIONS.—The following provisions shall not apply to an eligible local educational agency:

(A) WITHIN STATE DISTRIBUTION FORMULA NOT APPLICABLE.—The distribution of funds under section 6805 shall not apply.

(B) STATE SET ASIDE SHALL NOT APPLY.—The State set aside for administrative funds under section 6807 shall not apply.

SEC. 6807. LIMITATIONS ON STATE AND LOCAL EDUCATIONAL AGENCY ADMINISTRATIVE EXPENDITURES.

(a) IN GENERAL.—Except as otherwise provided under subsection (b), a State that includes part A of title I in the performance agreement may use not more than 1 percent of such total amount of funds allocated to such State under the programs included in the performance agreement for administrative purposes.

(b) EXCEPTION.—A State that does not include part A of title I in the performance agreement may use not more than 3 percent of the total amount of funds allocated to such State under the programs included in the performance agreement for administrative purposes.

(c) LOCAL EDUCATIONAL AGENCY.—A local educational agency participating in this part under a performance agreement under section 6806 may not use for administrative purposes more than 4 percent of the total amount of funds allocated to such agency under the programs included in the performance agreement.

SEC. 6808. PERFORMANCE REVIEW AND PENALTIES.

(a) MID-TERM PERFORMANCE REVIEW.—If, during the 5-year term of the performance agreement, student achievement significantly declines for three consecutive years in the academic performance categories established in the performance agreement, the Secretary may, after notice and opportunity for a hearing, terminate the agreement.

(b) FAILURE TO MEET TERMS.—If at the end of the 5-year term of the performance agreement a State has not substantially met the performance goals submitted in the performance agreement, the Secretary shall, after notice and an opportunity for a hearing, terminate the performance agreement and the State shall be required to comply with the program requirements, in effect at the time of termination, for each program included in the performance agreement.

(c) PENALTY FOR FAILURE TO IMPROVE STUDENT PERFORMANCE.—If a State has made no progress toward achieving its performance goals by the end of the term of the agreement, the Secretary may reduce funds for State administrative costs for each program included in the performance agreement by not more than 50 percent for each year of the 2-year period following the end of the term of the performance agreement.

SEC. 6809. RENEWAL OF PERFORMANCE AGREEMENT.

(a) NOTIFICATION.—A State that wishes to renew its performance agreement shall notify the Secretary of its renewal request not less than 6 months prior to the end of the term of the performance agreement.

(b) RENEWAL REQUIREMENTS.—A State that has met or has substantially met its performance goals submitted in the performance agreement at the end of the 5-year term may reapply to the Sec-

retary to renew its performance agreement for an additional 5-year period. Upon the completion of the 5-year term of the performance agreement or as soon thereafter as the State submits data required under the agreement, the Secretary shall renew, for an additional 5-year term, the performance agreement of any State that has met or has substantially met its performance goals.

SEC. 6810. ACHIEVEMENT GAP REDUCTION REWARDS.

(a) CLOSING THE GAP REWARD FUND.—

(1) IN GENERAL.—To reward States that make significant progress in eliminating achievement gaps by raising the achievement levels of the lowest performing students, the Secretary shall set aside sufficient funds from the Fund for the Improvement of Education under part G of title V to grant a reward to States that meet the conditions set forth in subsection (b) by the end of their 5-year performance agreement.

(2) REWARD AMOUNT.—The amount of the reward referred to in paragraph (1) shall be not less than 5 percent of funds allocated to the State during the first year of the performance agreement for programs included in the agreement.

(b) CONDITIONS OF PERFORMANCE REWARD.—Subject to paragraph (3), a State is eligible to receive a reward under this section as follows:

(1) A State is eligible for such an award if the State reduces by not less than 25 percent, over the 5-year term of the performance agreement, the difference between the percentage of highest and lowest performing groups of students described in section 6803(d)(5)(C) that meet the State's proficient level of performance.

(2) A State is eligible for such an award if a State increases the proportion of two or more groups of students under section 6803(d)(5)(C) that meet State proficiency standards by 25 percent.

(3) A State shall receive such an award if the following requirements are met:

(A) CONTENT AREAS.—The reduction in the achievement gap or improvement in achievement shall include not less than two content areas, one of which shall be mathematics or reading.

(B) GRADES TESTED.—The reduction in the achievement gap or improvement in achievement shall occur in at least two grade levels.

(c) RULE OF CONSTRUCTION.—Student achievement gaps shall not be considered to have been reduced in circumstances where the average academic performance of the highest performing quintile of students has decreased.

SEC. 6811. STRAIGHT A's PERFORMANCE REPORT.

The Secretary shall make the annual State reports described in section 6803(d)(11) available to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate not later than 60 days after the Secretary receives the report.

SEC. 6812. APPLICABILITY OF TITLE X.

To the extent that provisions of title X are inconsistent with this part, this part shall be construed as superseding such provisions.

SEC. 6813. APPLICABILITY OF GENERAL EDUCATION PROVISIONS ACT.

To the extent that the provisions of the General Education Provisions Act are inconsistent with this part, this part shall be construed as superseding such provisions, except where relating to civil rights, withholding of funds and enforcement authority, and family educational and privacy rights.

SEC. 6814. APPLICABILITY TO HOME SCHOOLS.

Nothing in this part shall be construed to affect home schools whether or not a home school is treated as a private school or home school under State law.

SEC. 6815. GENERAL PROVISIONS REGARDING NONRECIPIENT, NONPUBLIC SCHOOLS.

Nothing in this part shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school, whether or not a home school is treated as a private school or home school under State law.

SEC. 6816. DEFINITIONS.

For the purpose of this part:

(1) ALL STUDENTS.—The term "all students" means all students attending public schools or charter schools that are participating in the State's accountability and assessment system.

(2) STATE.—The term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, and American Samoa.

SEC. 6817. EFFECTIVE DATE.

This part shall take effect with respect to funds appropriated for the fiscal year beginning October 1, 2000.

TITLE VII—BILINGUAL EDUCATION, LANGUAGE ENHANCEMENT, AND LANGUAGE ACQUISITION PROGRAMS

PART A—BILINGUAL EDUCATION

SEC. 7101. [20 U.S.C. 7401] SHORT TITLE.

This part may be cited as the "Bilingual Education Act".

[SEC. 7102. [20 U.S.C. 7402] FINDINGS, POLICY, AND PURPOSE.]

SEC. 7102. PURPOSE.

[(a) FINDINGS.—The Congress finds that—

[(1) language-minority Americans speak virtually all world languages plus many that are indigenous to the United States;

[(2) there are large and growing numbers of children and youth of limited-English proficiency, many of whom have a cultural heritage that differs from that of their English-proficient peers;

[(3) the presence of language-minority Americans is related in part to Federal immigration policies;

[(4) many language-minority Americans are limited in their English proficiency, and many have limited education and income;

[(5) limited English proficient children and youth face a number of challenges in receiving an education that will enable such children and youth to participate fully in American society, including—

[(A) segregated education programs;

[(B) disproportionate and improper placement in special education and other special programs due to the use of inappropriate evaluation procedures;

[(C) the limited-English proficiency of their own parents, which hinders the parents' ability to fully participate in the education of their children; and

[(D) a shortage of teachers and other staff who are professionally trained and qualified to serve such children and youth;

[(6) Native Americans and Native American languages (as such terms are defined in section 103 of the Native American Languages Act), including native residents of the outlying areas, have a unique status under Federal law that requires special policies within the broad purposes of this Act to serve the education needs of language minority students in the United States;

[(7) institutions of higher education can assist in preparing teachers, administrators and other school personnel to understand and build upon the educational strengths and needs of language-minority and culturally diverse student enrollments;

[(8) it is the purpose of this title to help ensure that limited English proficient students master English and develop high levels of academic attainment in content areas;

[(9) quality bilingual education programs enable children and youth to learn English and meet high academic standards including proficiency in more than one language;

[(10) as the world becomes increasingly interdependent and as international communication becomes a daily occurrence in government, business, commerce, and family life, multilingual skills constitute an important national resource which deserves protection and development;

[(11) educational technology has the potential for improving the education of language-minority and limited English proficient students and their families, and the Federal Government should foster this development;

[(12) parent and community participation in bilingual education programs contributes to program effectiveness;

[(13) research, evaluation, and data-collection capabilities in the field of bilingual education need to be strengthened so that educators and other staff can better identify and promote those programs, program implementation strategies, and instructional practices that result in effective education of limited English proficient children;

[(14) the use of a child or youth's native language and culture in classroom instruction can—

[(A) promote self-esteem and contribute to academic achievement and learning English by limited English proficient children and youth;

[(B) benefit English-proficient children and youth who also participate in such programs; and

[(C) develop our Nation's national language resources, thus promoting our Nation's competitiveness in the global economy;

[(15) the Federal Government, as exemplified by title VI of the Civil Rights Act of 1964 and section 204(f) of the Equal Education Opportunities Act of 1974, has a special and continuing obligation to ensure that States and local school districts take appropriate action to provide equal educational opportunities to children and youth of limited English proficiency; and

[(16) the Federal Government also, as exemplified by the Federal Government's efforts under this title, has a special and continuing obligation to assist States and local school districts in developing the capacity to provide programs of instruction that offer limited English proficient children and youth an equal educational opportunity.

[(b) POLICY.—The Congress declares it to be the policy of the United States, in order to ensure equal educational opportunity for all children and youth and to promote educational excellence, to assist State and local educational agencies, institutions of higher education and community-based organizations to build their capacity to establish, implement, and sustain programs of instruction for children and youth of limited English proficiency.]

[(c) PURPOSE.—The] *The* purpose of this part is [to educate limited English proficient children and youth to] *help ensure that limited English proficient students master English and* meet the same rigorous standards for academic performance expected of all children and youth, including meeting challenging State content standards and challenging State student performance standards in academic areas by—

[(1) developing systemic improvement and reform of educational programs serving limited English proficient students through the development and implementation of exemplary bilingual education programs and special alternative instruction programs;]

"(1) promoting systemic improvement and reform of, and developing accountability systems for, educational programs serving limited English proficient students;]

(2) *fully* developing bilingual skills and multicultural understanding;]

* * * * * * *

SEC. 7103. [20 U.S.C. 7403] AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—For the purpose of carrying out this part, there are authorized to be appropriated [$215,000,000 for the fiscal year 1995] *$300,000,000 for fiscal year 2001* and such sums as may be necessary for each of the four succeeding fiscal years.

* * * * * * *

Subpart 1—Bilingual Education Capacity and Demonstration Grants

SEC. 7111. [20 U.S.C. 7421] FINANCIAL ASSISTANCE FOR BILINGUAL EDUCATION.

The purpose of this subpart is to assist local education agencies, institutions of higher education, and community-based organizations, through the grants authorized under sections [7112, 7113, 7114, and 7115] *7113 and 7114* to—

* * * * * * *

[SEC. 7112. [20 U.S.C. 7422] PROGRAM DEVELOPMENT AND IMPLEMENTATION GRANTS.

[(a) PURPOSE.—The purpose of this section is to develop and implement new comprehensive, coherent, and successful bilingual education or special alternative instructional programs for limited English proficient students, including programs of early childhood education, kindergarten through twelfth grade education, gifted and talented education, and vocational and applied technology education.

[(b) PROGRAM AUTHORIZED.—

[(1) AUTHORITY.—(A) The Secretary is authorized to award grants to eligible entities having applications approved under section 7116 to enable such entities to carry out activities described in paragraph (2).

[(B) Each grant under this section shall be awarded for a period of three years.

[(2) AUTHORIZED ACTIVITIES.—(A) Grants awarded under this section shall be used to improve the education of limited English proficient students and their families by—

[(i) developing and implementing comprehensive preschool, elementary, or secondary bilingual education or special alternative instructional programs that are coordinated with other relevant programs and services to meet the full range of educational needs of limited English proficient students; and

[(ii) providing inservice training to classroom teachers, administrators, and other school or community-based organizational personnel to improve the instruction and assessment of language-minority and limited English proficient students.

[(B) Grants under this section may be used to improve the education of limited English proficient students and their families by—

[(i) implementing family education programs and parent outreach and training activities designed to assist parents to become active participants in the education of their children;

[(ii) improving the instructional program for limited English proficient students by identifying, acquiring, and upgrading curriculum, instructional materials, educational software and assessment procedures and, if appropriate, applying educational technology;

[(iii) compensating personnel, including teacher aides who have been specifically trained, or are being trained, to

provide services to children and youth of limited English proficiency;

[(iv) providing tutorials and academic or career counseling for children and youth of limited-English proficiency; and

[(v) providing such other activities, related to the purposes of this part, as the Secretary may approve.

[(c) ELIGIBLE ENTITY.—For the purpose of this section the term "eligible entity" means—

[(1) one or more local educational agencies;

[(2) one or more local educational agencies in collaboration with an institution of higher education, community-based organization or local or State educational agency; or

[(3) a community-based organization or an institution of higher education which has an application approved by the local educational agency to develop and implement early childhood education or family education programs or to conduct an instructional program which supplements the educational services provided by a local educational agency.

[(d) DUE CONSIDERATON.—In awarding grants under this section, the Secretary shall give due consideration to the need for early childhood education, elementary education, and secondary education programs.]

SEC. 7113. [20 U.S.C. 7423] PROGRAM ENHANCEMENT PROJECTS.

[(a) PURPOSE.—The purpose of this section is to carry out highly focused, innovative, locally designed projects to expand or enhance existing bilingual education or special alternative instructional programs for limited English proficient students.]

(a) PURPOSE.—The purpose of this section is to—

(1) provide grants to eligible entities to provide innovative, locally designed, high quality instruction to children and youth of limited English proficiency;

(2) help children and youth develop proficiency in the English language by expanding or strengthening instructional programs; and

(3) help children and youth attain the standards established under section 1111(b).

(b) PROGRAM AUTHORIZED.—

(1) AUTHORITY.—(A) The Secretary is authorized to award grants to eligible entities having applications approved under section 7116 to enable such entities to carry out activities described in paragraph (2).

(B) Each grant under this section shall be awarded for a period of [two] *3* years.

[(2) AUTHORIZED ACTIVITIES.—(A) Grants under this section shall be used for providing inservice training to classroom teachers, administrators, and other school or community-based organization personnel to improve the instruction and assessment of language-minority and limited English proficient students.

[(B) Grants under this section may be used for—

[(i) implementing family education programs and parent outreach and training activities designed to assist parents

to become active participants in the education of their children;

[(ii) improving the instructional program for limited English proficient students by identifying, acquiring, and upgrading curriculum, instructional materials, educational software and assessment procedures and, if appropriate, applying educational technology;

[(iii) compensating personnel, including teacher aides who have been specifically trained, or are being trained, to provide services to children and youth of limited-English proficiency;

[(iv) providing tutorials and academic or career counseling for children and youth of limited-English proficiency;

[(v) providing intensified instruction; and

[(vi) providing such other activities, related to the purposes of this part, as the Secretary may approve.]

(2) AUTHORIZED ACTIVITIES.—(A) Grants awarded under this section shall be used for—

(i) developing, implementing, expanding, or enhancing comprehensive preschool, elementary, or secondary education programs for limited English proficient children and youth, that are—

(I) aligned with State and local content and student performance standards, and local school reform efforts; and

(II) coordinated with related services for children and youth;

(ii) providing high quality professional development to classroom teachers, administrators, and other school or community-based organization personnel to improve the instruction and assessment of limited English proficient students; and

(iii) annually assessing the English proficiency of all limited English proficient students served by activities carried out under this section.

(B) Grants awarded under this section may be used for—

(i) implementing programs to upgrade the reading and other academic skills of limited English proficient students;

(ii) developing accountability systems to monitor the academic progress of limited English proficient and formerly limited English proficient students;

(iii) implementing family education programs and parent outreach and training activities designed to assist parents to become active participants in the education of their children;

(iv) improving the instructional programs for limited English proficient students by identifying, acquiring, and applying effective curricula, instructional materials (including materials provided through technology), and assessments that are all aligned with State and local standards;

(v) providing intensified instruction, including tutorials and academic or career counseling, for children and youth who are limited English proficient;

(vi) adapting best practice models for meeting the needs of limited English proficient students;

(vii) assisting limited English proficient students with disabilities;

(viii) implementing applied learning activities such as service learning to enhance and support comprehensive elementary and secondary bilingual education programs; and

(ix) carrying out such other activities, consistent with the purpose of this part, as the Secretary may approve.

* * * * * * *

(d) PRIORITY.—In awarding grants under this section, the Secretary may give priority to an entity that—

(1) serves a school district—

(A) that has a total district enrollment that is less than 10,000 students; or

(B) with a large percentage or number of limited English proficient students; and

(2) has limited or no experience in serving limited English proficient students.

[SEC. 7114. [20 U.S.C. 7424] COMPREHENSIVE SCHOOL GRANTS.

[(a) PURPOSE.—The purpose of this section is to provide financial assistance to eligible entities to implement schoolwide bilingual education programs or special alternative instruction programs for reforming, restructuring, and upgrading all relevant programs and operations, within an individual school, that serve all (or virtually all) children and youth of limited-English proficiency in schools with significant concentrations of such children and youth.

[(b) PROGRAM AUTHORIZED.—

[(1) AUTHORITY.—(A) The Secretary is authorized to award grants to eligible entities having applications approved under section 7116 to enable such entities to carry out activities described in paragraph (3).

[(B) Each grant under this section shall be awarded for five years.

[(2) TERMINATION.—The Secretary shall terminate grants to eligible entities under this section if the Secretary determines that—

[(A) the program evaluation required by section 7123 indicates that students in the schoolwide program are not being taught to and are not making adequate progress toward achieving challenging State content standards and challenging State student performance standards; or

[(B) in the case of a program to promote dual language facility, such program is not promoting such facility.

[(3) AUTHORIZED ACTIVITIES.—Grants under this section may be used to improve the education of limited English proficient students and their families by—

[(A) implementing family education programs and parent outreach and training activities designed to assist parents to become active participants in the education of their children;

[(B) improving the instructional program for limited English proficient students by identifying, acquiring and

upgrading curriculum, instructional materials, educational software and assessment procedures and, if appropriate, applying educational technology;

[(C) compensating personnel, including teacher aides who have been specifically trained, or are being trained, to provide services to children and youth of limited English proficiency;

[(D) providing tutorials and academic or career counseling for children and youth of limited-English proficiency;

[(E) providing intensified instruction; and

[(F) providing such other activities, related to the purposes of this part, as the Secretary may approve.

[(4) SPECIAL RULE.—A grant recipient, before carry out a program assisted under this section, shall plan, train personnel, develop curriculum, and acquire or develop materials.

[(c) ELIGIBLE ENTITIES.—For the purpose of this section the term "eligible entity" means—

[(1) one or more local education agencies; or

[(2) one or more local education agencies in collaboration with an institution of higher education, community-based organizations or a local or State education agency.]

SEC. 7114. COMPREHENSIVE SCHOOL AND SYSTEMWIDE IMPROVEMENT GRANTS.

(a) PURPOSES.—The purposes of this section are—

(1) to provide financial assistance to schools and local educational agencies for implementing bilingual education programs, in coordination with programs carried out under title I, for children and youth of limited English proficiency;

(2) to assist limited English proficient students to meet the standards established under section 1111(b); and

(3) to improve, reform, and upgrade relevant instructional programs and operations, in schools and local educational agencies, that serve significant percentages of students with limited English proficiency or significant numbers of such students.

(b) AUTHORIZED ACTIVITIES.—

(1) AUTHORITY.—The Secretary may award grants to eligible entities having applications approved under section 7116 to enable such entities to carry out activities described in paragraphs (2) and (3).

(2) MANDATORY ACTIVITIES.—Grants awarded under this section shall be used for—

(A) improving instructional programs for limited English proficient students by acquiring and upgrading curriculum and related instructional materials;

(B) aligning the activities carried out under this section with State and local school reform efforts;

(C) providing training, aligned with State and local standards, to school personnel and participating community-based organization personnel to improve the instruction and assessment of limited English proficient students;

(D) developing and implementing plans, coordinated with plans for programs carried out under title II of the Higher

Education Act of 1965 (where applicable), and title II of this Act (where applicable), to recruit teachers trained to serve limited English proficient students;

(E) implementing culturally and linguistically appropriate family education programs, or parent outreach and training activities, that are designed to assist parents to become active participants in the education of their children;

(F) coordinating the activities carried out under this section with other programs, such as programs carried out under title I;

(G) providing services to meet the full range of the education needs of limited English proficient students;

(H) annually assessing the English proficiency of all limited English proficient students served by the activities carried out under this section; and

(I) developing or improving accountability systems to monitor the academic progress of limited English proficient students.

(3) PERMISSIBLE ACTIVITIES.—Grants awarded under this section may be used for—

(A) implementing programs to upgrade reading and other academic skills of limited English proficient students;

(B) developing and using educational technology to improve learning, assessments, and accountability to meet the needs of limited English proficient students;

(C) implementing research-based programs to meet the needs of limited English proficient students;

(D) providing tutorials and academic or career counseling for limited English proficient children and youth;

(E) developing and implementing State and local content and student performance standards for learning English as a second language, as well as for learning other languages;

(F) developing and implementing programs for limited English proficient students to meet the needs of changing populations of such students;

(G) implementing policies to ensure that limited English proficient students have access to other education programs (other than programs designed to address limited English proficiency), such as gifted and talented, vocational education, and special education programs;

(H) implementing programs to meet the needs of limited English proficient students with disabilities;

(I) developing and implementing programs to help all students become proficient in more than 1 language; and

(J) providing such other activities related to the purpose of this part as the Secretary may approve.

(4) SPECIAL RULE.—A recipient of a grant under this section, before carrying out activities under this section, shall plan, train personnel, develop curricula, and acquire or develop materials, but shall not use funds made available under this section for planning purposes for more than 90 days. The recipient shall commence carrying out activities under this section not later than 90 days after the date of receipt of the grant.

(c) AVAILABILITY OF APPROPRIATIONS.—

(1) RESERVATION OF FUNDS FOR CONTINUED PAYMENTS.—

(A) COVERED GRANT.—In this paragraph, the term 'covered grant' means a grant—

(i) that was awarded under this section, or section 7115, prior to the date of enactment of the Educational Opportunities Act; and

(ii) for which the grant period has not ended.

(B) RESERVATION.—For any fiscal year that is part of the grant period of a covered grant, the Secretary shall reserve funds for the payments described in subparagraph (C) from the amount appropriated for the fiscal year under section 7103 and made available for carrying out this section.

(C) PAYMENTS.—The Secretary shall continue to make grant payments to each entity that received a covered grant, for the duration of the grant period of the grant, to carry out activities in accordance with the appropriate section described in subparagraph (A)(i).

(2) AVAILABILITY.—Of the amount appropriated for a fiscal year under section 7103 that is made available for carrying out this section, and that remains after the Secretary reserves funds for payments under paragraph (1)—

(A) not less than 1/3 of the remainder shall be used to award grants for activities carried out within an entire school district; and

(B) not less than 2/3 of the remainder shall be used to award grants for activities carried out within individual schools.

(d) ELIGIBLE ENTITIES.—In this section, the term "eligible entity" means—

(1) 1 or more local educational agencies; or

(2) 1 or more local educational agencies, in collaboration with an institution of higher education, community-based organization, local educational agency, or State educational agency.

[SEC. 7115. [20 U.S.C. 7425] SYSTEMWIDE IMPROVEMENT GRANTS.

[(a) PURPOSE.—The purpose of this section is to implement districtwide bilingual education programs or special alternative instruction programs to improve, reform, and upgrade relevant programs and operations, within an entire local educational agency, that serve a significant number of children and youth of limited English proficiency in local educational agencies with significant concentrations of such children and youth.

[(b) PROGRAM AUTHORIZED.—

[(1) AUTHORITY.—(A) The Secretary is authorized to award grants to eligible entities having applications approved under section 7116 to enable such entities to carry out activities described in paragraphs (3) and (4).

[(B) Each grant under this section shall be awarded for 5 years.

[(2) TERMINATION.—The Secretary shall terminate grants to eligible entities under this section if the Secretary determines that—

[(A) the program evaluation required by section 7123 indicates that students in the program are not being taught to and are not making adequate progress toward achieving

challenging State content standards and challenging State student performance standards; or

[(B) in the case of a program to promote dual language facility, such program is not promoting such facility.

[(3) PREPARATION.—Grants under this section may be used during the first 12 months exclusively for activities preparatory to the delivery of services.

[(4) USES.—Grants under this section may be used to improve the education of limited English proficient students and their families by reviewing, restructuring, and upgrading—

[(A) educational goals, curriculum guidelines and content, standards and assessments;

[(B) personnel policies and practices including recruitment, certification, staff development, and assignment;

[(C) student grade-promotion and graduation requirements;

[(D) student assignment policies and practices;

[(E) family education programs and parent outreach and training activities designed to assist parents to become active participants in the education of their children;

[(F) the instructional program for limited English proficient students by identifying, acquiring and upgrading curriculum, instructional materials, educational software and assessment procedures and, if appropriate, applying educational technology;

[(G) tutorials and academic or career counseling for children and youth of limited-English proficiency; and

[(H) such other activities, related to the purposes of this part, as the Secretary may approve.

[(c) ELIGIBLE ENTITIES.—For the purpose of this section the term "eligible entity" means—

[(1) one or more local educational agencies; or

[(2) one or more local educational agencies in collaboration with an institution of higher education community-based organizations or a local or State educational agency.]

SEC. 7116. [20 U.S.C. 7426] APPLICATIONS.

(a) IN GENERAL.—

(1) SECRETARY.—* * *

* * * * * * *

(b) STATE REVIEW AND COMMENTS.—

(1) DEADLINE.—The State educational agency, not later than 45 days after receipt of an application under this section shall review the application and transmit [such] *the written comments of the agency on the* application to the Secretary.

* * * * * * *

(B) For purposes of this subpart, such comments shall address [how the eligible entity]—

[(i) will further the academic achievement of limited English proficient students served pursuant to a grant received under this subpart; and]

(i) how the activities to be carried out under the grant will further the academic achievement and

English proficiency of limited English proficient students served under the grant; and

[(ii) how the grant application is consistent with the State plan submitted under section 1111.]

(ii) how the grant application is consistent with the State plan required under section 1111.

* * * * * * *

[(f) REQUIRED DOCUMENTATION.—Such application shall include documentation that the applicant has the qualified personnel required to develop, administer, and implement the proposed program.]

(f) REQUIRED DOCUMENTATION.—Such application shall include documentation that—

(1) the applicant has the qualified personnel required to develop, administer, and implement the program proposed in the application; and

(2) the leadership personnel of each school participating in the program have been involved in the development and planning of the program in the school.

(g) CONTENTS.—

(1) IN GENERAL.—An application for a grant under this subpart shall contain the following:

(A) A description of the need for the proposed program, [including data] *including—*

(i) data on the number of limited English proficient students in the school or school district to be served;

(ii) the characteristics of such students, including—

(I) the native languages of the students;

(II) the proficiency of the students in English and their native language;

(III) achievement data (current as of the date of submission of the application) for the limited English proficient students in—

(aa) reading or language arts (in English and in the native language, if applicable); and

(bb) mathematics;

(IV) a comparison of that data for the students with the data for the English proficient peers of the students; and

(V) the previous schooling experiences of the students;

(iii) the professional development needs of the instructional personnel who will provide services for the limited English proficient students under the proposed program; and

(iv) how the services provided through the grant would supplement the basic services provided to limited English proficient students on the number of children and youth of limited-English proficiency in the school or school district to be served and the characteristics of such children and youth, such as language spoken, dropout rates, proficiency in English and the native language, academic standing in relation to the

English-proficient peers of such children and youth, and, where applicable, the recency of immigration.

(B) A description of the program to be implemented and how such programs' design—

(i) * * *

* * * * * * *

(ii) will ensure that the services provided through the program will supplement the basic services the applicant provides to limited English proficient students;

[(ii)**]** *(iii)* is coordinated with other programs under this Act**[**, the Goals 2000: Educate America Act**]** and other Acts, as appropriate, in accordance with section **[**14306**]** *6506*;

[(iii)**]** *(iv)* involve the parents of the children and youth of limited-English proficiency to be served;

[(iv)**]** *(v)* ensures accountability in achieving high academic standards; and

[(v)**]** *(vi)* promotes coordination of services for the children and youth of limited-English proficiency to be served and their families.

* * * * * * *

(E) An assurance that the applicant will employ teachers in the proposed **[**program that, individually or in combination, are proficient in English, including written, as well as oral, communication skills.**]** *program who, individually or in combination, are proficient in—*

(i) English, including written, as well as oral, communication skills; and

(ii) the native language of the majority of the students that the teachers teach, if instruction in the program is in the native language as well as English.

(F) A budget for grant funds.

(2) ADDITIONAL INFORMATION.—Each application for a grant under section 7114 **[**or 7115**]** shall—

(A) describe—

* * * * * * *

(i) PRIORITIES AND SPECIAL RULES.—

[(1) PRIORITY.—The Secretary shall give priority to applications which provide for the development of bilingual proficiency both in English and another language for all participating students.**]**

(1) PRIORITY.—In approving applications for grants for programs under this subpart, the Secretary shall give priority to an applicant who—

(A) experiences a dramatic increase in the number or percentage of limited English proficient students enrolled in the applicant's programs and has limited or no experience in serving limited English proficient students;

(B) is a local educational agency that serves a school district that has a total district enrollment that is less than 10,000 students;

(C) demonstrates that the applicant has a proven record of success in helping limited English proficient children

and youth learn English and meet high academic standards;

(D) proposes programs that provide for the development of bilingual proficiency both in English and another language for all participating students; or

(E) serves a school district with a large percentage or number of limited English proficient students.

[(2) SPECIAL ALTERNATIVE INSTRUCTIONAL PROGRAM.—Grants for special alternative instructional programs under this subpart shall not exceed 25 percent of the funds provided for any type of grant under any section, or of the total funds provided under this subpart for any fiscal year.

[(3) SPECIAL RULE.—Notwithstanding paragraph (2), the Secretary may award grants under this subpart for special alternative instructional programs if an applicant has demonstrated that the applicant cannot develop and implement a bilingual education program for the following reasons:

[(A) Where the diversity of the limited English proficient students' native languages and the small number of students speaking each respective language makes bilingual education impractical.

[(B) Where, despite documented efforts, the applicant has not been able to hire qualified instructional personnel who are able to communicate in the students' native language.]

[(4)] *(2)* CONSIDERATION.—In approving applications under this subpart, the Secretary shall give consideration to the degree to which the program for which assistance is sought involves the collaborative efforts of institutions of higher education, community-based organizations, the appropriate local and State educational agency, or businesses.

[(5)] *(3)* DUE CONSIDERATION.—The Secretary shall give due consideration to applications providing training for personnel participating in or preparing to participate in the program which will assist such personnel in meeting state and local certification requirements and that, to the extent possible, describe how college or university credit will be awarded for such training.

[SEC. 7117. [20 U.S.C. 7427] INTENSIFIED INSTRUCTION.

[In carrying out this subpart, each grant recipient may intensify instruction for limited English proficient students by—

[(1) expanding the educational calendar of the school in which such student is enrolled to include programs before and after school and during the summer months;

[(2) expanding the use of professional and volunteer aids;

[(3) applying technology to the course of instruction; and

[(4) providing intensified instruction through supplementary instruction or activities, including educationally enriching extracurricular activities, during times when school is not routinely in session.]

* * * * * * *

[SEC. 7119. [20 U.S.C. 7429] SUBGRANTS.

[A local educational agency that receives a grant under this subpart may, with the approval of the Secretary, make a subgrant to, or enter into a contract with, an institution of higher education, a nonprofit organization, or a consortium of such entities to carry out an approved program, including a program to serve out-of-school youth.

[SEC. 7120. [20 U.S.C. 7430] PRIORITY ON FUNDING.

[The Secretary shall give priority to applications under this subpart that describe a program that—

[(1) enrolls a large percentage or large number of limited English proficient students;

[(2) takes into account significant increases in limited English proficient children and youth, including such children and youth in areas with low concentrations of such children and youth; and

[(3) ensures that activities assisted under this subpart address the needs of school systems of all sizes and geographic areas, including rural and urban schools.

[SEC. 7121. [20 U.S.C. 7431] COORDINATION WITH OTHER PROGRAMS.

[In order to secure the most flexible and efficient use of Federal funds, any State receiving funds under this subpart shall coordinate its program with other programs under this Act, the Goals 2000: Educate America Act, and other Acts, as appropriate, in accordance with section 14306.

* * * * * * *

[SEC. 7123. [20 U.S.C. 7433] EVALUATIONS.

[(a) EVALUATION.—Each recipient of funds under this subpart shall provide the Secretary with an evaluation, in the form prescribed by the Secretary, of such recipient's program every two years.

[(b) USE OF EVALUATION.—Such evaluation shall be used by a grant recipient—

[(1) for program improvement;

[(2) to further define the program's goals and objectives; and

[(3) to determine program effectiveness.

[(c) EVALUATION COMPONENTS.—Evaluations shall include—

[(1) how students are achieving the State student performance standards, if any, including data comparing children and youth of limited-English proficiency with nonlimited English proficient children and youth with regard to school retention, academic achievement, and gains in English (and, where applicable, native language) proficiency;

[(2) program implementation indicators that provide information for informing and improving program management and effectiveness, including data on appropriateness of curriculum in relationship to grade and course requirements, appropriateness of program management, appropriateness of the program's staff professional development, and appropriateness of the language of instruction;

[(3) program context indicators that describe the relationship of the activities founded under the grant to the overall

school program and other Federal, State, or local programs serving children and youth of limited English proficiency; and

[(4) such other information as the Secretary may require.]

SEC. 7123. EVALUATIONS.

(a) EVALUATION.—Each recipient of funds under this subpart for a program shall annually conduct an evaluation of the program and submit to the Secretary a report concerning the evaluation, in the form prescribed by the Secretary.

(b) USE OF EVALUATION.—Such evaluation shall be used by the grant recipient—

(1) for program improvement;

(2) to further define the program's goals and objectives; and

(3) to determine program effectiveness.

(c) EVALUATION REPORT COMPONENTS.—In preparing the evaluation reports, the recipient shall—

(1) use the data provided in the application submitted by the recipient under section 7116 as baseline data against which to report academic achievement and gains in English proficiency for students in the program;

(2) disaggregate the results of the evaluation by gender, language groups, and whether the students have disabilities;

(3) include data on the progress of the recipient in achieving the objectives of the program, including data demonstrating the extent to which students served by the program are meeting the State's student performance standards, and including data comparing limited English proficient students with English proficient students with regard to school retention and academic achievement in—

(A) reading and language arts;

(B) English proficiency;

(C) mathematics, and

(D) the native language of the students if the program develops native language proficiency;

(4) include information on the extent that professional development activities carried out through the program have resulted in improved classroom practices and improved student performance;

(5) include a description of how the activities carried out through the program are coordinated and integrated with the other Federal, State, or local programs serving limited English proficient children and youth; and

(6) include such other information as the Secretary may require.

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SEC. 7132. [20 U.S.C. 7452] RESEARCH.

(a) ADMINISTRATION.—* * *

* * * * * * *

(c) FIELD-INITIATED RESEARCH.—

(1) IN GENERAL.—The Secretary shall reserve not less than 5 percent of the funds made available to carry out this section for field-initiated research conducted by current or recent recipients of grants [under subpart 1 or 2] *under subpart 1 or*

3 or this subpart who have received such grants within the previous five years. Such research may provide for longitudinal studies of students or teachers in bilingual education, monitoring the education of such students from entry in bilingual education through secondary school completion.

* * * * * * *

[SEC. 7133. [20 U.S.C. 7453] ACADEMIC EXCELLENCE AWARDS.

[(a) AWARDS.—The Secretary may make grants to, and enter into contracts and cooperative agreements with State and local educational agencies, nonprofit organizations, and institutions of higher education to promote the adoption and implementation of bilingual education, special alternative instruction programs, and professional development programs that demonstrate promise of assisting children and youth of limited English proficiency to meet challenging State standards.

[(b) APPLICATIONS.—

[(1) IN GENERAL.—Each entity desiring an award under this section shall submit an application to the Secretary in such form, at such time, and containing such information and assurances as the Secretary may reasonably require.

[(2) PEER REVIEW.—The Secretary shall use a peer review process, using effectiveness criteria that the Secretary shall establish, to review applications under this section.

[(c) USE OF FUNDS.—Funds under this section shall be used to enhance the capacity of States and local education agencies to provide high quality academic programs for children and youth of limited English proficiency, which may include—

[(1) completing the development of such programs;

[(2) professional development of staff participating in bilingual education programs;

[(3) sharing strategies and materials; and

[(4) supporting professional networks.

[(d) COORDINATION.—Recipients of funds under this section shall coordinate the activities assisted under this section with activities carried out by comprehensive regional assistance centers assisted under part A of title XIII.]

SEC. 7133. ACADEMIC EXCELLENCE AWARDS.

(a) AUTHORITY.—The Secretary may make grants to State educational agencies to assist the agencies in recognizing local educational agencies and other public and nonprofit entities whose programs have—

(1) demonstrated significant progress in assisting limited English proficient students to learn English according to age appropriate and developmentally appropriate standards; and

(2) demonstrated significant progress in assisting limited English proficient children and youth to meet, according to age appropriate and developmentally appropriate standards, the same challenging State content standards as all children and youth are expected to meet.

(b) APPLICATIONS.—A State educational agency desiring a grant under this section shall include an application for such grant in the application submitted by the agency under section 7134(e).

SEC. 7134. [U.S.C. 7454] STATE GRANT PROGRAM.

(a) STATE GRANT PROGRAM.—* * *

* * * * * * *

(b) PAYMENTS.—The amount paid to a State educational agency under subsection (a) shall not exceed 5 percent of the total amount awarded to local educational agencies within the State under subpart 1 for the previous fiscal year, except that in no case shall the amount paid by the Secretary to any State educational agency under this subsection for any fiscal year be less than [$100,000] *$200,000*.

(c) USE OF FUNDS.—

(1) IN GENERAL.—A State educational agency shall use funds awarded under this section [for programs authorized by this section] to—

[(A) assist local educational agencies in the State with program design, capacity building, assessment of student performance, and program evaluation; and]

(A) assist local educational agencies in the State with activities that—

(i) consist of program design, capacity building, assessment of student performance, program evaluation, and development of data collection and accountability systems for limited English proficient students; and

(ii) are aligned with State reform efforts; and

(B) collect data on the State's limited English proficient [populations and the educational programs and services available to such populations] *populations and document the services available to all such populations.*

[(2) EXCEPTION.—States which do not, as of the date of enactment of the Improving America's Schools Act of 1994, have in place a system for collecting the data described in subparagraph (B) of paragraph (1) for all students in such State, are not required to meet the requirement of such subparagraph. In the event such State develops a system for collecting data on the educational programs and services available to all students in the State, then such State shall comply with the requirement of paragraph (1)(B).]

[(3)] *(2)* TRAINING.—The State educational agency may also use funds provided under this section for the training of State educational agency personnel in educational issues affecting limited English proficient children and youth.

[(4)] *(3)* SPECIAL RULE.—Recipients of funds under this section shall not restrict the provision of services under this section to federally funded programs.

* * * * * * *

SEC. 7135. [20 U.S.C. 7455] NATIONAL CLEARINGHOUSE FOR BILINGUAL EDUCATION.

(a) ESTABLISHMENT.—* * *

* * * * * * *

(b) FUNCTIONS.—The National Clearinghouse for Bilingual Education shall—

(1) * * *

* * * * * * *

(3) develop a data base management and monitoring system for improving the operation and effectiveness of federally funded bilingual education programs; [and]

(4) develop, maintain, and disseminate, through comprehensive regional assistance centers [described in part A of title XIII] if appropriate, a listing by geographical area of education professionals, parents, teachers, administrators, community members and others who are native speakers of languages other than English for use as a resource by local educational agencies and schools in the development and implementation of bilingual education programs[.] *; and*

(5) publish, on an annual basis, a list of grant recipients under this title.

SEC. 7136. [20 U.S.C. 7456] INSTRUCTIONAL MATERIALS DEVELOPMENT.

The Secretary may provide grants for the development, publication, and dissemination of high-quality instructional materials in Native American and Native Hawaiian languages and the language of Native Pacific Islanders and natives of the outlying areas for which instructional materials are not readily available[.], *and in other low-incidence languages in the United States for which instructional materials are not readily available.* The Secretary shall give priority to the development of instructional materials in languages indigenous to the United States or the outlying areas. The Secretary shall also accord priority to applications for assistance under this section which provide for developing and evaluating materials in collaboration with activities assisted under subparts 1 and 2 and which are consistent with voluntary national content standards and challenging State content standards.

* * * * * * *

SEC. 7142. [20 U.S.C. 7472] TRAINING FOR ALL TEACHERS PROGRAM.

(a) PURPOSE.—* * *

* * * * * * *

[(b) AUTHORIZATION.—

[(1) AUTHORITY.—The Secretary is authorized to award grants to institutions of higher education, local educational agencies, and State educational agencies or to nonprofit organizations which have entered into consorta arrangements with one of such institutions or agencies.

[(2) DURATION.—Each grant under this section shall be awarded for a period of not more than five years.

[(c) PERMISSIBLE ACTIVITIES.—Activities conducted under this section may include the development of training programs in collaboration with other programs such as programs authorized under titles I and II of this Act, and under the Head Start Act.]

(b) AUTHORIZATION.—

(1) AUTHORITY.—The Secretary may award grants under this section to—

(A) local educational agencies; or

(B) 1 or more local educational agencies in a consortium with 1 or more State educational agencies, institutions of higher education, or nonprofit organizations.

(2) DURATION.—Each grant awarded under this section shall be awarded for a period of not more than 5 years.

(c) AUTHORIZED ACTIVITIES.—

(1) PROFESSIONAL DEVELOPMENT ACTIVITIES.—Grants awarded under this section shall be used to conduct high-quality, long-term professional development activities relating to meeting the needs of limited English proficient students, which may include—

(A) developing and implementing induction programs for new teachers, including programs that provide mentoring and coaching by trained teachers, and team teaching with experienced teachers;

(B) implementing school-based collaborative efforts among teachers to improve instruction in core academic areas, including reading, for students with limited English proficiency;

(C) coordinating activities with other programs, such as programs carried out under titles I and II and the Head Start Act;

(D) implementing programs that support effective teacher use of education technologies to improve instruction and assessment;

(E) establishing and maintaining local professional networks;

(F) developing curricular materials and assessments for teachers that are aligned with State and local standards and the needs of the limited English proficient students to be served; and

(G) carrying out such other activities as are consistent with the purpose of this section.

(2) PERMISSIBLE ACTIVITIES.—Activities conducted under this section may include the development of training programs in collaboration with other programs, such as programs authorized under titles I and II, and under the Head Start Act.

* * * * * * *

SEC. 7145. [20 U.S.C. 7475] GRADUATE FELLOWSHIPS IN BILINGUAL EDUCATION PROGRAM.

(a) AUTHORIZATION.—

(1) IN GENERAL.—The Secretary may award fellowships for masters, doctoral, and post-doctoral study related to instruction of children and youth of limited-English proficiency in such areas as teacher training, program administration, research and evaluation, and curriculum development, and for the support of dissertation research related to such study.

[(2) NUMBER.—For fiscal year 1994 not less than 500 fellowships leading to a master's or doctorate degree shall be awarded under this section.]

[(3)]*(2)* INFORMATION.—The Secretary shall include information on the operation and the number of fellowships awarded

under the fellowship program in the evaluation required under section 7149.

* * * * * * *

[SEC. 7147. [20 U.S.C. 7477] PROGRAM REQUIREMENTS.

[Activities conducted under this subpart shall assist educational personnel in meeting State and local certification requirements for bilingual education and, wherever possible, shall lead toward the awarding of college or university credit.]

* * * * * * *

[SEC. 7149. [20 U.S.C. 7479] PROGRAM EVALUATIONS.

[Each recipient of funds under this subpart shall provide the Secretary with an evaluation of the program assisted under this subpart every two years. Such evaluation shall include data on—

[(1) post-program placement of persons trained in a program assisted under this subpart;

[(2) how the training relates to the employment of persons served by the program;

[(3) program completion; and

[(4) such other information as the Secretary may require.]

SEC. 7149. PROGRAM EVALUATIONS.

Each recipient of funds under this subpart for a program shall annually conduct an evaluation of the program and submit to the Secretary a report containing the evaluation. Such report shall include information on—

(1) the number of participants served through the program, the number of participants who completed program requirements, and the number of participants who took positions in an instructional setting with limited English proficient students;

(2) the effectiveness of the program in imparting the professional skills necessary for participants to achieve the objectives of the program; and

(3) the teaching effectiveness of graduates of the program or other participants who have completed the program.

* * * * * * *

Subpart 4—Transition

SEC. 7161. [20 U.S.C. 7491] SPECIAL RULE.

Notwithstanding any other provision of law, no recipient of a grant under title VII of this Act (as such title was in effect on the day preceding the *Educational Opportunities Act* date of enactment of the [Improving America's Schools Act of 1994]) shall be eligible for fourth and fifth-year renewals authorized by section 7021(d)(1)(C) of such title (as such section was in effect on the day preceding the date of enactment of such Act).

* * * * * * *

[SEC. 7202. [20 U.S.C. 7512] FINDINGS.

[The Congress finds as follows:

[(1) Foreign language proficiency is crucial to our Nation's economic competitiveness and national security. Significant improvement in the quantity and quality of foreign language in-

struction offered in our Nation's elementary and secondary schools is necessary.

[(2) All Americans need a global perspective. To understand the world around us, we must acquaint ourselves with the languages, cultures, and history of other nations.

[(3) Proficiency in two or more languages should be promoted for all American students. Multilingualism enhances cognitive and social growth, competitiveness in the global marketplace, national security, and understanding of diverse people and cultures.

[(4) The United States lags behind other developed countries in offering foreign language study to elementary and secondary school students.

[(5) Four out of five new jobs in the United States are created from foreign trade.

[(6) The optimum time to begin learning a second language is in elementary school, when children have the ability to learn and excel in several foreign language acquisition skills, including pronunciation, and when children are most open to appreciating and valuing a culture other than their own.

[(7) Foreign language study can increase childrens' capacity for critical and creative thinking skills and children who study a second language show greater cognitive development in areas such as mental flexibility, creativity, tolerance, and higher order thinking skills.

[(8) Children who have studied a foreign language in an elementary school achieve expected gains and score higher on standardized tests of reading, language arts, and mathematics than children who have not studied a foreign language.]

* * * * * * *

SEC. 7204. [20 U.S.C. 7514] APPLICATIONS.

(a) GENERAL.—* * *

* * * * * * *

(b) SPECIAL CONSIDERATION.—The Secretary shall give special consideration to applications describing programs that—

(1) include intensive summer foreign language programs for professional development;

(2) link non-native English speakers in the community with the schools in order to promote two-way language learning; [or]

(3) promote the sequential study of a foreign language for students, beginning in elementary schools[.]*;*

(4) make effective use of technology, such as computer-assisted instruction, language laboratories, or distance learning, to promote foreign language study;

(5) promote innovative activities such as foreign language immersion, partial foreign language immersion, or content-based instruction; and

(6) are carried out through a consortium comprised of the agency receiving the grant and an elementary school or secondary school.

* * * * * * *

PART C—EMERGENCY IMMIGRANT EDUCATION PROGRAM

[SEC. 7301. [20 U.S.C. 7541] FINDINGS AND PURPOSE.] ***SEC. 7301. PURPOSE.***

[(a) FINDINGS.—The Congress finds that—

[(1) the education of our Nation's children and youth is one of the most sacred government responsibilities;

[(2) local educational agencies have struggled to fund adequately education services;

[(3) in the case of Plyler v. Doe, the Supreme Court held that States have a responsibility under the Equal Protection Clause of the Constitution to educate all children, regardless of immigration status; and

[(4) immigration policy is solely a responsibility of the Federal Government.]

[(b) PURPOSE.—]The purpose of this part is to assist eligible local educational agencies that experience unexpectedly large increases in their student population due to immigration to—

* * * * * * *

SEC. 7302. [20 U.S.C. 7542] STATE ADMINISTRATIVE COSTS.

For any fiscal year, a State educational agency may reserve not more than 1.5 percent *(2 percent if the State educational agency distributes funds received under this part to local educational agencies on a competitive basis)* of the amount allocated to such agency under section 7304 to pay the costs of performing such agency's administrative functions under this part.

* * * * * * *

SEC. 7304. [20 U.S.C. 7544] STATE ALLOCATIONS.

(a) PAYMENTS.—The Secretary shall, in accordance with the provisions of this section, make payments to State educational agencies for each of the fiscal years 1995 through 1999 for the purpose set forth in section [7301(b)] *7301.*

* * * * * * *

SEC. 7308. [20 U.S.C. 7548] REPORTS.

(a) BIENNIAL REPORT.—* * *

* * * * * * *

(b) REPORT TO CONGRESS.—The Secretary shall submit, once every two years, a report to the appropriate committees of the Congress concerning programs assisted under this part in accordance with section [14701] *10201.*

SEC. 7309. [20 U.S.C. 7549] AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this part, there are authorized to be appropriated [$100,000,000 for fiscal year 1995] *$200,000,000 for fiscal year 2001* and such sums as may be necessary for each of the four succeeding fiscal years.

* * * * * * *

SEC. 7405. [20 U.S.C. 7575] COORDINATIONS AND REPORTING REQUIREMENTS.

(a) COORDINATION WITH RELATED PROGRAMS.—* * *

* * * * * * *

(d) REPORT.—The Director shall prepare and, not later than February 1 of every other year, shall submit to the Secretary and to the [Committee on Labor and Human Resources of the Senate and to the Committee on Education and Labor] *Committee on Health, Education, Labor, and Pensions of the Senate and to the Committee on Education and the Workforce* of the House of Representatives a report on—

* * * * * * *

TITLE VIII—IMPACT AID

SEC. 8000. SHORT TITLE.

This title may be cited as the "Impact Aid Act".

SEC. 8001. [20 U.S.C. 7701] PURPOSE.

In order to fulfill the Federal responsibility to assist with the provision of education services to federally connected children, because certain activities of the federal Government place a financial burden on the local educational agencies serving areas where such activities are carried out, and to help such children meet challenging State standards, it is the purpose of this title to provide financial assistance to local education agencies that—

(1) * * *

* * * * * * *

(4) educate heavy concentrations of children whose parents are civilian employees of the Federal Government and do not reside on Federal property; *or*

[(5) experience sudden and substantial increases or decreases in enrollments because of military realignments; or]

[(6)] *(5)* need special assistance with capital expenditures for construction activities because of the enrollments of substantial numbers of children who reside on Federal lands.

* * * * * * *

SEC. 8002. [20 U.S.C. 7702] PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY.

(A) IN GENERAL.—Where the Secretary, after consultation with any local educational agency and with the appropriate State educational agency, determines for a fiscal year ending prior to October 1, [1999] *2005*—

* * * * * * *

(b) AMOUNT.—

(1) IN GENERAL.—* * *

* * * * * * *

(B) If funds appropriated under section 8014(a) are insufficient to pay the amount determined under subparagraph (A), the Secretary shall [ratably reduce the payment to each eligible local educational agency] *calculate the pay-*

ment for each eligible local educational agency in accordance with subsection (h).

(C) Notwithstanding any other provision of this subsection, a local educational agency may not be paid an amount under this section that, when added to the amount such agency receives under section 8003(b), exceeds the maximum amount that such agency is eligible to receive for such fiscal year under section 8003(b)(1)(C) *or this section, whichever is greater.*

* * * * * * *

[(h) HOLD-HARMLESS AMOUNTS.—

[(1) IN GENERAL.—Except as provided in paragraph (2)(A), the total amount that the Secretary shall pay under subsection (b) to a local educational agency that is otherwise eligible for a payment under this section—

[(A) for fiscal year 1995 shall not be less than 85 percent of the amount such agency received for fiscal year 1994 under section 2 of the Act of September 30, 1950 (Public Law 874, 81st Congress) as such section was in effect on September 30, 1994;

[(B) for fiscal year 1996 shall not be less than 85 percent of the amount such agency received for fiscal year 1995 under subsection (b); and

[(C) for fiscal year 1997 and each succeeding fiscal year through fiscal year 2000 shall not be less than 85 percent of the amount such agency received for fiscal year 1996 under subsection (b).

[(2) RATABLE REDUCTIONS.—(A)(i) If necessary in order to make payments to local educational agencies in accordance with paragraph (1) for any fiscal year the Secretary first shall ratably reduce payments under subsection (b) for such year to local educational agencies that do not receive a payment under this subsection for such year.

[(ii) If additional funds become available for making payments under subsection (b) for such year, then payments that were reduced under clause (i) shall be increased on the same basis as such payments were reduced.

[(B)(i) If the sums made available under this title for any fiscal year are insufficient to pay the full amounts that all local educational agencies in all States are eligible to receive under paragraph (1) after the application of subparagraph (A) for such year, then the Secretary shall ratably reduce payments under paragraph (1) to all such agencies for such year.

[(ii) If additional funds become available for making payments under paragraph (1) for such fiscal year, then payments that were reduced under clause (i) shall be increased on the same basis as such payments were reduced.]

(h) DISTRIBUTION OF FUNDS WHEN THERE ARE INSUFFICIENT APPROPRIATIONS.—If the amount appropriated under section 8014(a) is insufficient to pay the full amount determined under subsection (b) for all local educational agencies for a fiscal year, then the Secretary shall calculate the payments the local educational agencies receive under this section for the fiscal year as follows:

(1) FOUNDATION PAYMENTS FOR PRE-1995 RECIPIENTS.—First, the Secretary shall make a foundation payment to each local educational agency that is eligible to receive a payment under this section for the fiscal year and was eligible to receive a payment under section 2 of Public Law 81–874 for any of the fiscal years 1989 through 1994. The Secretary shall make the payment by multiplying 37 percent by the payment the local educational agency was entitled to receive under such section 2 for fiscal year 1994 (or if the local educational agency did not receive a payment for fiscal year 1994, the payment that local educational agency was entitled to receive under such section 2 for the most recent fiscal year preceding 1994). If the funds appropriated under section 8014(a) for the fiscal year are insufficient to fully fund the foundation payments under this paragraph for the fiscal year, then the Secretary shall ratably reduce the foundation payments to each local educational agency under this paragraph.

(2) PAYMENTS FOR 1995 RECIPIENTS.—From any funds remaining after making payments under paragraph (1) for the fiscal year for which the calculation is made that are the result of the calculation described in subparagraph (A), the Secretary shall make a payment to each local educational agency that received a payment under this section for fiscal year 1995 in accordance with the following rules:

(A) Calculate the difference between the amount appropriated to carry out this section for fiscal year 1995 and the total amount of foundation payments made under paragraph (1) for the fiscal year for which the calculation is made.

(B) Determine the percentage share for each local educational agency that received a payment under this section for fiscal year 1995 by dividing the assessed value of the Federal property of the local educational agency for fiscal year 1995, determined in accordance with subsection (b)(3), by the total national assessed value of the Federal property of all such local educational agencies for fiscal year 1995, as so determined.

(C) Multiply the percentage share described in subparagraph (B) for the local educational agency by the amount determined under subparagraph (A).

(3) SUBSECTION (i) RECIPIENTS.—From any funds remaining after making payments under paragraphs (1) and (3) for the fiscal year for which the calculation is made, the Secretary shall make payments in accordance with subsection (i).

(4) REMAINING FUNDS.—From any funds remaining after making payments under paragraphs (1), (2), and (3) for fiscal year for which the calculation is made—

(A) the Secretary shall make a payment to each local educational agency that received a foundation payment under paragraph (1) for the fiscal year for which the calculation is made in an amount that bears the same relation to 25 percent of the remainder as the amount the local educational agency received under paragraph (1) for the fiscal year for which the calculation is made bears to the amount

all local educational agencies received under paragraph (1) for the fiscal year for which the calculation is made; and

(B) the Secretary shall make a payment to each local educational agency that is eligible to receive a payment under this section for the fiscal year for which the calculation is made in an amount that bears the same relation to 75 percent of the remainder as a percentage share determined for the local educational agency (in the same manner as percentage shares are determined for local educational agencies under paragraph (2)(B)) bears to the percentage share determined (in the same manner) for all local educational agencies eligible to receive a payment under this section for the fiscal year for which the calculation is made, except that for the purpose of calculating a local educational agency's assessed value of the Federal property, data from the most current fiscal year shall be used.

(i) [PRIORITY] *SPECIAL* PAYMENTS.—

[(1) IN GENERAL.—Notwithstanding subsection (b)(1)(B), and for any fiscal year beginning with fiscal year 1997 for which the amount appropriated to carry out this section exceeds the amount so appropriated for fiscal year 1996—

[(A) the Secretary shall first use the excess amount (not to exceed the amount equal to the difference of (i) the amount appropriated to carry out this section for fiscal year 1997, and (ii) the amount appropriated to carry out this section for fiscal year 1996) to increase the payment that would otherwise be made under this section to not more than 50 percent of the maximum amount determined under subsection (b) for any local educational agency described in paragraph (2); and

[(B) the Secretary shall use the remainder of the excess amount to increase the payments to each eligible local educational agency under this section.]

(1) IN GENERAL.—For any fiscal year beginning with fiscal year 2000 for which the amount appropriated to carry out this section exceeds the amount so appropriated for fiscal year 1996 and for which subsection (b)(1)(B) applies, the Secretary shall use the remainder described in subsection (h)(3) for the fiscal year for which the calculation is made (not to exceed the amount equal to the difference between (A) the amount appropriated to carry out this section for fiscal year 1997 and (B) the amount appropriated to carry out this section for fiscal year 1996) to increase the payment that would otherwise be made under this section to not more than 50 percent of the maximum amount determined under subsection (b) for any local educational agency described in paragraph (2).

* * * * * * *

(j) ADDITIONAL ASSISTANCE FOR CERTAIN LOCAL EDUCATIONAL AGENCIES IMPACTED BY FEDERAL PROPERTY ACQUISITION.—

(1) RESERVATION.—From amounts appropriated under section [8014(g)] *8014(f)* for a fiscal year, the Secretary shall provide additional assistance to meet special circumstances relating to the provision of education in local educational agencies eligible to receive assistance under this section.

(2) ELIGIBILITY.—[(A)[1] A local] *A local* educational agency is eligible to receive additional assistance under this subsection only if such agency—

[(i)] *(A)* received a payment under both this section and section 8003(b) for fiscal year 1996 and is eligible to receive payments under those sections for the year of application;

[(ii)] *(B)* provided a free public education to children described under sections 8003(a)(1)(A), (B), or (D);

[(iii)] *(C)* had a military installation located within the geographic boundaries of the local educational agency that was closed as a result of base closure or realignment;

[(iv)] *(D)* remains responsible for the free public education of children residing in housing located on Federal property within the boundaries of the closed military installation but whose parents are on active duty in the uniformed services and assigned to a military activity located within the boundaries of an adjoining local educational agency; and

[(v)] *(E)* demonstrates to the satisfaction of the Secretary that such agency's per-pupil revenue derived from local sources for current expenditures is not less than that revenue for the preceding fiscal year.

(3) MAXIMUM AMOUNT.—[(A) The maximum] *The maximum* amount that a local educational agency is eligible to receive under this subsection for any fiscal year, when combined with its payment under subsection (b), shall not be more than 50 percent of the maximum amount determined under subsection (b)[;].

[(B) If funds appropriated under section 8014(g) are insufficient to pay the amount determined under subparagraph (A), the Secretary shall ratably reduce the payment to each local education agency eligible under this subsection;

[(C) If funds appropriated under section 8014(g) are in excess of the amount determined under subparagraph (A) the Secretary shall ratably distribute any excess funds to all local educational agencies eligible for payment under subsection (b) of this section.]

* * * * * * *

(l) DATA; PRELIMINARY AND FINAL PAYMENTS.—The Secretary shall—

(1) require any local educational agency that applied for a payment under subsection (b) for a fiscal year to submit expeditiously such data as may be necessary in order to compute the payment;

(2) as soon as possible after the beginning of any fiscal year, but not later than 60 days after the date of enactment of an Act making appropriations to carry out this title for the fiscal year, provide a preliminary payment under subsection (b) for any local educational agency that applied for a payment under subsection (b) for the fiscal year, that has submitted the data described in paragraph (1), and that was eligible for such a payment for the preceding fiscal year, in the amount of 60 percent of the payment for the previous year; and

(3) make every effort to provide a final payment under subsection (b) for any eligible local educational agency not later than 12 months after the application deadline established under section 8005(c).

(m) ELIGIBILITY.—

(1) OLD FEDERAL PROPERTY.—Except as provided in paragraph (2), a local educational agency that is eligible to receive a payment under this section for Federal property acquired by the Federal Government before the date of enactment of the Educational Opportunities Act shall be eligible to receive the payment only if the local educational agency submits an application for a payment under this section not later than 5 years after the date of enactment.

(2) COMBINED FEDERAL PROPERTY.—A local educational agency that is eligible to receive a payment under this section for Federal property acquired by the Federal Government before the date of enactment of the Educational Opportunities Act shall be eligible to receive the payment if—

(A) the Federal property, when combined with other Federal property in the school district served by the local educational agency acquired by the Federal Government after the date of enactment, meets the requirements of subsection (a); and

(B) the local educational agency submits an application for a payment under this section not later than 5 years after the date of acquisition of the Federal property acquired after the date of enactment.

(3) NEW FEDERAL PROPERTY.—A local educational agency that is eligible to receive a payment under this section for Federal property acquired by the Federal Government after the date of enactment of the Educational Opportunities Act shall be eligible to receive the payment only if the local educational agency submits an application for a payment under this section not later than 5 years after the date of acquisition.

SEC. 8003. [20 U.S.C. 7703] PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.

(A) COMPUTATION OF PAYMENT.—

(1) IN GENERAL.—For the purpose of computing the amount that a local educational agency is eligible to receive under [subsection (b), (d), or (f)] *subsection (b) or (d)* for any fiscal year, the Secretary shall determine the number of children who were in average daily attendance in the schools of such agency, and for whom such agency provided free public education, during the preceding school year and who, while in attendance at such schools—

(D) Multiply the number of children described in [subparagraphs (D) and (E) of paragraph (1) by a factor of 10] *subparagraph (D) of paragraph (1) by a factor of .25.*

(E) multiply the number of children described in subparagraph (E) of paragraph (1) by a factor of .10.

[(E)] *(F)* Multiply the number of children described in subparagraphs (F) and (G) of paragraph (1) by a factor of .05.

* * * * * * *

(4) MILITARY INSTALLATION HOUSING [UNDERGOING RENOVATION.] *UNDERGOING RENOVATION OR REBUILDING.*—[For purposes]

(A) *IN GENERAL.*—For purposes of computing the amount of a payment for a local educational agency for children described in paragraph (1)(D)(i), the Secretary shall consider such children to be children described in paragraph (1)(B) if the Secretary determines, on the basis of a certification provided to the Secretary by a designated representative of the Secretary of Defense, that such children would have resided in housing on Federal property in accordance with paragraph (1)(B) except that such housing was under going renovation *or rebuilding* on the date for which the Secretary determines the number of children under paragraph (1).

(B) LIMITATIONS.—(i)(I) Except as provided in subclause (II), children described in paragraph (1)(D)(i) may be deemed to be children described in paragraph (1)(B) with respect to housing on Federal property undergoing renovation or rebuilding in accordance with subparagraph (A) for a period not to exceed 2 fiscal years.

(II) If the Secretary determines, on the basis of a certification provided to the Secretary by a designated representative of the Secretary of Defense, that the expected completion date of the renovation or rebuilding of the housing has been delayed by not less than 1 year, then—

(aa) in the case of a determination made by the Secretary in the 1st fiscal year described in subclause (I), the time period described such subclause shall be extended by the Secretary for an additional 2 years; and

(bb) in the case of a determination made by the Secretary in the 2nd fiscal year described in subclause (I), the time period described such subclause shall be extended by the Secretary for an additional 1 year.

(ii) The number of children described in paragraph (1)(D)(i) who are deemed to be children described in paragraph (1)(B) with respect to housing on Federal property undergoing renovation or rebuilding in accordance with subparagraph (A) for any fiscal year may not exceed the maximum number of children who are expected to occupy that housing upon completion of the renovation or rebuilding.

(5) MILITARY "BUILD TO LEASE" PROGRAM HOUSING.—

(A) IN GENERAL.—For purposes of computing the amount of payment for a local educational agency for children identified under paragraph (1), the Secretary shall consider children residing in housing initially acquired or constructed under the former section 2828(g) of title 10, United States Code (commonly known as the 'Build to Lease' program), as added by section 801 of the Military Construction

Authorization Act, 1984, to be children described under paragraph (1)(B) if the property described is within the fenced security perimeter of the military facility upon which such housing is situated.

(B) ADDITIONAL REQUIREMENTS.—If the property described in subparagraph (A) is not owned by the Federal Government, is subject to taxation by a State or political subdivision of a State, and thereby generates revenues for a local educational agency that is applying to receive a payment under this section, then the Secretary—

(i) shall require the local educational agency to provide certification from an appropriate official of the Department of Defense that the property is being used to provide military housing; and

(ii) shall reduce the amount of the payment under this section by an amount equal to the amount of revenue from such taxation received in the second preceding fiscal year by such local educational agency, unless the amount of such revenue was taken into account by the State for such second preceding fiscal year and already resulted in a reduction in the amount of State aid paid to such local educational agency.

(b) BASIC SUPPORT PAYMENTS AND PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—

(1) BASIC SUPPORT PAYMENTS.—

(A) IN GENERAL.—* * *

* * * * * * *

(C) MAXIMUM AMOUNT.—The maximum amount that a local educational agency is eligible to receive under [this subsection] *this paragraph* for any fiscal year is the sum of the total weighted student units, as computed under subsection (a)(2), multiplied by the greater of—

* * * * * * *

(D) DATA.—If satisfactory data from the third preceding fiscal year are not available for any of the expenditures described in clause (i) or (ii) of subparagraph (C), the Secretary shall use data from the most recent fiscal year for which data that are satisfactory to the Secretary are available.

* * * * * * *

(2) USE OF FUNDS.—A local educational agency that receives funds under paragraph (1) shall use such funds to provide [a free appropriate public education] *services* to children described in paragraph (1) in accordance with the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

(2) BASIC SUPPORT PAYMENTS FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

(A) IN GENERAL.—(i) From the amount appropriated under section 8014(b) for a fiscal year, the Secretary is authorized to make basic support payments to eligible heavily

impacted local educational agencies with children described in subsection (a).

(ii) A local educational agency that receives a basic support payment under this paragraph for a fiscal year shall not be eligible to receive a basic support payment under paragraph (1) for that fiscal year.

(B) ELIGIBILITY FOR CONTINUING HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

(i) IN GENERAL.—A heavily impacted local educational agency is eligible to receive a basic support payment under subparagraph (A) with respect to a number of children determined under subsection (a)(1) if the agency—

(I) received an additional assistance payment under subsection (f) (as such subsection was in effect on the day before the date of the enactment of the Educational Opportunities Act) for fiscal year 2000; and

(II)(aa) is a local educational agency whose boundaries are the same as a Federal military installation;

(bb) has an enrollment of children described in subsection (a)(1) that constitutes a percentage of the total student enrollment of the agency which is not less than 35 percent, has a per-pupil expenditure that is less than the average per-pupil expenditure of the State in which the agency is located or the average per-pupil expenditure of all States (whichever average per-pupil expenditure is greater), except that a local educational agency with a total student enrollment of less than 350 students shall be deemed to have satisfied such per-pupil expenditure requirement, and has a tax rate for general fund purposes which is not less than 95 percent of the average tax rate for general fund purposes of local educational agencies in the State;

(cc) has an enrollment of children described in subsection (a)(1) that constitutes a percentage of the total student enrollment of the agency which is not less than 30 percent, and has a tax rate for general fund purposes which is not less than 125 percent of the average tax rate for general fund purposes for local educational agencies in the State;)

(dd) has a total student enrollment of not less than 25,000 students, of which not less than 50 percent are children described in subsection (a)(1) and not less than 6,000 of such children are children described in subparagraphs (A) and (B) of subsection (a)(1); or

(ee) meets the requirements of subsection (f)(2) applying the date requirements of subsection (f)(4) (as such subsections were in effect on the day be-

fore the date of the enactment of the Educational Opportunities Act).

(ii) LOSS OF ELIGIBILITY.—A heavily impacted local educational agency that met the requirements of clause (i) for a fiscal year shall be ineligible to receive a basic support payment under subparagraph (A) if the agency fails to meet the requirements of clause (i) for subsequent fiscal year, except that such agency shall continue to receive a basic support payment under this paragraph for the fiscal year for which the ineligibility determination is made.

(iii) RESUMPTION OF ELIGIBILITY.—A heavily impacted local educational agency described in clause (i) that becomes ineligible under such clause for 1 or more fiscal years may resume eligibility for a basic support payment under this paragraph for a subsequent fiscal year only if the agency meets the requirements of clause (i) for that subsequent fiscal year, except that such agency shall not receive a basic support payment under this paragraph until the fiscal year succeeding the fiscal year for which the eligibility determination is made.

(C) ELIGIBILITY FOR NEW HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

(i) IN GENERAL.—A heavily impacted local educational agency that did not receive an additional assistance payment under subsection (f) (as such subsection was in effect on the day before the date of the enactment of the Educational Opportunities Act) for fiscal year 2000 is eligible to receive a basic support payment under subparagraph (A) for fiscal year 2002 and any subsequent fiscal year with respect to a number of children determined under subsection (a)(1) only if the agency is a local educational agency whose boundaries are the same as a Federal military installation, or the agency—

(I) has an enrollment of children described in subsection (a)(1) that constitutes a percentage of the total student enrollment of the agency that—

(aa) is not less than 50 percent if such agency receives a payment on behalf of children described in subparagraphs (F) and (G) of such subsection; or

(bb) is not less than 40 percent if such agency does not receive a payment on behalf of such children;

(II)(aa) for a local educational agency that has a total student enrollment of 350 or more students, has a per-pupil expenditure that is less than the average per-pupil expenditure of the State in which the agency is located; or

(bb) for a local educational agency that has a total student enrollment of less than 350 students, has a per-pupil expenditure that is less than the

average per-pupil expenditure of a comparable local educational agency in the State in which the agency is located, as defined in regulations promulgated by the Secretary; and

(III) has a tax rate for general fund purposes that is not less than 95 percent of the average tax rate for general fund purposes of local educational agencies in the State.

(ii) RESUMPTION OF ELIGIBILITY.—A heavily impacted local educational agency described in clause (i) that becomes ineligible under such clause for 1 or more fiscal years may resume eligibility for a basic support payment under this paragraph for a subsequent fiscal year only if the agency is a local educational agency whose boundaries are the same as a Federal military installation, or meets the requirements of clause (i), for that subsequent fiscal year, except that such agency shall continue to receive a basic support payment under this paragraph for the fiscal year for which the ineligibility determination is made.

(iii) APPLICATION.—With respect to the first fiscal year for which a heavily impacted local educational agency described in clause (i) applies for a basic support payment under subparagraph (A), or with respect to the first fiscal year for which a heavily impacted local educational agency applies for a basic support payment under subparagraph (A) after becoming ineligible under clause (i) for 1 or more preceding fiscal years, the agency shall apply for such payment at least 1 year prior to the start of that first fiscal year.

(D) MAXIMUM AMOUNT FOR REGULAR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—(i) Except as provided in subparagraph (E), the maximum amount that a heavily impacted local educational agency is eligible to receive under this paragraph for any fiscal year is the sum of the total weighted student units, as computed under subsection (a)(2) and subject to clause (ii), multiplied by the greater of—

(I) four-fifths of the average per-pupil expenditure of the State in which the local educational agency is located for the third fiscal year preceding the fiscal year for which the determination is made; or

(II) four-fifths of the average per-pupil expenditure of all of the States for the third fiscal year preceding the fiscal year for which the determination is made.

(ii)(I) For a local educational agency with respect to which 35 percent or more of the total student enrollment of the schools of the agency are children described in subparagraph (D) or (E) (or a combination thereof) of subsection (a)(1), the Secretary shall calculate the weighted student units of such children for purposes of subsection (a)(2) by multiplying the number of such children by a factor of 0.55.

(II) For a local educational agency that has an enrollment of 100 or fewer children described in subsection (a)(1),

the Secretary shall calculate the total number of weighted student units for purposes of subsection (a)(2) by multiplying the number of such children by a factor of 1.75.

(III) For a local educational agency that has an enrollment of more than 100 but not more than 750 children described in subsection (a)(1), the Secretary shall calculate the total number of weighted student units for purposes of subsection (a)(2) by multiplying the number of such children by a factor of 1.25.

(iii) Notwithstanding subsection (a)(3), the Secretary shall compute the payment for a heavily impacted local educational agency under this subparagraph for all children described in subsection (a)(1) that are served by the agency.

(E) MAXIMUM AMOUNT FOR LARGE HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—(i)(I) Subject to clause (ii), the maximum amount that a heavily impacted local educational agency described in subclause (II) is eligible to receive under this paragraph for any fiscal year shall be determined in accordance with the formula described in paragraph (1)(C).

(II) A heavily impacted local educational agency described in this subclause is a local educational agency that has a total student enrollment of not less than 25,000 students, of which not less than 50 percent are children described in subsection (a)(1) and not less than 6,000 of such children are children described in subparagraphs (A) and (B) of subsection (a)(1).

(ii) For purposes of calculating the maximum amount described in clause (i), the factor used in determining the weighted student units under subsection (a)(2) with respect to children described in subparagraphs (A) and (B) of subsection (a)(1) shall be 1.35.

(F) DATA.—For purposes of providing assistance under this paragraph the Secretary shall use student, revenue, expenditure, and tax data from the third fiscal year preceding the fiscal year for which the local educational agency is applying for assistance under this paragraph.

[(2) *(3)* PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—

(A) IN GENERAL.—For any fiscal year in which the sums appropriated under section 8014(b) are insufficient to pay to each local educational agency the full amount computed under [paragraph (1)] *paragraphs (1) and (2),* the Secretary shall make payments in accordance with this paragraph.

(B) LEARNING OPPORTUNITY THRESHOLD PAYMENTS *IN LIEU OF PAYMENTS UNDER PARAGRAPH (1)*.—(i) For fiscal years described in subparagraph (A), the Secretary shall compute a learning opportunity threshold payment (hereafter in this title referred to as the "threshold payment") by multiplying *in lieu of basic support payments under paragraph (1)* the amount obtained under paragraph (1)(C) by the total percentage obtained by adding—

(I) the percentage of federally connected children for each local educational agency determined by calculating the fraction, the numerator of which is the total number of children described under subsection (a)(1) and the denominator of which is the total number of children in average daily attendance at the schools served by such agency; and

(II) the percentage that funds under paragraph (1)(C) represent of the total budget of the local educational agency, determined by calculating the fraction, the numerator of which is the total amount of funds calculated for each local educational agency under this paragraph [(not including amounts received under subsection (f))], and the denominator of which is the total current expenditures for such agency in the second preceding fiscal year for which the determination is made.

(ii) Such total percentage used to calculate threshold payments under paragraph (1) shall not exceed 100.

(iii) For the purpose of determining and percentages described in subclauses (I) and (II) of clause (i) that are applicable to the local educational agency providing free public education to students in grades 9 through 12 residing on Hanscom Air Force Base, Massachusetts, the Secretary shall consider only that portion of such agency's total enrollment of students in grades 9 through 12 when calculating the percentage under such subclause (I) and only that portion of the total current expenditures attributed to the operation of grades 9 through 12 in such agency when calculating the percentage under subclause (II).

(C) LEARNING OPPORTUNITY THRESHOLD PAYMENTS IN LIEU OF PAYMENTS UNDER PARAGRAPH (2).—For fiscal years described in subparagraph (A), the learning opportunity threshold payment in lieu of basic support payments under paragraph (2) shall be equal to the amount obtained under subparagraph (D) or (E) of paragraph (2), as the case may be.

[(C)] *(D)* RATABLE DISTRIBUTION.—For fiscal years described in subparagraph (A), the Secretary shall make payments as a ratable distribution based upon the [computation made under subparagraph (B)] *computations made under subparagraphs (B) and (C).*

[(3)] *(4)* STATES WITH ONLY ONE LOCAL EDUCATIONAL AGENCY.—

(A) IN GENERAL.—In any of the 50 States of the United States in which there is only one local educational agency, the Secretary shall, for purposes of [paragraphs (1)(B), (1)(C), and (2) of this subsection] *subparagraphs (B) and (C) of paragraph (1) or subparagraphs (B) through (D) of paragraph (2), as the case may be, paragraph (3) of this subsection*, and subsection (e), consider each administrative school district in the State to be a separate local educational agency.

(B) COMPUTATION OF MAXIMUM AMOUNT OF BASIC SUPPORT PAYMENT AND THRESHOLD PAYMENT.—In computing the maximum payment amount under paragraph (1)(C), *or subparagraph (D) or (E) of paragraph (2), as the case may be,* and the learning opportunity threshold payment under [paragraph (2)(B)] *subparagraph (B) or (C) of paragraph (3), as the case may be,* for an administrative school district described in subparagraph (A)—

(i) the Secretary shall first determine the maximum payment amount and the total current expenditures for the State as a whole; and

(ii) the Secretary shall then—

(I) proportionately allocate such maximum payments amount among the administrative school districts on the basis of the respective weighted student units of such districts; and

(II) proportionately allocate such total current expenditures among the administrative school districts on the basis of the respective number of students in average daily attendance at such districts.

(c) PRIOR YEAR DATA.—

(1) IN GENERAL.—Except as provided in [paragraph (2) and subsection (f)] *subsections (b)(1)(D), (b)(2), and paragraph (2)*, all calculations under this section shall be based on data for each local educational agency from not later than the fiscal year preceding the fiscal year for which the agency is making application for payment.

* * * * * * *

(e) HOLD-HARMLESS AMOUNTS.—

[(1) IN GENERAL.—(A) Except as provided in paragraph (4)(A), the total amount that the Secretary shall pay a local educational agency under subsection (b) shall not be less than 85 percent of the amount such agency received for the preceding fiscal year—

[(i) in the case of fiscal year 1995 only, under subsections (a) and (b) of section 3 of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994); or

[(ii) in the case of fiscal years 1996, 1997, 1998, or 1999, under such subsection (b).

[(B) For fiscal year 1995 only, the Secretary shall pay, to each local educational agency that is not eligible for a payment under subsection (b) but that received a payment under section 3 of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) for fiscal year 1994, an amount which is not less than 85 percent of the payment such agency received under such section 3 for fiscal year 1994.

[(2) TWO-YEAR APPLICABILITY.—Paragraph (1)(A) shall apply to any one local educational agency for a maximum of two consecutive fiscal years.

[(3) PHASE-OUT PAYMENT.—A local educational agency which received a payment under section 3(e) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) for fiscal year 1994 is eligible to receive a payment, under subsection (b) for fiscal year 1995, in an amount which is not less than 85 percent of the amount received by such agency in fiscal year 1994 under such section 3(e).

[(4) RATABLE REDUCTIONS.—(A)(i) If necessary in order to make payments to local educational agencies in accordance with paragraphs (1) and (2), the Secretary first shall ratably reduce payments under subsection (b) to local educational agencies that do not receive a payment under this subsection.

[(ii) If additional funds become available for making payments under subsection (b) for such fiscal year, payments that were reduced under clause (i) shall be increased on the same basis as such payments were reduced.

[(B)(i) If the sums made available under this title for any fiscal year are insufficient to pay the full amounts that all local educational agencies in all States are eligible to receive under paragraphs (1) and (2) after the application of subparagraph (A) for such year, the Secretary shall ratably reduce payments to all such agencies for such year.

[(ii) If additional funds become available for making payments under paragraphs (1) and (2) for such fiscal year, payments that were reduced under clause (i) shall be increased on the same basis as such payments were reduced.]

(e) HOLD HARMLESS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the total amount the Secretary shall pay a local educational agency under this section for fiscal year 2001 and each succeeding fiscal year shall not be less than—

(A) the result obtained by dividing the amount received by the local educational agency under this subsection for fiscal year 2000 by the total weighted student units calculated for the local educational agency under subsection (a)(2) for fiscal year 2000; multiplied by

(B) the total weighted student units calculated for the local educational agency under subsection (a)(2) (as such subsection was in effect on the day preceding the date of enactment of the Educational Opportunities Act) for the fiscal year for which the determination is made.

(2) RATABLE REDUCTIONS.—

(A) IN GENERAL.—If the sums made available under this title for any fiscal year are insufficient to pay the full amounts that all local educational agencies in all States are eligible to receive under paragraph (1) for such year, then the Secretary shall ratably reduce the payments to all such agencies for such year.

(B) ADDITIONAL FUNDS.—If additional funds become available for making payments under paragraph (1) for such fiscal year, payments that were reduced under sub-

paragraph (A) shall be increased on the same basis as such payments were reduced.

[(f) ADDITIONAL ASSISTANCE FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

[(1) RESERVATION.—From amounts appropriated under section 8014(b) for a fiscal year, the Secretary shall provide additional assistance to meet special circumstances relating to the provision of education in local educational agencies eligible to receive assistance under this section.

[(2) ELIGIBILITY.—A local educational agency is eligible to receive additional assistance under this subsection if such agency is eligible for a supplementary payment in accordance with subparagraph (B) or such agency

[(i)(I) has an enrollment of federally connected children described in subsection (a)(1) which constitutes a percentage of the total student enrollment of such agency which is not less than 50 percent if such agency receives a payment on behalf of children described in subparagraphs (F) and (G) of such subsection, or not less than 40 percent if such agency does not receive a payment on behalf of such children; and

[(II) has a tax rate for general fund purposes which is at least 95 percent of the average tax rate for general fund purposes of comparable local educational agencies in the State;

[(ii)(I) has an enrollment of federally connected children described in subsection (a)(1) which constitutes at least 35 percent of the total student enrollment of such agency; and

[(II) has a tax rate for general fund purposes which is at least 125 percent of the average tax rate for general fund purposes of comparable local educational agencies in the State; or

[(iii) is a local educational agency whose boundaries are the same as a Federal military installation.

[(B) If the current expenditures in those local educational agencies which the Secretary has determined to be generally comparable to the local educational agency for which a computation id made under subsection (b)(1)(C) are not reasonably comparable because of unusual geographical factors which affect the current expenditures necessary to maintain, in such agency, a level of educational equivalent to that maintained in such other agencies, then the Secretary shall increase the local contribution rate for such agency by such an amount which the Secretary determines will compensate such agency for the increase in current expenditures necessitated by such unusual geographical factors. The amount of any such supplementary payment may not exceed the per-pupil share (computed with regard to all children in average daily attendance), as determined by the Secretary, of the increased current expenditures necessitated by such unusual geographic factors.

[(C) Any local educational agency determined eligible under clause (iii) of subparagraph (A) shall be deemed to have met the tax effort requirements for eligibility under clause (i)(II) or (ii)(II) of such subparagraph.

[(D) A local educational agency shall only be eligible to receive additional assistance under this subsection if the Secretary determines that—

[(i) such agency is exercising due diligence in availing itself of State and other financial assistance; and

[(ii) the eligibility of such agency under State law for State aid with respect to the free public education of children described in subsection (a)(1) and the amount of such aid are determined on a basis no less favorable to such agency than the basis used in determining the eligibility of local educational agencies for State aid, and the amount of such aid, with respect to the free public education of other children in the State.

[(3) MAXIMUM PAYMENTS.—

[(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall determine the maximum amount that a local educational agency may receive under this subsection (other than any amount received under paragraph (2)(B)) in accordance with the following computations: The Secretary, in conjunction with the local educational agency, shall first determine each of the following:

[(I) The average per-pupil expenditure of the State in which the local educational agency is located.

[(II) the average per-pupil expenditure of generally comparable local educational agencies located in the State of local educational agency, as defined in regulations issued by the Secretary.

[(III) The average per-pupil expenditure of three generally comparable local educational agencies located in the State of the local educational agency, as defined in regulations issued by the Secretary.

The local educational agency shall select one of the amounts determined under subclause (I), (II), or (III) for purposes of the remaining computations under this subparagraph.

[(ii) The Secretary shall next multiply the amount determined under clause (i) by the total number of students in average daily attendance at the schools of the local educational agency.

[(iii) The Secretary shall next subtract from the amount determined under clause (ii) all funds available to the local educational agency for current expenditures, but, except as provided in subparagraph (C), shall not so subtract funds provided—

[(I) under this Act; or

[(II) by any department or agency of the Federal Government (other than the Department) that are used for capital expenses.

[(iv) If the tax rate used by the local educational agency is greater than 95 percent, but less than 100 percent, of the tax rate of comparable local educational agencies, the Secretary shall next multiply the amount determined under clause (iii) by the percentage that the tax rate of the local educational agency is of—

[(I) the average tax rate of its generally comparable local educational agencies; or

[(II) the average tax rate of all the local educational agencies in the State in which the local educational agency is located.

[(v) The Secretary shall next subtract the total amount of payments received by a local educational agency under subsections (b) and (d) for a fiscal year from the amount determined under clause (iii) or clause (iv), as the case may be.

[(B) SPECIAL RULE.—With respect to payments under this subsection for a fiscal year for a local educational agency described in clause (ii) or (iii) of paragraph (2)(A), the maximum amount of payments under this subsection shall be equal to—

[(i) the product of—

[(I) the average per-pupil expenditure in all States multiplied by 0.7, except that such amount may not exceed 125 percent of the average per-pupil expenditure in all local educational agencies in the State; multiplied by

[(II) the number of students described in subparagraph (A) or (B) of subsection (a)(1) for such agency; minus

[(ii) the amount of payment such agency receives under subsections (b) and (d) of such year.

[(C) DETERMINATION OF AVAILABLE FUNDS.—When determining the amount of funds available to the local educational agency for current expenditures for purposes of subparagraph (A)(iii) for a fiscal year, the Secretary shall include, with respect to the local educational agency's opening cash balance for such fiscal year, the portion of such balance that is the greater of—

[(i) the amount that exceeds the maximum amount of funds for current expenditures that the local educational agency was allowed by State law to carry over from the prior fiscal year, if State restrictions on such amounts were applied uniformly to all local educational agencies in the State; or

[(ii) the amount that exceeds 30 percent of the local educational agency's operating costs for the prior fiscal year.

[(4) DATA.—For purposes of providing assistance under this subsection the Secretary shall use student, revenue, expenditure, and tax data from the second fiscal year preceding the fiscal year for which the local educational agency is applying for assistance under this subsection.

[(5) REDUCTION IN PAYMENTS.—If funds appropriated to carry out this subsection are insufficient to pay in full the amounts determined under paragraph (3), the Secretary shall ratably reduce the payment to each eligible local educational agency.

[(g) ADDITIONAL PAYMENTS FOR LOCAL EDUCATIONAL AGENCIES WITH HIGH CONCENTRATIONS OF CHILDREN WITH SEVERE DISABILITIES.—

[(1) IN GENERAL.—If any local educational agency receives Federal funds from sources other than this title to carry out the purposes of this title for any fiscal year due to the enrollment of children described under subsection (a), then the Secretary shall consider such funds as a payment to such agency under this part for such fiscal year.

[(2) SPECIAL RULE.—Notwithstanding any other provision of law, if funds appropriated pursuant to section 8014(b) for payment under subsection (b) to such agency for a fiscal year which, when added to the funds described in paragraph (1) received by such agency for such fiscal year, exceed the maximum amount described under subsection (b)(1)(C), then the Secretary shall make available from the funds appropriated under section 8014(b) for such fiscal year such excess amounts to any local educational agency swerving two or more children described under subparagraph (B) or (D) of subsection (a)(1) who have a severe disability and a parent serving in the uniformed services (as defined by section 101 of title 37, United States Code) who is assigned to a particular permanent duty station for compassionate reasons (compassionate post assignment) for the total costs associated with such children who are provided an educational program provided outside the schools of such agency.

[(3) REMAINING FUNDS.—If funds remain after payments are made under paragraph (2) for any fiscal year, then such remaining funds shall be made available for expenditures under subsection (d) in such fiscal year on a pro rata basis consistent with the requirements of such subsection.

[(4) RATABLE REDUCTIONS.—If amounts available to carry out paragraph (2) for any fiscal year are insufficient to pay in full the total payment that all eligible local educational agencies are eligible to receive under such paragraph for such year, then the Secretary shall ratably reduce such payments to such agencies for such year.]

[(h)] *(f)* OTHER FUNDS.—Notwithstanding any other provision of law, a local educational agency receiving funds under this section may also receive funds under section 6 of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) *section 386 of the National Defense Authorization Act for Fiscal Year 1993* or such section's successor authority.

[(i)] *(g)* MAINTENANCE OF EFFORT.—A local educational agency may receive funds under sections 8002 and 8003(b) for any fiscal year only if the State educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

* * * * * * *

[SEC. 8006. [20 U.S.C. 7706] PAYMENTS FOR SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE OF MILITARY DEPENDENTS.

[(a) ELIGIBILITY.—A local educational agency is eligible for a payment under this section if—

[(1) the number of children in average daily attendance during the school year for which the determination is made is at least 10 percent or 100 more than the number of children in average daily attendance in the school year preceding the school year for which the determination is made; and

[(2) the number of children in average daily attendance with a parent on active duty (as defined in section 101(18) of title 37, United States Code) in the Armed Forces who are in attendance at such agency because of the assignment of their parent to a new duty station between May 15 and September 30, inclusive, of the fiscal year for which the determination is made, as certified by an appropriate local official of the Department of Defense, is at least 10 percent or 100 more than the number of children in average daily attendance in the preceding school year.

[(b) APPLICATION.—A local educational agency that wishes to receive a payment under this section shall file an application with the Secretary by October 15 of the school year for which payment is requested, in such manner and containing such information as the Secretary may prescribe, including information demonstrating that such agency is eligible for such a payment.

[(c) CHILDREN TO BE COUNTED.—For each eligible local educational agency that applies for a payment under this section, the Secretary shall determine the lesser of—

[(1) the increase in the number of children in average daily attendance from the school year preceding the fiscal year for which the determination is made; and

[(2) the number of children described in subsection (a)(2).

[(d) PAYMENTS.—

[(1) IN GENERAL.—Except as provided in paragraph (2), from the amount appropriated for a fiscal year under section 8014(d), the Secretary shall pay each local educational agency with an approved application an amount equal to one-half of the national average per-pupil expenditure multiplied by the number of such children determined under subsection (c) for that local educational agency.

[(2) RATABLE REDUCTION.—(A) If the amount appropriated to carry out this section for any fiscal year is insufficient to pay the full payment that all eligible local educational agencies are eligible to receive under this section for such year, then the Secretary shall ratably reduce the payments to such agencies for such year.

[(B) If additional funds become available for making payments under paragraph (1) for such fiscal year, payments that were reduced under subparagraph (A) shall be increased on the same basis as such payments were reduced.

[(e) NOTIFICATION PROCESS.—

[(1) ESTABLISHMENT.—The Secretary shall establish, with the Secretary of Defense, a notification process relating to the closure of Department of Defense facilities, or the adjustment

of personnel levels assigned to such facilities, which may substantially affect the student enrollment levels of local educational agencies which receive or may receive payments under this title.

[(2) INFORMATION.—Such process shall provide timely information regarding such closures and such adjustments—

[(A) by the Secretary of Defense to the Secretary; and

[(B) by the Secretary to the affected local educational agencies.]

[SEC. 8007. [20 U.S.C. 7707] CONSTRUCTION.

[(a) PAYMENTS AUTHORIZED.—From the amount appropriated for each fiscal year under section 8014(e), the Secretary shall make payments to each local educational agency—

[(1) that receives a basic payment under section 8003(b); and

[(2)(A) in which the number of children determined under section 8003(a)(1)(C) constituted at least 50 percent of the number of children who were in average daily attendance in the schools of such agency during the preceding school year;

[(B) in which the number of children determined under subparagraphs (B) and (D)(i) of section 8003(a)(1) constituted at least 50 percent of the number of children who were in average daily attendance in the schools of such agency during the school year preceding the school year for which the determination is made;

[(C) that receives assistance under section 8003(f); or

[(D) that receives assistance under section 8006.

[(b) AMOUNT OF PAYMENTS.—The amount of a payment to each such agency for a fiscal year shall be equal to—

[(1) the amount appropriated under section 8014(e) for such year; divided by

[(2) the number of children determined under section 8003(a)(2) for all local educational agencies described in subsection (a), but not including any children attending a school assisted or provided by the Secretary under section 8008 or section 10 of the Act of September 23, 1950 (Public Law 815, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994); multiplied by

[(3) the number of such children determined for such agency.

[(c) USE OF FUNDS.—Any local educational agency that receives funds under this section shall use such funds for construction, as defined in section 8013(3).]

SEC. 8007. SCHOOL CONSTRUCTION.

(a) PAYMENTS AUTHORIZED FOR SCHOOL CONSTRUCTION.—From 20 percent of the amount appropriated for each fiscal year under section 8014(d), the Secretary shall make payments to each local educational agency—

(1) that receives a basic payment under section 8003(b); and

(2)(A) in which the number of children determined under section 8003(a)(1)(C) constituted at least 50 percent of the number of children who were in average daily attendance in the schools of such agency during the preceding school year;

(B) in which the number of children determined under subparagraphs (B) and (D)(i) of section 8003(a)(1) constituted at least 50 percent of the number of children who were in average daily attendance in the schools of such agency during the school years preceding the school year for which the determination is made; or

(C) that receives assistance under section 8003(b)(2) for the fiscal year preceding the school year for which the determination is made.

(b) AMOUNT OF PAYMENTS.—The amount of a payment to each such agency for a fiscal year shall be equal to—

(1) the amount made available under subsection (a) for the fiscal year; divided by

(2) the remainder of—

(A) the number of children determined under section 8003(a)(2) for all local educational agencies described in subsection (a) for the fiscal year; minus

(B) the number of children attending a school facility described in section 8008(a) for which the Secretary provided assistance under section 8008(a) for the previous fiscal year; multiplied by

(3) the sum of the number of children described in paragraph (2) determined for such agency for the fiscal year.

(c) USE OF FUNDS.—Any local educational agency that receives funds under this section shall use such funds for construction, as defined in section 8013(3).

SEC. 8007A. SCHOOL FACILITY MODERNIZATION.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—From 80 percent of the amount appropriated for each fiscal year under section 8014(d), the Secretary shall award grants to eligible local educational agencies to enable the local educational agencies to carry out modernization of school facilities.

(2) ALLOCATION AMONG ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—The Secretary shall allocate—

(A) 45 percent of the amount made available under paragraph (1) for each fiscal year for grants to local educational agencies described in clause (i) or (ii) of subsection (b)(2)(A);

(B) 45 percent of such amount for grants to local educational agencies described in subsection (b)(2)(B); and

(C) 10 percent of such amount for grants to local educational agencies described in subsection (b)(2)(C).

(3) SPECIAL RULE.—A local educational agency described in subsection (b)(2)(B) may use grant funds made available under this section for a school facility located on or near Federal property only if the school facility is located at a school where not less than 50 percent of the children in average daily attendance in the school for the preceding school year are children for which a determination is made under section 8003(a)(1).

(b) ELIGIBILITY REQUIREMENTS.—A local educational agency is eligible to receive funds under this section only if—

(1) such agency (or in the case of a local educational agency that does not have the authority to tax or issue bonds, such

agency's fiscal agent) has no capacity to issue bonds or is at such agency's limit in bonded indebtedness for the purposes of generating funds for capital expenditures, except that a local educational agency that is eligible to receive funds under section 8003(b)(2) shall be deemed to have met the requirements of this paragraph; and

(2)(A)(i) such agency received assistance under section 8002(a) and has an assessed value of taxable property per student in the school district that is less than the average of the assessed value of taxable property per student in the State in which the local educational agency is located; or

(ii) had an enrollment of children determined under section 8003(a)(1)(C) which constituted at least 25 percent of the number of children who were in average daily attendance in the schools of such agency during the school year preceding the school year for which the determination is made;

(B) such agency received assistance under section 8003(b) and had an enrollment of children determined under subparagraphs (A), (B), and (D) of section 8003(a)(1) which constituted at least 25 percent of the number of children who were in average daily attendance in the schools of such agency during the school year preceding the school year for which the determination is made; or

(C) such agency had an enrollment of children determined under section 8003(a)(1)(C) which constituted at least 50 percent of the number of children who were in average daily attendance in the schools of such agency during the school year preceding the school year for which the determination is made, and has a school facility emergency, as determined by the Secretary, that poses a health or safety hazard to the students and school personnel assigned to the school facility.

(c) AWARD CRITERIA.—In awarding grants under this section the Secretary shall consider 1 or more of the following factors:

(1)The extent to which the local educational agency lacks the fiscal capacity to undertake the modernization project without Federal assistance.

(2) The extent to which property in the local educational agency is nontaxable due to the presence of the Federal Government.

(3) The extent to which the local educational agency serves high numbers or percentages of children described in subparagraphs (A(), (B), (C), and (D) of section 8003(a)(1).

(4) The need for modernization to meet—

(A) the threat that the condition of the school facility poses to the safety and well-being of students;

(B) overcrowding conditions as evidenced by the use of trailers and portable buildings and the potential for future overcrowding because of increased enrollment; and

(C) facility needs resulting from actions of the Federal Government.

(5) The age of the school facility to be modernized.

(d) OTHER AWARD PROVISIONS.—

(1) AMOUNT CONSIDERATION.—In determining the amount of a grant awarded under this section, the Secretary shall con-

sider the cost of the modernization and the ability of the local educational agency to produce sufficient funds to carry out the activities for which assistance is sought.

(2) FEDERAL SHARE.—The Federal funds provided to a local educational agency under this section shall not exceed 50 percent of the total cost of the project to be assisted under this section. A local educational agency may use in-kind contributions to meet the matching requirement of the preceding sentence.

(3) MAXIMUM GRANT.—A local educational agency may not receive a grant under this section in an amount that exceeds $3,000 during any 5-year period.

(e) APPLICATIONS.—A local educational agency desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall contain—

(1) documentation of the agency's lack of bonding capacity;

(2) a listing of the school facilities to be modernized, including the number and percentage of children determined under section 8003(a)(1) in average daily attendance in each school facility;

(3) a description of the ownership of the property on which the current school facility is located or on which the planned school facility will be located;

(4) a description of any school facility deficiency that poses a health or safety hazard to the occupants of the school facility and a description of how that deficiency will be repaired;

(5) a description of the modernization to be supported with funds provided under this section;

(6) a cost estimate of the proposed modernization; and

(7) such other information and assurances as the Secretary may reasonably require.

(f) EMERGENCY GRANTS.—

(1) APPLICATIONS.—Each local educational agency described in subsection (b)(2)(C) that desires a grant under this section shall include in the application submitted under subsection (e) a signed statement from an appropriate State official certifying that a health or safety deficiency exists.

(2) INAPPLICABILITY OF CERTAIN PROVISIONS.—Paragraphs (2) and (3) of subsection (d) shall not apply to grants under this section awarded to local educational agencies described in subsection (b)(2)(C).

(3) SPECIAL RULES.—The Secretary shall make every effort to meet fully the school facility needs of local educational agencies described in subsection (b)(2)(C).

(4) PRIORITY.—If the Secretary receives more than 1 application from local educational agencies described in subsection (b)(2)(C) for grants under this section for any fiscal year, the Secretary shall give priority to local educational agencies based on when an application was received and the severity of the emergency as determined by the Secretary.

(5) CONSIDERATION FOR FOLLOWING YEAR.—A local educational agency described in subsection (b)(2)(C) that applies for a grant under this section for any fiscal year and does not re-

ceive the grant shall have the application for the grant considered for the following fiscal year, subject to the priority described in paragraph (4).

(g) GENERAL LIMITATIONS.—

(1) REAL PROPERTY.—No part of any grant funds awarded under this section shall be used for the acquisition of any interest in real property.

(2) MAINTENANCE.—Nothing in this section shall be construed to authorize the payment of maintenance costs in connection with any school facilities modernized in whole or in part with Federal funds provided under this section.

(3) ENVIRONMENTAL SAFEGUARDS.—All projects carried out with Federal funds provided under this section shall comply with all relevant Federal, State, and local environmental laws and regulations.

(4) ATHLETIC AND SIMILAR SCHOOL FACILITIES.—No Federal funds received under this section shall be used for outdoor stadiums or other school facilities that are primarily used for athletic contests or exhibitions, or other events, for which admission is charged to the general public.

(h) SUPPLEMENT NOT SUPPLANT.—An eligible local educational agency shall use funds received under this section only to supplement the amount of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the modernization of school facilities used for educational purposes, and not to supplant such funds.

* * * * * * *

SEC. 8008. [20 U.S.C. 7708] FACILITIES.

(a) CURRENT FACILITIES.—From the amount appropriated for any fiscal year under section [8014(f)] *8014(e)*, the Secretary may continue to provide assistance for school facilities that were supported by the Secretary under section 10 of the Act of September 23, 1950 (Public Law 815, 81st Congress) (as such Act was in effect on the day preceding the date of the enactment of the Improving America's Schools Act of 1994).

SEC. 8009. [20 U.S.C. 7709] STATE CONSIDERATION OF PAYMENTS IN PROVIDING STATE AID.

(a) GENERAL PROHIBITION.—Except as provided in subsection (b), a State may not—

(1) consider payments under this title [or under the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994)] in determining for any fiscal year—

* * * * * * *

(b) STATE EQUALIZATION PLANS.—

[(1) IN GENERAL.—A State may reduce State aid to a local educational agency that receives a payment under section 8002 or 8003(b) (except the amount calculated in excess of 1.0 under subparagraph (B) of section 8003(a)(2)) or under the Act of September 30, 1950 (Public Law 874, 81st Congress) as such Act was in effect on the day preceding the date of enactment

of the Improving America's Schools Act of 1994 (other than an increase in payments described in paragraphs (2)(B), (2)(C), (2)(D), or (3)(B)(ii) of section 3(d) of such Act of September 30, 1950) for any fiscal year if the Secretary determines, and certifies under subsection (c)(3)(A), that such State has in effect a program of State aid that equalizes expenditures for free public education among local educational agencies in such State.]

(1) IN GENERAL.—A State may reduce State aid to a local educational agency that receives a payment under section 8002 or 8003(b) (except the amount calculated in excess of 1.0 under section 8003(a)(2)(B)) for any fiscal year if the Secretary determines, and certifies under subsection (c)(3)(A), that the State has in effect a program of State aid that equalizes expenditures for free public education among local educational agencies in the State.

* * * * * * *

(d) TREATMENT OF STATE AID.—

(1) IN GENERAL.—If a State has in effect a program of State aid for free public education for any fiscal year, which is designed to equalize expenditures for free public education among the local educational agencies of that State, payments under this title [or under the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994)] for any fiscal year may be taken into consideration by such State in determining the relative—

* * * * * * *

(B) financial need of such agencies for the provision of free public education for children served by such agency, except that a State may consider as local resources funds received under the title [or under the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994)] only in proportion to the share that local tax revenues covered under a State equalization program are of total local tax revenues.

(2) PROHIBITION.—A State may not take into consideration payments under this title [or under the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994)] before such State's program of State aid has been certified by the Secretary under subsection (c)(3).

* * * * * * *

SEC. 8010. [20 U.S.C. 7710] FEDERAL ADMINISTRATION.

(a) PAYMENTS IN WHOLE DOLLAR AMOUNTS.—* * *

* * * * * * *

(c) SPECIAL RULES.—

[(1) CERTAIN CHILDREN ELIGIBLE UNDER SUBSECTION (a) OR (b) OF SECTION 3 OF PUBLIC LAW 81–874.—Notwithstanding any

other provision of law, for any fiscal year before fiscal year 1995, the Secretary shall treat as eligible under subsection (a) or (b) of section 3 of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such subsection was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994), and shall forgive the obligation of a local educational agency to repay any amounts that such agency received under such section for such fiscal year based on, any child who would be eligible under such subsections except that such child does not meet the requirements of subsection (a)(1)(B) or (b)(2)(B), respectively, of such section 3, if such child meets the requirements of paragraph (3) of this subsection.]

[2] *(1)* CERTAIN CHILDREN ELIGIBLE UNDER SUBPARAGRAPHS (A) AND (G)(ii) OF SECTION 8003(a)(1).—(A) The Secretary shall treat as eligible under subparagraph (A) of section 8003(a)(1) any child who would be eligible under such subparagraph except that the Federal property on which the child resides or on which the child's parent is employed is not in the same State in which the child attends school, if such child meets the requirements of [paragraph (3)] *paragraph (2)* of this subsection.

(B) The Secretary shall treat as eligible under subparagraph (G) of section 8003(a)(1) any child who would be eligible under such subparagraph except that such child does not meet the requirements of clause (ii) of such subparagraph, if such child meets the requirements of [paragraph (3)] *paragraph (2)* of this subsection.

[(3)] *(2)* REQUIREMENTS.—A child meets the requirements of this paragraph if—

(A) such child resides—

* * * * * * *

(D) the State in which such child attends school provides funds for the education of such child on the same basis as all other public school children in the State, unless otherwise permitted under [section 5(d)(2) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) or] section 8009(b) of this title; and

(E) such agency received a payment for fiscal year [1994] *1999* under section 8003(b) [(or such section's predecessor authority)] on behalf of children described in [paragraph (2)] *paragraph (1).*

SEC. 8011. [20 U.S.C. 7711] ADMINISTRATIVE HEARINGS AND JUDICIAL REVIEW.

(a) ADMINISTRATIVE HEARINGS.—A local educational agency and a State that is adversely affected by any action of the Secretary under this title or under [the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994)] *this title's predecessor authorities* shall be entitled to a hearing on such action in the same manner as if such agency were a person under chapter 5 of title 5, United States Code, *if a*

request for such hearing is submitted to the Secretary by the affected local educational agency or State educational agency not later than 60 days after receiving notice that such action has occurred.

* * * * * * *

SEC. 8012. [20 U.S.C. 7712] FORGIVENESS OF OVERPAYMENTS.

Notwithstanding any other provision of law, the Secretary may forgive the obligation of a local educational agency to repay, in whole or in part, the amount of any overpayment received under this title, or [under the Act of September 30, 1950 (Public Law 874, 81st Congress) or the Act of September 23, 1950 (Public Law 815, 81st Congress) (as such Acts were in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994)] *under this title's predecessor authorities*, if the Secretary determines that the overpayment was made as a result of an error made by—

* * * * * * *

SEC. 8012A. APPLICABILITY TO THIS TITLE.

Part B of title IV, parts D, E, and F of title VI, and part A of title X, shall not apply to this title.

SEC. 8013. [20 U.S.C. 7713] DEFINITIONS.

For purposes of this title:

(1) ARMED FORCES.—* * *

* * * * * * *

(4) CURRENT EXPENDITURES.—The term "current expenditures" means expenditures for free public education, including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but does not include expenditures for community services, capital outlay, and debt service, or any expenditures made from funds awarded under part A of title I and [title VI] *part A of title VI*. The determination of whether an expenditure for the replacement of equipment is considered a current expenditure or a capital outlay shall be determined in accordance with generally accepted accounting principles as determined by the State.

* * * * * * *

(iii)(I) part of a [low-rent] *low-income* housing project assisted under the United States Housing Act of 1937; [or]

* * * * * * *

(III) used for affordable housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996; or

* * * * * * *

(F) PROPERTY LOCATED IN THE STATE OF OKLAHOMA OWNED BY INDIAN HOUSING AUTHORITY FOR LOW-INCOME HOUSING.—The term "Federal property" includes any real property located in the State of Oklahoma that—

(i) is owned by an Indian housing authority and used for low-income housing (including housing assisted under [the mutual help ownership opportunity program under section 202 of the United States Housing Act of 1937] *or authorized by the Native American Housing Assistance and Self-Determination Act of 1996*); and

* * * * * * *

(8) * * *

* * * * * * *

(A) * * *

* * * * * * *

(B) HAWAII AND DISTRICT OF COLUMBIA.—Notwithstanding subparagraph (A), the local contribution percentage for Hawaii and for the District of Columbia shall be the average local contribution percentage for [all States] *the 50 States and the District of Columbia*.

(9) * * *

* * * * * * *

(i) was constituted or reconstituted primarily for the purpose of receiving assistance under this title or [the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994)] *(or under this title's predecessor authorities)* or increasing the amount of such assistance; or

* * * * * * *

(11) MODERNIZATION.—The term "modernization" means repair, renovation, alteration, or construction, including—

(A) the concurrent installation of equipment; and

(B) the complete or partial replacement of an existing school facility, but only if such replacement is less expensive and more cost-effective than repair, renovation, or alteration of the school facility.

[(11)] *(12)* REVENUE DERIVED FROM LOCAL SOURCES.—The term "revenue derived from local sources" means—

(A) revenue produced within the boundaries of a local educational agency and available to such agency for such agency's use; or

(B) funds collected by another governmental unit, but distributed back to a local educational agency in the same proportion as such funds were collected as a local revenue source.

[(12)] *(13)* SCHOOL FACILITIES.—The term "school facilities" includes—

[(A) classrooms and related facilities; and] *(A) a classroom, laboratory, library, media center, or related facility, the primary purpose of which is the instruction of public elementary school or secondary school students; and*

(B) equipment, machinery, and utilities necessary or appropriate for school purposes.

SEC. 8014. [20 U.S.C. 7714] AUTHORIZATION OF APPROPRIATIONS.

(a) PAYMENTS FOR FEDERAL ACQUISITION OF REAL PROPERTY.—For the purpose of making payments under section 8002, there are authorized to be appropriated **[**$16,750,000 for fiscal year 1995**]** *$35,000,000 for fiscal year 2001* and such sums as may be necessary for each of the four succeeding fiscal years.

[(b) BASIC PAYMENTS; PAYMENTS FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—For the purpose of making payments under subsections (b) and (f) of section 8003, there are authorized to be appropriated $775,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years, of which 6 percent shall be available, until expended, for each such fiscal year to carry out section 8003(f).**]**

(b) BASIC PAYMENTS; PAYMENTS FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—For the purpose of making payments under subsection (b) of section 8003, there are authorized to be appropriated $875,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(c) PAYMENTS FOR CHILDREN WITH DISABILITIES.—For the purpose of making payments under section 8003(d), there are authorized to be appropriated **[**$45,000,000 for fiscal year 1995**]** *$60,000,000 for fiscal year 2001* and such sums as may be necessary for each of the four succeeding fiscal years.

[(d) PAYMENTS FOR INCREASES IN MILITARY CHILDREN.—For the purpose of making payments under section 8006, there are authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.**]**

[(e)**]** *(d)* CONSTRUCTION *AND FACILITY MODERNIZATION*.—For the purpose of carrying out **[**section 8007**]** *sections 8007 and 8007A,* there are authorized to be appropriated **[**$25,000,000 for fiscal year 1995**]** *$62,500,000 for fiscal year 2001* and such sums as may be necessary for each of the four succeeding fiscal years.

[(f)**]** *(e)* FACILITIES MAINTENANCE.—For the purpose of carrying out section 8008, there are authorized to be appropriated **[**$2,000,000 for fiscal year 1995**]** *$7,000,000 for fiscal year 2001* and such sums as may be necessary for each of the four succeeding fiscal years.

[(g)**]** *(f)* ADDITIONAL ASSISTANCE FOR CERTAIN FEDERAL PROPERTY LOCAL EDUCATIONAL AGENCIES.—For the purpose of carrying out section 8002(j) there are authorized to be appropriated **[**such sums as are necessary beginning in fiscal year 1998 and for each succeeding fiscal year**]** *$500,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.*

[TITLE IX—INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

[PART A—INDIAN EDUCATION

[SEC. 9101. [20 U.S.C. 7801] FINDINGS.

[The Congress finds that—

[(1) the Federal Government has a special responsibility to ensure that educational programs for all American Indian and Alaska Native children and adults—

[(A) are based on high-quality, internationally competitive content standards and student performance standards and build on Indian culture and the Indian community;

[(B) assist local educational agencies, Indian tribes, and other entities and individuals in providing Indian students the opportunity to achieve such standards; and

[(C) meet the special educational and culturally related academic needs of American Indian and Alaska Native students;

[(2) since the date of enactment of the initial Indian Education Act in 1972, the level of involvement of Indian parents in the planning, development, and implementation of educational programs that affect such parents and their children has increased significantly, and schools should continue to foster such involvement;

[(3) although the number of Indian teachers, administrators, and university professors has increased since 1972, teacher training programs are not recruiting, training, or retraining a sufficient number of Indian individuals as educators to meet the needs of a growing Indian student population in elementary, secondary, vocational, adult, and higher education;

[(4) the dropout rate for Indian students is unacceptably high, for example, 9 percent of Indian students who were eighth graders in 1988 had already dropped out of school by 1990;

[(5) during the period from 1980 to 1990, the percentage of Indian individuals living at or below the poverty level increased from 24 percent to 31 percent, and the readiness of Indian children to learn is hampered by the high incidence of poverty, unemployment, and health problems among Indian children and their families; and

[(6) research related specifically to the education of Indian children and adults is very limited, and much of the research is of poor quality or is focused on limited local or regional issues.

[SEC. 9102. [20 U.S.C. 7802] PURPOSE.

[(a) PURPOSE.—It is the purpose of this part to support the efforts of local educational agencies, Indian tribes and organizations, postsecondary institutions, and other entities to meet the special educational and culturally related academic needs of American Indians and Alaska Natives, so that such students can achieve to the same challenging State performance standards expected of all students.

[(b) PROGRAMS.—This part carries out the purpose described in subsection (a) by authorizing programs of direct assistance for—

[(1) meeting the special educational and culturally related academic needs of American Indians and Alaska Natives;

[(2) the education of Indian children and adults;

[(3) the training of Indian persons as educators and counselors, and in other professions serving Indian people; and

[(4) research, evaluation, data collection, and technical assistance.

[Subpart 1—Formula Grants to Local Educational Agencies

[SEC. 9111. [20 U.S.C. 7811] PURPOSE.

[It is the purpose of this subpart to support local educational agencies in their efforts to reform elementary and secondary school programs that serve Indian students in order to ensure that such programs—

[(1) are based on challenging State content standards and State student performance standards that are used for all students; and

[(2) are designed to assist Indian students meet those standards and assist the Nation in reaching the National Education Goals.

[SEC. 9112. [20 U.S.C. 7812] GRANTS TO LOCAL EDUCATIONAL AGENCIES.

[(a) IN GENERAL.—

[(1) ENROLLMENT REQUIREMENTS.—A local educational agency shall be eligible for a grant under this subpart for any fiscal year if the number of Indian children eligible under section 9116 and who were enrolled in the schools of the agency, and to whom the agency provided free public education, during the preceding fiscal year—

[(A) was at least 10; or

[(B) constituted not less than 25 percent of the total number of individuals enrolled in the schools of such agency.

[(2) EXCLUSION.—The requirement of paragraph (1) shall not apply in Alaska, California, or Oklahoma, or with respect to any local educational agency located on, or in proximity to, a reservation.

[(b) INDIAN TRIBES.—

[(1) IN GENERAL.—If a local educational agency that is eligible for a grant under this subpart does not establish a parent committee under section 9114(c)(4) for such grant, an Indian tribe that represents no less than one-half of the eligible Indian children who are served by such local educational agency may apply for such grant.

[(2) SPECIAL RULE.—The Secretary shall treat each Indian tribe applying for a grant pursuant to paragraph (1) as if such Indian tribe were a local educational agency for purposes of this subpart.

[SEC. 9113. [20 U.S.C. 7813] AMOUNT OF GRANTS.

[(a) AMOUNT OF GRANT AWARDS.—

[(1) IN GENERAL.—Except as provided in subsection (b) and paragraph (2), the Secretary shall allocate to each local educational agency which has an approved application under this subpart an amount equal to the product of—

[(A) the number of Indian children who are eligible under section 9116 and served by such agency; and

[(B) the greater of—

[(i) the average per-pupil expenditure of the State in which such agency is located; or

[(ii) 80 percent of the average per-pupil expenditure in the United States.

[(2) REDUCTION.—The Secretary shall reduce the amount of each allocation determined under paragraph (1) in accordance with subsection (e).

[(b) MINIMUM GRANT.—

[(1) IN GENERAL.—Notwithstanding subsection (e) of this section, a local educational agency or an Indian tribe (as authorized under section 9112(b)) that is eligible for a grant under section 9112, and a school that is operated or supported by the Bureau of Indian Affairs that is eligible for a grant under subsection (d), that submits an application that is approved by the Secretary, shall, subject to appropriations, receive a grant under this subpart in an amount that is not less than $3,000.

[(2) CONSORTIA.—Local educational agencies may form a consortium for the purpose of obtaining grants under this Act.

[(3) INCREASE.—The Secretary may increase the minimum grant under paragraph (1) to not more than $4,000 for all grantees if the Secretary determines such increase is necessary to ensure quality programs.

[(c) DEFINITION.—For the purpose of this section, the term "average per-pupil expenditure of a State" means an amount equal to—

[(1) the sum of the aggregate current expenditures of all the local educational agencies in the State, plus any direct current expenditures by the State for the operation of such agencies, without regard to the sources of funds from which such local or State expenditures were made, during the second fiscal year preceding the fiscal year for which the computation is made; divided by

[(2) the aggregate number of children who were included in average daily attendance for whom such agencies provided free public education during such preceding fiscal year.

[(d) SCHOOLS OPERATED OR SUPPORTED BY THE BUREAU OF INDIAN AFFAIRS.—In addition to the grants awarded under subsection (a), and subject to paragraph (2), the Secretary shall allocate to the Secretary of the Interior an amount equal to the product of—

[(1) the total number of Indian children enrolled in schools that are operated by—

[(A) the Bureau of Indian Affairs; or

[(B) an Indian tribe, or an organization controlled or sanctioned by an Indian tribal government, for the children of such tribe under a contract with, or grant from, the Department of the Interior under the Indian Self-Deter-

mination Act or the Tribally Controlled Schools Act of 1988 (part B of title V of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988); and

[(2) the greater of—

[(A) the average per-pupil expenditure of the State in which the school is located; or

[(B) 80 percent of the average per-pupil expenditure in the United States.

[(e) RATABLE REDUCTIONS.—If the sums appropriated for any fiscal year under section 9162(a) are insufficient to pay in full the amounts determined for local educational agencies under subsection (a)(1) and for the Secretary of the Interior under subsection (d), each of those amounts shall be ratably reduced.

[SEC. 9114. [20 U.S.C. 7814] APPLICATIONS.

[(a) APPLICATION REQUIRED.—Each local educational agency that desires to receive a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

[(b) COMPREHENSIVE PROGRAM REQUIRED.—Each application submitted under subsection (a) shall include a comprehensive program for meeting the needs of Indian children served by the local educational agency, including the language and cultural needs of the children, that—

[(1) provides programs and activities to meet the culturally related academic needs of American Indian and Alaska Native students;

[(2)(A) is consistent with, and promotes the goals in, the State and local improvement plans, either approved or being developed, under title III of the Goals 2000: Educate America Act or, if such plans are not approved or being developed, with the State and local plans under sections 1111 and 1112 of this Act; and

[(B) includes academic content and student performance goals for such children, and benchmarks for attaining such goals, that are based on the challenging State standards adopted under title I for all children;

[(3) explains how Federal, State, and local programs, especially under title I, will meet the needs of such students;

[(4) demonstrates how funds made available under this subpart will be used for activities described in section 9115;

[(5) describes the professional development opportunities that will be provided, as needed, to ensure that—

[(A) teachers and other school professionals who are new to the Indian community are prepared to work with Indian children; and

[(B) all teachers who will be involved in programs assisted under this subpart have been properly trained to carry out such programs; and

[(6) describes how the local educational agency—

[(A) will periodically assess the progress of all Indian children enrolled in the schools of the local educational agency, including Indian children who do not participate in

programs assisted under this subpart, in meeting the goals described in paragraph (2);

[(B) will provide the results of each assessment referred to in subparagraph (A) to—

[(i) the committee of parents described in subsection (c)(4); and

[(ii) the community served by the local educational agency; and

[(C) is responding to findings of any previous assessments that are similar to the assessments described in subparagraph (A).

[(c) ASSURANCES.—Each application submitted under subsection (a) shall include assurances that—

[(1) the local educational agency will use funds received under this subpart only to supplement the level of funds that, in the absence of the Federal funds made available under this subpart, such agency would make available for the education of Indian children, and not to supplant such funds;

[(2) the local educational agency will submit such reports to the Secretary, in such form and containing such information, as the Secretary may require to—

[(A) carry out the functions of the Secretary under this subpart; and

[(B) determine the extent to which funds provided to the local educational agency under this subpart are effective in improving the educational achievement of Indian students served by such agency;

[(3) the program for which assistance is sought—

[(A) is based on a local assessment and prioritization of the special educational and culturally related academic needs of the American Indian and Alaska Native students for whom the local educational agency is providing an education;

[(B) will use the best available talents and resources, including individuals from the Indian community; and

[(C) was developed by such agency in open consultation with parents of Indian children and teachers, and, if appropriate, Indian students from secondary schools, including public hearings held by such agency to provide the individuals described in this subparagraph a full opportunity to understand the program and to offer recommendations regarding the program; and

[(4) the local educational agency developed the program with the participation and written approval of a committee—

[(A) that is composed of, and selected by—

[(i) parents of Indian children in the local educational agency's schools and teachers; and

[(ii) if appropriate, Indian students attending secondary schools;

[(B) the membership of which is at least more than one-half parents of Indian children;

[(C) that sets forth such policies and procedures, including policies and procedures relating to the hiring of personnel, as will ensure that the program for which assist-

ance is sought will be operated and evaluated in consultation with, and with the involvement of, parents of the children, and representatives of the area, to be served;

[(D) with respect to an application describing a schoolwide program in accordance with section 9115(c), has—

[(i) reviewed in a timely fashion the program; and

[(ii) determined that the program will not diminish the availability of culturally related activities for American Indians and Alaskan Native students; and

[(E) has adopted reasonable bylaws for the conduct of the activities of the committee and abides by such bylaws.

[SEC. 9115. [20 U.S.C. 7815] AUTHORIZED SERVICES AND ACTIVITIES.

[(a) GENERAL REQUIREMENTS.—Each local educational agency that receives a grant under this subpart shall use the grant funds, in a manner consistent with the purpose specified in section 9111, for services and activities that—

[(1) are designed to carry out the comprehensive plan of the local educational agency for Indian students, and described in the application of the local educational agency submitted to the Secretary under section 9114(b);

[(2) are designed with special regard for the language and cultural needs of the Indian students; and

[(3) supplement and enrich the regular school program of such agency.

[(b) PARTICULAR ACTIVITIES.—The services and activities referred to in subsection (a) may include—

[(1) culturally related activities that support the program described in the application submitted by the local educational agency;

[(2) early childhood and family programs that emphasize school readiness;

[(3) enrichment programs that focus on problem-solving and cognitive skills development and directly support the attainment of challenging State content standards and State student performance standards;

[(4) integrated educational services in combination with other programs that meet the needs of Indian children and their families;

[(5) school-to-work transition activities to enable Indian students to participate in programs such as the programs supported by the School-to-Work Opportunities Act of 1994 and the Carl D. Perkins Vocational and Technical Education Act of 1998, including programs for tech-prep, mentoring, and apprenticeship;

[(6) activities to educate individuals concerning substance abuse and to prevent substance abuse; and

[(7) the acquisition of equipment, but only if the acquisition of the equipment is essential to meet the purpose described in section 9111.

[(c) SCHOOLWIDE PROGRAMS.—Notwithstanding any other provision of law, a local educational agency may use funds made available to such agency under this subpart to support a schoolwide program under section 1114 if—

[(1) the committee composed of parents established pursuant to section 9114(c)(4) approves the use of the funds for the schoolwide program; and

[(2) the schoolwide program is consistent with the purpose described in section 9111.

[SEC. 9116. [20 U.S.C. 7816] STUDENT ELIGIBILITY FORMS.

[(a) IN GENERAL.—The Secretary shall require that, as part of an application for a grant under this subpart, each applicant shall maintain a file, with respect to each Indian child for whom the local educational agency provides a free public education, that contains a form that sets forth information establishing the status of the child as an Indian child eligible for assistance under this subpart and that otherwise meets the requirements of subsection (b).

[(b) FORMS.—

[(1) IN GENERAL.—The form described in subsection (a) shall include—

[(A) either—

[(i)(I) the name of the tribe or band of Indians (as defined in section 9161(4)) with respect to which the child claims membership;

[(II) the enrollment number establishing the membership of the child (if readily available); and

[(III) the name and address of the organization that maintains updated and accurate membership data for such tribe or band of Indians; or

[(ii) if the child is not a member of a tribe or band of Indians, the name, the enrollment number (if readily available), and the organization (and address thereof) responsible for maintaining updated and accurate membership rolls of any parent or grandparent of the child from whom the child claims eligibility;

[(B) a statement of whether the tribe or band of Indians with respect to which the child, parent or grandparent of the child claims membership is federally recognized;

[(C) the name and address of the parent or legal guardian of the child;

[(D) a signature of the parent or legal guardian of the child that verifies the accuracy of the information supplied; and

[(E) any other information that the Secretary considers necessary to provide an accurate program profile.

[(2) MINIMUM INFORMATION.—In order for a child to be eligible to be counted for the purpose of computing the amount of a grant award made under section 9113, an eligibility form prepared pursuant to this section for a child shall include—

[(A) the name of the child;

[(B) the name of the tribe or band of Indians (as defined in section 9161(4)) with respect to which the child claims eligibility; and

[(C) the dated signature of the parent or guardian of the child.

[(3) FAILURE.—The failure of an applicant to furnish any information described in this subsection other than the information described in paragraph (2) with respect to any child shall

have no bearing on the determination of whether the child is an eligible Indian child for the purposes of determining the amount of a grant award made under section 9113.

[(c) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to affect a definition contained in section 9161.

[(d) FORMS AND STANDARDS OF PROOF.—The forms and the standards of proof (including the standard of good faith compliance) that were in use during the 1985–1986 academic year to establish the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act shall be the forms and standards of proof used—

[(1) to establish such eligibility; and

[(2) to meet the requirements of subsection (a).

[(e) DOCUMENTATION.—For purposes of determining whether a child is eligible to be counted for the purpose of computing the amount of a grant under section 9113, the membership of the child, or any parent or grandparent of the child, in a tribe or band of Indians may be established by proof other than an enrollment number, notwithstanding the availability of an enrollment number for a member of such tribe or band. Nothing in subsection (b) shall be construed to require the furnishing of an enrollment number.

[(f) MONITORING AND EVALUATION REVIEW.—

[(1) IN GENERAL.—(A) For each fiscal year, in order to provide such information as is necessary to carry out the responsibility of the Secretary to provide technical assistance under this subpart, the Secretary shall conduct a monitoring and evaluation review of a sampling of the recipients of grants under this subpart. The sampling conducted under this subparagraph shall take into account size of the local educational agency and the geographic location of such agency.

[(B) A local educational agency may not be held liable to the United States or be subject to any penalty, by reason of the findings of an audit that relates to the date of completion, or the date of submission, of any forms used to establish, before April 28, 1988, the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act.

[(2) FALSE INFORMATION.—Any local educational agency that provides false information in an application for a grant under this subpart shall—

[(A) be ineligible to apply for any other grant under this subpart; and

[(B) be liable to the United States for any funds that have not been expended.

[(3) EXCLUDED CHILDREN.—A student who provides false information for the form required under subsection (d) shall not be counted for the purpose of computing the amount of a grant under section 9113.

[(g) DISTRIBUTION.—For the purposes of the distribution of funds under this subpart to schools that receive funding from the Bureau of Indian Affairs pursuant to—

[(1) section 1130 of the Education Amendments of 1978; and

[(2) the Act of April 16, 1934 (48 Stat. 596, chapter 147),

the Secretary shall, in lieu of meeting the requirements of this section for counting Indian children, use a count of the number of students in such schools certified by the Bureau of Indian Affairs.

[SEC. 9117. [20 U.S.C. 7817] PAYMENTS.

[(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary shall pay to each local educational agency that submits an application that is approved by the Secretary under this subpart the amount determined under section 9113. The Secretary shall notify the local educational agency of the amount of the payment not later than June 1 of the year for which the Secretary makes the payment.

[(b) PAYMENTS TAKEN INTO ACCOUNT BY THE STATE.—The Secretary may not make a grant under this subpart to a local educational agency for a fiscal year if, for such fiscal year, the State in which the local educational agency is located takes into consideration payments made under this subpart (or under subpart 1 of the Indian Education Act of 1988) in determining the eligibility of the local educational agency for State aid, or the amount of the State aid, with respect to the free public education of children during such fiscal year or the preceding fiscal year.

[(c) REDUCTION OF PAYMENT FOR FAILURE TO MAINTAIN FISCAL EFFORT.—

[(1) IN GENERAL.—The Secretary may not pay a local educational agency the full amount of a grant award determined under section 9113 for any fiscal year unless the State educational agency notifies the Secretary, and the Secretary determines, that with respect to the provision of free public education by the local educational agency for the preceding fiscal year, that the combined fiscal effort of the local educational agency and the State, computed on either a per student or aggregate expenditure basis was not less than 90 percent of the amount of the combined fiscal effort, computed on the same basis, for the second preceding fiscal year.

[(2) FAILURE.—If, for any fiscal year, the Secretary determines that a local educational agency failed to maintain the fiscal effort of such agency at the level specified in paragraph (1), the Secretary shall—

[(A) reduce the amount of the grant that would otherwise be made to such agency under this subpart in the exact proportion of such agency's failure to maintain its fiscal effort at such level; and

[(B) not use the reduced amount of the agency's expenditures for the preceding year to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1).

[(3) WAIVER.—(A) The Secretary may waive the requirement of paragraph (1), for not more than one year at a time, if the Secretary determines that the failure to comply with such requirement is due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the agency's financial resources.

[(B) The Secretary shall not use the reduced amount of such agency's expenditures for the fiscal year preceding the fiscal

year for which a waiver is granted to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1) in the absence of the waiver.

[(d) REALLOCATIONS.—The Secretary may reallocate, in a manner that the Secretary determines will best carry out the purpose of this subpart, any amounts that—

[(1) based on estimates made by local educational agencies or other information, the Secretary determines will not be needed by such agencies to carry out approved programs under this subpart; or

[(2) otherwise become available for reallocation under this subpart.

[SEC. 9118. [20 U.S.C. 7818] STATE EDUCATIONAL AGENCY REVIEW.

[(a) APPLICATION.—Each entity desiring assistance under this subpart shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require except that this subsection shall not apply to Bureau-funded schools.

[(b) SPECIAL RULE.—Before submitting an application under subsection (a) to the Secretary, the entity shall submit its application to the State educational agency. The State educational agency may comment on such application, however if such agency comments on such application such agency shall comment on all applications submitted by entities within the State and shall provide such comments to the appropriate local educational agency, which local educational agency shall be given an opportunity to respond to such comments.

[Subpart 2—Special Programs and Projects To Improve Educational Opportunities for Indian Children

[SEC. 9121. [20 U.S.C. 7831] IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN.

[(a) PURPOSE.—

[(1) IN GENERAL.—It is the purpose of this section to support projects to develop, test, and demonstrate the effectiveness of services and programs to improve educational opportunities and achievement of Indian children.

[(2) COORDINATION.—The Secretary shall take such actions as are necessary to achieve the coordination of activities assisted under this subpart with—

[(A) other programs funded under this Act; and

[(B) other Federal programs operated for the benefit of American Indian and Alaska Native children.

[(b) ELIGIBLE ENTITIES.—For the purpose of this section, the term "eligible entity" means a State educational agency, local educational agency, Indian tribe, Indian organization, federally supported elementary and secondary school for Indian students, Indian institution, including an Indian institution of higher education, or a consortium of such institutions.

[(c) GRANTS AUTHORIZED.—

[(1) IN GENERAL.—The Secretary shall award grants to eligible entities to enable such entities to carry out activities that meet the purpose specified in subsection (a)(1), including—

[(A) innovative programs related to the educational needs of educationally deprived children;

[(B) educational services that are not available to such children in sufficient quantity or quality, including remedial instruction, to raise the achievement of Indian children in one or more of the core academic subjects of English, mathematics, science, foreign languages, art, history, and geography;

[(C) bilingual and bicultural programs and projects;

[(D) special health and nutrition services, and other related activities, that address the special health, social, and psychological problems of Indian children;

[(E) special compensatory and other programs and projects designed to assist and encourage Indian children to enter, remain in, or reenter school, and to increase the rate of secondary school graduation;

[(F) comprehensive guidance, counseling, and testing services;

[(G) early childhood and kindergarten programs, including family-based preschool programs that emphasize school readiness and parental skills, and the provision of services to Indian children with disabilities;

[(H) partnership projects between local educational agencies and institutions of higher education that allow secondary school students to enroll in courses at the postsecondary level to aid such students in the transition from secondary school to postsecondary education;

[(I) partnership projects between schools and local businesses for school-to-work transition programs designed to provide Indian youth with the knowledge and skills the youth need to make an effective transition from school to a first job in a high-skill, high-wage career;

[(J) programs designed to encourage and assist Indian students to work toward, and gain entrance into, an institution of higher education; or

[(K) other services that meet the purpose described in subsection (a)(1).

[(2) PRESERVICE OR INSERVICE TRAINING.—Preservice or inservice training of professional and paraprofessional personnel may be a part of any program assisted under this section.

[(d) GRANT REQUIREMENTS AND APPLICATIONS.—

[(1) GRANT REQUIREMENTS.—(A) The Secretary may make multiyear grants under this section for the planning, development, pilot operation, or demonstration of any activity described in subsection (c) for a period not to exceed 5 years.

[(B) In making multiyear grants under this section, the Secretary shall give priority to applications that present a plan for combining two or more of the activities described in subsection (c) over a period of more than 1 year.

[(C) The Secretary shall make a grant payment to an eligible entity after the initial year of the multiyear grant only if

the Secretary determines that the eligible entity has made substantial progress in carrying out the activities assisted under the grant in accordance with the application submitted under paragraph (2) and any subsequent modifications to such application.

[(D)(i) In addition to awarding the multiyear grants described in subparagraph (A), the Secretary may award grants to eligible entities for the dissemination of exemplary materials or programs assisted under this section.

[(ii) The Secretary may award a dissemination grant under this subparagraph if, prior to awarding the grant, the Secretary determines that the material or program to be disseminated has been adequately reviewed and has a demonstrated—

[(I) educational merit; and

[(II) the ability to be replicated.

[(2) APPLICATION.—(A) Any eligible entity that desires to receive a grant under this subsection shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

[(B) Each application submitted to the Secretary under subparagraph (A) shall contain—

[(i) a description of how parents of Indian children and representatives of Indian tribes have been, and will be, involved in developing and implementing the activities for which assistance is sought;

[(ii) assurances that the applicant will participate, at the request of the Secretary, in any national evaluation of activities assisted under this section; and

[(iii) such other assurances and information as the Secretary may reasonably require.

[SEC. 9122. [20 U.S.C. 7832] PROFESSIONAL DEVELOPMENT.

[(a) PURPOSES.—The purposes of this section are—

[(1) to increase the number of qualified Indian individuals in professions that serve Indian people;

[(2) to provide training to qualified Indian individuals to enable such individuals to become teachers, administrators, teacher aides, social workers, and ancillary educational personnel; and

[(3) to improve the skills of qualified Indian individuals who serve in the capacities described in paragraph (2).

[(b) ELIGIBLE ENTITIES.—For the purpose of this section, the term "eligible entity" means—

[(1) an institution of higher education, including an Indian institution of higher education;

[(2) a State or local educational agency, in consortium with an institution of higher education; and

[(3) an Indian tribe or organization, in consortium with an institution of higher education.

[(c) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to eligible entities having applications approved under this section to enable such entities to carry out the activities described in subsection (d).

[(d) AUTHORIZED ACTIVITIES.—

[(1) IN GENERAL.—Grant funds under this section shall be used to provide support and training for Indian individuals in a manner consistent with the purposes of this section. Such activities may include but are not limited to, continuing programs, symposia, workshops, conferences, and direct financial support.

[(2) SPECIAL RULES.—(A) For education personnel, the training received pursuant to a grant under this section may be in-service or preservice training.

[(B) For individuals who are being trained to enter any field other than education, the training received pursuant to a grant under this section shall be in a program that results in a graduate degree.

[(e) APPLICATION.—

[(1) IN GENERAL.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information, as the Secretary may reasonably require.

[(2) PREFERENCE.—In awarding grants under this section, the Secretary shall give preference to applications describing programs that train Indian individuals.

[(f) SPECIAL RULE.—In making grants under this section, the Secretary—

[(1) shall consider the prior performance of the eligible entity; and

[(2) may not limit eligibility to receive a grant under this section on the basis of—

[(A) the number of previous grants the Secretary has awarded such entity; or

[(B) the length of any period during which such entity received such grants.

[(g) GRANT PERIOD.—Each grant under this section shall be awarded for a program of not more than 5 years.

[(h) SERVICE OBLIGATION.—

[(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives training pursuant to a grant made under this section—

[(A) perform work—

[(i) related to the training received under this section; and

[(ii) that benefits Indian people; or

[(B) repay all or a prorated part of the assistance received.

[(2) REPORTING.—The Secretary shall establish, by regulation, a reporting procedure under which a grant recipient under this section shall, not later than 12 months after the date of completion of the training, and periodically thereafter, provide information concerning the compliance of such recipient with the work requirement under paragraph (1).

[SEC. 9123. [20 U.S.C. 7833] FELLOWSHIPS FOR INDIAN STUDENTS.

[(a) FELLOWSHIPS.—

[(1) AUTHORITY.—The Secretary is authorized to award fellowships to Indian students to enable such students to study

in graduate and professional programs at institutions of higher education.

[(2) REQUIREMENTS.—The fellowships described in paragraph (1) shall be awarded to Indian students to enable such students to pursue a course of study—

[(A) of not more than 4 academic years; and

[(B) that leads—

[(i) toward a postbaccalaureate degree in medicine, clinical psychology, psychology, law, education, and related fields; or

[(ii) to an undergraduate or graduate degree in engineering, business administration, natural resources, and related fields.

[(b) STIPENDS.—The Secretary shall pay to Indian students awarded fellowships under subsection (a) such stipends (including allowances for subsistence of such students and dependents of such students) as the Secretary determines to be consistent with prevailing practices under comparable federally supported programs.

[(c) PAYMENTS TO INSTITUTIONS IN LIEU OF TUITION.—The Secretary shall pay to the institution of higher education at which a fellowship recipient is pursuing a course of study, in lieu of tuition charged such recipient, such amounts as the Secretary may determine to be necessary to cover the cost of education provided such recipient.

[(d) SPECIAL RULES.—

[(1) IN GENERAL.—If a fellowship awarded under subsection (a) is vacated prior to the end of the period for which the fellowship is awarded, the Secretary may award an additional fellowship for the unexpired portion of the period of the fellowship.

[(2) WRITTEN NOTICE.—Not later than 45 days before the commencement of an academic term, the Secretary shall provide to each individual who is awarded a fellowship under subsection (a) for such academic term written notice of—

[(A) the amount of the fellowship; and

[(B) any stipends or other payments that will be made under this section to, or for the benefit of, the individual for the academic term.

[(3) PRIORITY.—Not more than 10 percent of the fellowships awarded under subsection (a) shall be awarded, on a priority basis, to persons receiving training in guidance counseling with a speciality in the area of alcohol and substance abuse counseling and education.

[(e) SERVICE OBLIGATION.—

[(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives financial assistance under this section—

[(A) perform work—

[(i) related to the training for which the individual receives assistance under this section; and

[(ii) that benefits Indian people; or

[(B) repay all or a prorated portion of such assistance.

[(2) REPORTING PROCEDURE.—The Secretary shall establish, by regulation, a reporting procedure under which the recipient

of training assistance under this section, not later than 12 months after the date of completion of the training and periodically thereafter, shall provide information concerning the compliance of such recipient with the work requirement under paragraph (1).

[(f) ADMINISTRATION OF FELLOWSHIPS.—The Secretary may administer the fellowships authorized under this section through a grant to, or contract or cooperative agreement with, an Indian organization with demonstrated qualifications to administer all facets of the program assisted under this section.

[SEC. 9124. [20 U.S.C. 7834] GIFTED AND TALENTED.

[(a) PROGRAM AUTHORIZED.—The Secretary is authorized to—

[(1) establish two centers for gifted and talented Indian students at tribally controlled community colleges in accordance with this section; and

[(2) support demonstration projects described in subsection (c).

[(b) ELIGIBLE ENTITIES.—The Secretary shall make grants to, or enter into contracts, for the activities described in subsection (a), with—

[(1) two tribally controlled community colleges that—

[(A) are eligible for funding under the Tribally Controlled Community College Assistance Act of 1978; and

[(B) are fully accredited; or

[(2) if the Secretary does not receive applications that the Secretary determines to be approvable from two colleges that meet the requirements of paragraph (1), the American Indian Higher Education Consortium.

[(c) USE OF FUNDS.—

[(1) IN GENERAL.—The grants made, or contracts entered into, by the Secretary under subsection (a) shall be used for—

[(A) the establishment of centers described in subsection (a); and

[(B) carrying out demonstration projects designed to—

[(i) address the special needs of Indian students in elementary and secondary schools who are gifted and talented; and

[(ii) provide such support services to the families of the students described in clause (i) as are needed to enable such students to benefit from the projects.

[(2) SUBCONTRACTS.—Each recipient of a grant or contract under subsection (a) may enter into a contract with any other entity, including the Children's Television Workshop, to carry out the demonstration project under this subsection.

[(3) DEMONSTRATION PROJECTS.—Demonstration projects assisted under subsection (a) may include—

[(A) the identification of the special needs of gifted and talented Indian students, particularly at the elementary school level, giving attention to—

[(i) the emotional and psychosocial needs of such students; and

[(ii) providing such support services to the families of such students as are needed to enable such students to benefit from the project;

[(B) the conduct of educational, psychosocial, and developmental activities that the Secretary determines holds a reasonable promise of resulting in substantial progress toward meeting the educational needs of such gifted and talented children, including but not limited to—

[(i) demonstrating and exploring the use of Indian languages and exposure to Indian cultural traditions; and

[(ii) mentoring and apprenticeship programs;

[(C) the provision of technical assistance and the coordination of activities at schools that receive grants under subsection (d) with respect to the activities assisted under such grants, the evaluation of programs assisted under such grants, or the dissemination of such evaluations;

[(D) the use of public television in meeting the special educational needs of such gifted and talented children;

[(E) leadership programs designed to replicate programs for such children throughout the United States, including disseminating information derived from the demonstration projects conducted under subsection (a); and

[(F) appropriate research, evaluation, and related activities pertaining to the needs of such children and to the provision of such support services to the families of such children that are needed to enable such children to benefit from the project.

[(4) APPLICATION.—Each entity desiring a grant under subsection (a) shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

[(d) ADDITIONAL GRANTS.—

[(1) IN GENERAL.—The Secretary, in consultation with the Secretary of the Interior, shall award 5 grants to schools funded by the Bureau of Indian Affairs (hereafter in this section referred to as "Bureau schools") for program research and development and the development and dissemination of curriculum and teacher training material, regarding—

[(A) gifted and talented students;

[(B) college preparatory studies (including programs for Indian students with an interest in pursuing teaching careers);

[(C) students with special culturally related academic needs, including students with social, lingual, and cultural needs; or

[(D) mathematics and science education.

[(2) APPLICATIONS.—Each Bureau school desiring a grant to conduct one or more of the activities described in paragraph (1) shall submit an application to the Secretary in such form and at such time as the Secretary may prescribe.

[(3) SPECIAL RULE.—Each application described in paragraph (2) shall be developed, and each grant under this subsection shall be administered, jointly by the supervisor of the Bureau school and the local educational agency serving such school.

[(4) REQUIREMENTS.—In awarding grants under paragraph (1), the Secretary shall achieve a mixture of the programs described in paragraph (1) that ensures that Indian students at

all grade levels and in all geographic areas of the United States are able to participate in a program assisted under this subsection.

[(5) GRANT PERIOD.—Subject to the availability of appropriations, grants under paragraph (1) shall be awarded for a 3-year period and may be renewed by the Secretary for additional 3-year periods if the Secretary determines that the performance of the grant recipient has been satisfactory.

[(6) DISSEMINATION.—(A) The dissemination of any materials developed from activities assisted under paragraph (1) shall be carried out in cooperation with entities that receive funds pursuant to subsection (b).

[(B) The Secretary shall report to the Secretary of the Interior and to the Congress any results from activities described in paragraph (3)(B).

[(7) EVALUATION COSTS.—(A) The costs of evaluating any activities assisted under paragraph (1) shall be divided between the Bureau schools conducting such activities and the recipients of grants or contracts under subsection (b) who conduct demonstration projects under such subsection.

[(B) If no funds are provided under subsection (b) for—

[(i) the evaluation of activities assisted under paragraph (1);

[(ii) technical assistance and coordination with respect to such activities; or

[(iii) the dissemination of the evaluations referred to in clause (i),

then the Secretary shall make such grants, or enter into such contracts, as are necessary to provide for the evaluations, technical assistance, and coordination of such activities, and the dissemination of the evaluations.

[(e) INFORMATION NETWORK.—The Secretary shall encourage each recipient of a grant or contract under this section to work cooperatively as part of a national network to ensure that the information developed by the grant or contract recipient is readily available to the entire educational community.

[SEC. 9125. [20 U.S.C. 7835] GRANTS TO TRIBES FOR EDUCATION ADMINISTRATIVE PLANNING AND DEVELOPMENT.

[(a) IN GENERAL.—The Secretary may make grants to Indian tribes, and tribal organizations approved by Indian tribes, to plan and develop a centralized tribal administrative entity to—

[(1) coordinate all education programs operated by the tribe or within the territorial jurisdiction of the tribe;

[(2) develop education codes for schools within the territorial jurisdiction of the tribe;

[(3) provide support services and technical assistance to schools serving children of the tribe; and

[(4) perform child-find screening services for the preschool-aged children of the tribe to—

[(A) ensure placement in appropriate educational facilities; and

[(B) coordinate the provision of any needed special services for conditions such as disabilities and English language skill deficiencies.

[(b) PERIOD OF GRANT.—Each grant under this section may be awarded for a period of not more than 3 years, except that such grant may be renewed upon the termination of the initial period of the grant if the grant recipient demonstrates to the satisfaction of the Secretary that renewing the grant for an additional 3-year period is necessary to carry out the objectives of the grant described in subsection (c)(2)(A).

[(c) APPLICATION FOR GRANT.—

[(1) IN GENERAL.—Each Indian tribe and tribal organization desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, containing such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

[(2) CONTENTS.—Each application described in paragraph (1) shall contain—

[(A) a statement describing the activities to be conducted, and the objectives to be achieved, under the grant; and

[(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and determining whether such objectives are achieved.

[(3) APPROVAL.—The Secretary may approve an application submitted by a tribe or tribal organization pursuant to this section only if the Secretary is satisfied that such application, including any documentation submitted with the application—

[(A) demonstrates that the applicant has consulted with other education entities, if any, within the territorial jurisdiction of the applicant who will be affected by the activities to be conducted under the grant;

[(B) provides for consultation with such other education entities in the operation and evaluation of the activities conducted under the grant; and

[(C) demonstrates that there will be adequate resources provided under this section or from other sources to complete the activities for which assistance is sought, except that the availability of such other resources shall not be a basis for disapproval of such application.

[(d) RESTRICTION.—A tribe may not receive funds under this section if such tribe receives funds under section 1144 of the Indian Education Amendments of 1978.

[(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Education $3,000,000 for each of the fiscal years 1995 through 1999 to carry out this section.

[Subpart 3—Special Programs Relating to Adult Education for Indians

[SEC. 9131. [20 U.S.C. 7851] IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR ADULT INDIANS.

[(a) IN GENERAL.—The Secretary shall award grants to State and local educational agencies, and to Indian tribes, institutions, and organizations—

[(1) to support planning, pilot, and demonstration projects that are designed to test and demonstrate the effectiveness of programs for improving employment and educational opportunities for adult Indians;

[(2) to assist in the establishment and operation of programs that are designed to stimulate—

[(A) basic literacy opportunities for all nonliterate Indian adults; and

[(B) the provision of opportunities to all Indian adults to qualify for a secondary school diploma, or its recognized equivalent, in the shortest period of time feasible;

[(3) to support a major research and development program to develop more innovative and effective techniques for achieving literacy and secondary school equivalency for Indians;

[(4) to provide for basic surveys and evaluations to define accurately the extent of the problems of illiteracy and lack of secondary school completion among Indians; and

[(5) to encourage the dissemination of information and materials relating to, and the evaluation of, the effectiveness of education programs that may offer educational opportunities to Indian adults.

[(b) EDUCATIONAL SERVICES.—The Secretary may make grants to Indian tribes, institutions, and organizations to develop and establish educational services and programs specifically designed to improve educational opportunities for Indian adults.

[(c) INFORMATION AND EVALUATION.—The Secretary may make grants to, and enter into contracts with, public agencies and institutions and Indian tribes, institutions, and organizations, for—

[(1) the dissemination of information concerning educational programs, services, and resources available to Indian adults, including evaluations of the programs, services, and resources; and

[(2) the evaluation of federally assisted programs in which Indian adults may participate to determine the effectiveness of the programs in achieving the purposes of the programs with respect to Indian adults.

[(d) APPLICATIONS.—

[(1) IN GENERAL.—Each entity desiring a grant under this section shall submit to the Secretary an application at such time, in such manner, containing such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

[(2) CONTENTS.—Each application described in paragraph (1) shall contain—

[(A) a statement describing the activities to be conducted, and the objectives to be achieved, under the grant; and

[(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and determining whether the objectives of the grant are achieved.

[(3) APPROVAL.—The Secretary shall not approve an application described in paragraph (1) unless the Secretary deter-

mines that such application, including any documentation submitted with the application, indicates—

[(A) there has been adequate participation, by the individuals to be served and appropriate tribal communities, in the planning and development of the activities to be assisted; and

[(B) the individuals and tribal communities referred to in subparagraph (A) will participate in the operation and evaluation of the activities to be assisted.

[(4) PRIORITY.—In approving applications under paragraph (1), the Secretary shall give priority to applications from Indian educational agencies, organizations, and institutions.

[Subpart 4—National Research Activities

[SEC. 9141. [20 U.S.C. 7861] NATIONAL ACTIVITIES.

[(a) AUTHORIZED ACTIVITIES.—The Secretary may use funds made available under section 9162(b) for each fiscal year to—

[(1) conduct research related to effective approaches for the education of Indian children and adults;

[(2) evaluate federally assisted education programs from which Indian children and adults may benefit;

[(3) collect and analyze data on the educational status and needs of Indians; and

[(4) carry out other activities that are consistent with the purpose of this part.

[(b) ELIGIBILITY.—The Secretary may carry out any of the activities described in subsection (a) directly or through grants to, or contracts or cooperative agreements with Indian tribes, Indian organizations, State educational agencies, local educational agencies, institutions of higher education, including Indian institutions of higher education, and other public and private agencies and institutions.

[(c) COORDINATION.—Research activities supported under this section—

[(1) shall be carried out in consultation with the Office of Educational Research and Improvement to assure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

[(2) may include collaborative research activities which are jointly funded and carried out by the Office of Indian Education and the Office of Educational Research and Improvement.

[Subpart 5—Federal Administration

[SEC. 9151. [20 U.S.C. 7871] NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION.

[(a) MEMBERSHIP.—There is established a National Advisory Council on Indian Education (hereafter in this section referred to as the "Council"), which shall—

[(1) consist of 15 Indian members, who shall be appointed by the President from lists of nominees furnished, from time to time, by Indian tribes and organizations; and

[(2) represent different geographic areas of the United States.

[(b) DUTIES.—The Council shall—

[(1) advise the Secretary concerning the funding and administration (including the development of regulations and administrative policies and practices) of any program, including any program established under this part—

[(A) with respect to which the Secretary has jurisdiction; and

[(B)(i) that includes Indian children or adults as participants; or

[(ii) that may benefit Indian children or adults;

[(2) make recommendations to the Secretary for filling the position of Director of Indian Education whenever a vacancy occurs; and

[(3) submit to the Congress, not later than June 30 of each year, a report on the activities of the Council, including—

[(A) any recommendations that the Council considers appropriate for the improvement of Federal education programs that include Indian children or adults as participants, or that may benefit Indian children or adults; and

[(B) recommendations concerning the funding of any program described in subparagraph (A).

[SEC. 9152. [20 U.S.C. 7872] PEER REVIEW.

[The Secretary may use a peer review process to review applications submitted to the Secretary under subpart 2, 3, or 4.

[SEC. 9153. [20 U.S.C. 7873] PREFERENCE FOR INDIAN APPLICANTS.

[In making grants under subpart 2, 3, or 4, the Secretary shall give a preference to Indian tribes, organizations, and institutions of higher education under any program with respect to which Indian tribes, organizations, and institutions are eligible to apply for grants.

[SEC. 9154. [20 U.S.C. 7874] MINIMUM GRANT CRITERIA.

[The Secretary may not approve an application for a grant under subpart 2 or 3 unless the application is for a grant that is—

[(1) of sufficient size, scope, and quality to achieve the purpose or objectives of such grant; and

[(2) based on relevant research findings.

[Subpart 6—Definitions; Authorizations of Appropriations

[SEC. 9161. [20 U.S.C. 7881] DEFINITIONS.

[As used in this part:

[(1) ADULT.—The term "adult" means an individual who—

[(A) has attained the age of 16 years; or

[(B) has attained an age that is greater than the age of compulsory school attendance under an applicable State law.

[(2) ADULT EDUCATION.—The term "adult education" has the meaning given such term in section 203 of the Adult Education and Family Literacy Act.

[(3) FREE PUBLIC EDUCATION.—The term "free public education" means education that is—

[(A) provided at public expense, under public supervision and direction, and without tuition charge; and

[(B) provided as elementary or secondary education in the applicable State or to preschool children.

[(4) INDIAN.—The term "Indian" means an individual who is—

[(A) a member of an Indian tribe or band, as membership is defined by the tribe or band, including—

[(i) any tribe or band terminated since 1940; and

[(ii) any tribe or band recognized by the State in which the tribe or band resides;

[(B) a descendant, in the first or second degree, of an individual described in subparagraph (A);

[(C) considered by the Secretary of the Interior to be an Indian for any purpose;

[(D) an Eskimo, Aleut, or other Alaska Native; or

[(E) a member of an organized Indian group that received a grant under the Indian Education Act of 1988 as it was in effect the day preceding the date of enactment of the Act entitled the "Improving America's Schools Act of 1994".

[SEC. 9162. [20 U.S.C. 7882] AUTHORIZATIONS OF APPROPRIATIONS.

[(a) SUBPART 1.—For the purpose of carrying out subpart 1 of this part, there are authorized to be appropriated to the Department of Education $61,300,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(b) SUBPARTS 2 THROUGH 4.—For the purpose of carrying out subparts 2, 3, and 4 of this part, there are authorized to be appropriated to the Department of Education $26,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(c) SUBPART 5.—For the purpose of carrying out subpart 5 of this part, there are authorized to be appropriated to the Department of Education $3,775,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[PART B—NATIVE HAWAIIANS

[SEC. 9201. [20 U.S.C. 7901] SHORT TITLE.

[This part may be cited as the "Native Hawaiian Education Act".

[SEC. 9202. [20 U.S.C. 7902] FINDINGS.

[The Congress finds and declares as follows:

[(1) Native Hawaiians are a distinct and unique indigenous people with a historical continuity to the original inhabitants of the Hawaiian archipelago, whose society was organized as a nation and internationally recognized as such by the United States, Britain, France, and Japan, as evidenced by treaties governing friendship, commerce, and navigation.

[(2) At the time of the arrival of the first non-indigenous people in Hawai'i in 1778, the Native Hawaiian people lived in a highly organized, self-sufficient subsistence social system

based on a communal land tenure system with a sophisticated language, culture, and religion.

[(3) A unified monarchial government of the Hawaiian Islands was established in 1810 under Kamehameha I, the first King of Hawai'i.

[(4) From 1826 until 1893, the United States recognized the sovereignty and independence of the Kingdom of Hawai'i, which was established in 1810 under Kamehameha I, extended full and complete diplomatic recognition to the Kingdom of Hawai'i, and entered into treaties and conventions with the Kingdom of Hawai'i to govern friendship, commerce and navigation in 1826, 1842, 1849, 1875, and 1887.

[(5) In 1893, the sovereign, independent, internationally recognized, and indigenous government of Hawai'i, the Kingdom of Hawai'i, was overthrown by a small group of non-Hawaiians, including United States citizens, who were assisted in their efforts by the United States Minister, a United States naval representative, and armed naval forces of the United States. Because of the participation of United States agents and citizens in the overthrow of the Kingdom of Hawai'i, the Congress, on behalf of the people of the United States, apologized to Native Hawaiians for the overthrow and the deprivation of the rights of Native Hawaiians to self-determination through Public Law 103–150 (107 Stat. 1510).

[(6) In 1898, the joint resolution entitled "A Joint Resolution to provide for annexing the Hawaiian Islands to the United States", approved July 7, 1898 (30 Stat. 750), ceded absolute title of all lands held by the Republic of Hawai'i, including the government and crown lands of the former Kingdom of Hawai'i, to the United States, but mandated that revenue generated from these lands be used "solely for the benefit of the inhabitants of the Hawaiian Islands for educational and other public purposes".

[(7) By 1919, the Native Hawaiian population had declined from an estimated 1,000,000 in 1778 to an alarming 22,600, and in recognition of this severe decline, the Congress in 1921 enacted the Hawaiian Homes Commission Act, 1920, which designated approximately 200,000 acres of ceded public lands for homesteading by Native Hawaiians.

[(8) Through the enactment of the Hawaiian Homes Commission Act, 1920, the Congress affirmed the special relationship between the United States and the Native Hawaiians, as expressed by then Secretary of the Interior Franklin K. Lane, who was quoted in the committee report for the Hawaiian Homes Commission Act, 1920, as saying: "One thing that impressed me . . . was the fact that the natives of the island who are our wards, I should say, and for whom in a sense we are trustees, are falling off rapidly in numbers and many of them are in poverty.".

[(9) In 1938, the United States Congress again acknowledged the unique status of the Hawaiian people by including in the Act of June 20, 1938 (52 Stat. 781 et seq.), a provision to lease lands within the National Parks extension to Native Hawaiians and to permit fishing in the area "only by native

Hawaiian residents of said area or of adjacent villages and by visitors under their guidance.".

[(10) Under the Act entitled "An Act to provide for the admission of the State of Hawai'i into the Union" approved March 18, 1959 (73 Stat. 4), the United States transferred responsibility for the administration of the Hawaiian Home Lands to the State of Hawai'i but reaffirmed the trust relationship which existed between the United States and the Hawaiian people by retaining the exclusive power to enforce the trust, including the power to approve land exchanges and legislative amendments affecting the rights of beneficiaries under such Act.

[(11) In 1959, under the Act entitled "An Act to provide for the admission of the State of Hawai'i into the Union", approved March 18, 1959 (73 Stat. 4), the United States ceded to the State of Hawai'i title to the public lands formerly held by the United States, but mandated that such lands be held by the State "in public trust' and reaffirmed the special relationship which existed between the United States and the Hawaiian people by retaining the legal responsibility to enforce the public trust responsibility of the State of Hawai'i for the betterment of the conditions of Native Hawaiians, as defined in section 201(a) of the Hawaiian Homes Commission Act, 1920.

[(12) The United States assumed special responsibilities for Native Hawaiian lands and resources at the time of the annexation of the Territory in 1898, upon adoption of the Hawaiian Homes Commission Act, 1920, and upon admission of the State of Hawai'i into the Union in 1959, and has retained certain of those responsibilities.

[(13) In recognition of the special relationship which exists between the United States and the Native Hawaiian people, the Congress has extended to Native Hawaiians the same rights and privileges accorded to American Indian, Alaska Native, Eskimo, and Aleut communities under the Native American Programs Act of 1974, the American Indian Religious Freedom Act, the National Museum of the American Indian Act, the Native American Graves Protection and Repatriation Act, the National Historic Preservation Act, and the Native American Languages Act.

[(14) In recognition of the special relationship which exists between the United States and the Native Hawaiian people, the Congress has enacted numerous special provisions of law for the benefit of Native Hawaiians in the areas of health, education, labor, and housing.

[(15) In 1981, the Senate instructed the Office of Education to submit to the Congress a comprehensive report on Native Hawaiian education. The report, entitled the "Native Hawaiian Educational Assessment Project", was released in 1983 and documented that Native Hawaiians scored below parity with national norms on standardized achievement tests, were disproportionately represented in many negative social and physical statistics, indicative of special educational needs, and had educational needs which were related to their unique cultural situation, such as different learning styles and low self-image.

[(16) In recognition of the educational needs of Native Hawaiians, in 1988, the Congress enacted title IV of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 to authorize and develop supplemental educational programs to benefit Native Hawaiians.

[(17) In 1993, the Kamehameha Schools Bishop Estate released a ten-year update of the Native Hawaiian Educational Assessment Project, which found that despite the successes of the programs established under title IV of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, many of the same educational needs still exist for Native Hawaiians. For example—

[(A) educational risk factors continue to start even before birth for many Native Hawaiian children, including—

[(i) late or no prenatal care;

[(ii) half of Native Hawaiian women who give birth are unmarried; and

[(iii) high rates of births to teenage parents;

[(B) Native Hawaiian students continue to begin their school experience lagging behind other students in terms of readiness factors such as vocabulary test scores;

[(C) Native Hawaiian students continue to score below national norms on standardized education achievement tests at all grade levels;

[(D) both public and private schools continue to show a pattern of lower percentages of Native Hawaiian students in the uppermost achievement levels and in gifted and talented programs;

[(E) Native Hawaiian students continue to be overrepresented among students qualifying for special education programs provided to students with learning disabilities, mild mental retardation, emotional impairment, and other such disabilities;

[(F) Native Hawaiians continue to be underrepresented in institutions of higher education and among adults who have completed four or more years of college;

[(G) Native Hawaiians continue to be disproportionately represented in many negative social and physical statistics, indicative of special educational needs, for example—

[(i) Native Hawaiian students are more likely to be retained in grade level and to be excessively absent in secondary school;

[(ii) Native Hawaiian students are the highest users of drugs and alcohol in the State of Hawai'i; and

[(iii) Native Hawaiian children continue to be disproportionately victimized by child abuse and neglect; and

[(H) Native Hawaiians now comprise over 23 percent of the students served by the State of Hawai'i Department of Education and there are and will continue to be geographically rural, isolated areas with a high Native Hawaiian population density.

[(18) The findings described in paragraphs (1) through (17) are contrary to the high rate of literacy and integration of traditional culture and Western education achieved by Native Hawaiians through a Hawaiian language-based public school system established in 1840 by Kamehameha III.

[(19) After the overthrow of the Kingdom of Hawai'i in 1893, Hawaiian medium schools were banned. After annexation, throughout the territorial and statehood period, and until 1986, use of Hawaiian as a medium of education in public schools was declared unlawful, thereby causing incalculable harm to a culture that placed a very high value on the power of language, as exemplified in the traditional saying: "I ka "olelo no ke ola; I ka "olelo no ka make. In the language rests life; In the language rests death.".

[(20) Despite the consequences of over 100 years of non-indigenous influence, the Native Hawaiian people are determined to preserve, develop, and transmit to future generations their ancestral territory, and their cultural identity in accordance with their own spiritual and traditional beliefs, customs, practices, language, and social institutions.

[(21) The State of Hawai'i, in the constitution and statutes of the State of Hawai'i—

[(A) reaffirms and protects the unique right of the Native Hawaiian people to practice and perpetuate their culture and religious customs, beliefs, practices, and language; and

[(B) recognizes the traditional language of the Native Hawaiian people as an official language of the State of Hawai'i, which may be used as the language of instruction for all subjects and grades in the public school system.

[SEC. 9203. [20 U.S.C. 7903] PURPOSE.

[It is the purpose of this part to—

[(1) authorize and develop supplemental educational programs to assist Native Hawaiians in reaching the National Education Goals;

[(2) provide direction and guidance to appropriate Federal, State, and local agencies to focus resources, including resources made available under this part, on Native Hawaiian education, through the establishment of a Native Hawaiian Education Council, and five island councils;

[(3) supplement and expand existing programs and authorities in the area of education to further the purposes of the title; and

[(4) encourage the maximum participation of Native Hawaiians in planning and management of Native Hawaiian Education Programs.

[SEC. 9204. [20 U.S.C. 7904] NATIVE HAWAIIAN EDUCATION COUNCIL AND ISLAND COUNCILS.

[(a) ESTABLISHMENT OF NATIVE HAWAIIAN EDUCATION COUNCIL.—In order to better effectuate the purposes of this part through the coordination of educational and related services and programs available to Native Hawaiians, including those programs receiving funding under this part, the Secretary is authorized to establish a

Native Hawaiian Education Council (hereafter in this part referred to as the "Education Council").

[(b) COMPOSITION OF EDUCATION COUNCIL.—The Education Council shall consist of not more than 25 members, including a representative of—

[(1) each recipient of funds from the Secretary under this part;

[(2) the State of Hawai'i Department of Education;

[(3) the State of Hawai'i Office of Hawaiian Affairs;

[(4) Native Hawaiian educational organizations, such as Alu Like, Inc., Kamehameha Schools Bishop Estate, Hawaiian Language Immersion Advisory Council, Aha Punana Leo, and the Queen Lili"uokalani Trust and Children's Center; and

[(5) each Native Hawaiian education island council established under subsection (f).

[(c) CONDITIONS AND TERMS.—At least three-fourths of the members of the Education Council shall be Native Hawaiians. Members of the Education Council shall be appointed for three-year terms.

[(d) ADMINISTRATIVE GRANT FOR THE EDUCATION COUNCIL.—The Secretary shall make a direct grant to the Education Council in order to enable the Education Council to—

[(1) coordinate the educational and related services and programs available to Native Hawaiians, including the programs assisted under this part, and assess the extent to which such services and programs meet the needs of Native Hawaiians; and

[(2) provide direction and guidance, through the issuance of reports and recommendations, to appropriate Federal, State, and local agencies in order to focus and improve the use of resources, including resources made available under this part, on Native Hawaiian education.

[(e) ADDITIONAL DUTIES OF THE EDUCATION COUNCIL.—

[(1) IN GENERAL.—The Education Council shall provide copies of any reports and recommendations issued by the Education Council to the Secretary, the Committee on Indian Affairs of the Senate, and the Committee on Education and Labor of the House of Representatives, including any information that the Education Council provides to the Secretary pursuant to subsection (i).

[(2) ANNUAL REPORT.—The Education Council shall present to the Secretary an annual report on the Education Council's activities.

[(3) ISLAND COUNCIL SUPPORT AND ASSISTANCE.—The Education Council shall provide such administrative support and financial assistance to the island councils established pursuant to subsection (f) as the Secretary deems appropriate.

[(f) ESTABLISHMENT OF ISLAND COUNCILS.—

[(1) IN GENERAL.—In order to better effectuate the purposes of this part and to ensure the adequate representation of island and community interests within the Education Council, the Office of Hawaiian Affairs of the State of Hawai'i is authorized to facilitate the establishment of Native Hawaiian education island councils (hereafter in this part referred to as "island councils") for the following islands:

[(A) Hawai'i.
[(B) Maui and Lana'i.
[(C) Moloka'i.
[(D) Kaua'i and Ni'ihau.
[(E) O'ahu.

[(2) COMPOSITION OF ISLAND COUNCILS.—Each island council shall consist of parents, students, and other community members who have an interest in the education of Native Hawaiians, and shall be representative of the educational needs of all age groups, from preschool through adulthood. At least three-fourths of the members of each island council shall be Native Hawaiians

[(g) ADMINISTRATIVE PROVISIONS RELATING TO EDUCATION COUNCIL AND ISLAND COUNCILS.—The Education Council and each island council shall meet at the call of the chairperson of the respective council, or upon the request of the majority of the members of the respective council, but in any event not less than four times during each calendar year. The provisions of the Federal Advisory Committee Act shall not apply to the Education Council and each island council.

[(h) COMPENSATION.—Members of the Education Council and each island council shall not receive any compensation for services on the Education Council and each island council, respectively.

[(i) REPORT.—Not later than four years after the date of the enactment of the Improving America's Schools Act of 1994, the Secretary shall prepare and submit to the Committee on Indian Affairs of the Senate, and the Committee on Education and Labor of the House of Representatives, a report which summarizes the annual reports of the Education Council, describes the allocation and utilization of funds under this part, and contains recommendations for changes in Federal, State, and local policy to advance the purposes of this part.

[(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $500,000 for fiscal year 1995, and such sums as may be necessary for each of the 4 succeeding fiscal years, to carry out this section. Funds appropriated under the authority of this subsection shall remain available until expended.

[SEC. 9205. [20 U.S.C. 7905] NATIVE HAWAIIAN FAMILY-BASED EDUCATION CENTERS.

[(a) GENERAL AUTHORITY.—The Secretary is authorized to make direct grants, to Native Hawaiian educational organizations or educational entities with experience in developing or operating Native Hawaiian programs or programs of instruction conducted in the Native Hawaiian language, to expand the operation of Family-Based Education Centers throughout the Hawaiian Islands. The programs of such centers may be conducted in the Hawaiian language, the English language, or a combination thereof, and shall include—

[(1) parent-infant programs for prenatal through three-year-olds;

[(2) preschool programs for four- and five-year-olds;

[(3) continued research and development; and

[(4) a long-term followup and assessment program, which may include educational support services for Native Hawaiian

language immersion programs or transition to English speaking programs.

[(b) ADMINISTRATIVE COSTS.—Not more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

[(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amount authorized to be appropriated for the centers described in subsection (a), there are authorized to be appropriated $6,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this section. Funds appropriated under the authority of this subsection shall remain available until expended.

[SEC. 9206. [20 U.S.C. 7906] NATIVE HAWAIIAN HIGHER EDUCATION PROGRAM.

[(a) GENERAL AUTHORITY.—

[(1) IN GENERAL.—The Secretary is authorized to make direct grants, to Native Hawaiian educational organizations or educational entities with experience in developing or operating Native Hawaiian programs or programs of instruction conducted in the Native Hawaiian language, to enable such organizations or entities to provide a program of baccalaureate and post-baccalaureate fellowship assistance to Native Hawaiian students.

[(2) ACTIVITIES.—Such program may include—

[(A) full or partial fellowship support for Native Hawaiian students enrolled at two- or four-year degree granting institutions of higher education with awards to be based on academic potential and financial need; and

[(B) full or partial fellowship support for Native Hawaiian students enrolled at post-baccalaureate degree granting institutions of higher education with priority given to providing fellowship support for professions in which Native Hawaiians are underrepresented and with fellowship awards to be based on academic potential and financial need;

[(C) counseling and support services for students receiving fellowship assistance under paragraph (1);

[(D) college preparation and guidance counseling at the secondary school level for students who may be eligible for fellowship support pursuant to subsection (a)(2)(A);

[(E) appropriate research and evaluation of the activities authorized by this section; and

[(F) implementation of faculty development programs for the improvement and matriculation of Native Hawaiian students.

[(b) SPECIAL CONDITIONS REQUIRED.—For the purpose of fellowships awarded under subsection (a), fellowship conditions shall be established whereby fellowship recipients obtain an enforceable contract obligation to provide their professional services, either during the fellowship period or upon completion of a baccalaureate or post-baccalaureate degree program, to the Native Hawaiian community.

[(c) SPECIAL RULE.—No policy shall be made in implementing this section to prevent a Native Hawaiian student enrolled at an

accredited two- or four-year degree granting institution of higher education outside of the State of Hawai'i from receiving a fellowship pursuant to subsections (a) and (b) of this section.

[(d) ADMINISTRATIVE COSTS.—Not more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

[(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this section. Funds appropriated under the authority of this subsection shall remain available until expended.

[SEC. 9207. [20 U.S.C. 7907] NATIVE HAWAIIAN GIFTED AND TALENTED PROGRAM.

[(a) GENERAL AUTHORITY.—The Secretary is authorized to make a grant, to a Native Hawaiian educational organization or an educational entity with experience in developing or operating Native Hawaiian programs or programs of instruction conducted in the Native Hawaiian language, for a gifted and talented program designed to—

[(1) address the special needs of Native Hawaiian elementary and secondary school students who are gifted and talented students; and

[(2) provide those support services to the families of such students that are needed to enable such students to benefit from the program.

[(b) USES OF FUNDS.—The program funded under this section may include—

[(1) the identification of the special needs of Native Hawaiian gifted and talented students, particularly with respect to—

[(A) the emotional and psychosocial needs of such students; and

[(B) the provision of those support services to the families of such students that are needed to enable such students to benefit from the program;

[(2) the conduct of educational, psychosocial, and developmental activities which hold reasonable promise of resulting in substantial progress toward meeting the educational needs of such students, including demonstrating and exploring the use of the Native Hawaiian language and exposure to Native Hawaiian cultural traditions;

[(3) leadership programs designed to—

[(A) replicate programs throughout the State of Hawai'i for gifted and talented students who are not served under this section; and

[(B) coordinate with other Native American gifted and talented leadership programs, including the dissemination of information derived from the program conducted under this section; and

[(4) appropriate research, evaluation, and related activities pertaining to—

[(A) the needs of such students; and

[(B) the provision of those support services to the families of such students that are needed to enable such students to benefit from the program.

[(c) INFORMATION PROVISION.—The Secretary is authorized to facilitate the establishment of a national network of Native Hawaiian and American Indian Gifted and Talented Centers, and ensure that the information developed by these centers shall be readily available to the educational community at large.

[(d) ADMINISTRATIVE COSTS.—Not more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

[(e) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amount authorized to be appropriated for the program described in this section, there are authorized to be appropriated $1,500,000 for fiscal year 1995, and such sums as may be necessary for each of the 4 succeeding fiscal years, to carry out this section. Funds appropriated under the authority of this subsection shall remain available until expended.

[SEC. 9208. [20 U.S.C. 7908] NATIVE HAWAIIAN SPECIAL EDUCATION PROGRAM.

[(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants to, or enter into contracts with, Native Hawaiian educational organizations or educational entities with experience in developing or operating Native Hawaiian programs or programs of instruction conducted in the Native Hawaiian language, to operate a program to address the special education needs of Native Hawaiian students. Such program may include—

[(1) the identification of Native Hawaiian students with disabilities or who are otherwise in need of special educational services;

[(2) the identification of the special education needs of such students, particularly with respect to—

[(A) the emotional and psychosocial needs of such students; and

[(B) the provision of those support services to the families of such students that are needed to enable such students to benefit from the program;

[(3) the conduct of educational activities consistent with part B of the Education of Individuals with Disabilities Education Act which hold reasonable promise of resulting in substantial progress toward meeting the educational needs of such students;

[(4) the conduct of educational, psychosocial, and developmental activities which hold reasonable promise of resulting in substantial progress toward meeting the educational needs of such students, including demonstrating and exploring the use of the Native Hawaiian language and exposure to Native Hawaiian cultural traditions; and

[(5) appropriate research, evaluation, and related activities pertaining to—

[(A) the needs of such students;

[(B) the provision of those support services to the families of such students that are needed to enable such student to benefit from the program; and

[(C) the outcomes and benefits of activities assisted under this section upon such students.

[(b) ADMINISTRATIVE COSTS.—Not more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

[(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amount authorized to be appropriated for the program described in this section, there are authorized to be appropriated $2,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this section. Funds appropriated under the authority of this subsection shall remain available until expended.

[SEC. 9209. [20 U.S.C. 7909] NATIVE HAWAIIAN CURRICULUM DEVELOPMENT, TEACHER TRAINING AND RECRUITMENT PROGRAM.

[(a) GENERAL AUTHORITY.—The Secretary is authorized to make direct grants, to Native Hawaiian educational organizations or educational entities with experience in developing or operating Native Hawaiian programs or programs of instruction conducted in the Native Hawaiian language, for the following purposes:

[(1) CURRICULA.—The development of curricula to address the needs of Native Hawaiian students, particularly elementary and secondary school students, which may include programs of instruction conducted in the Native Hawaiian language, and mathematics and science curricula incorporating the relevant application of Native Hawaiian culture and traditions.

[(2) PRETEACHER TRAINING.—The development and implementation of preteacher training programs in order to ensure that student teachers within the State of Hawai'i, particularly student teachers who are likely to be employed in schools with a high concentration of Native Hawaiian students, are prepared to better address the unique needs of Native Hawaiian students, within the context of Native Hawaiian culture, language and traditions.

[(3) INSERVICE TEACHER TRAINING.—The development and implementation of inservice teacher training programs, in order to ensure that teachers, particularly teachers employed in schools with a high concentration of Native Hawaiian students, are prepared to better address the unique needs of Native Hawaiian students, within the context of Native Hawaiian culture, language and traditions.

[(4) TEACHER RECRUITMENT.—The development and implementation of teacher recruitment programs to meet the objectives of—

[(A) enhancing teacher recruitment within communities with a high concentration of Native Hawaiian students; and

[(B) increasing the numbers of teachers who are of Native Hawaiian ancestry.

[(b) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to awarding grants for activities described in subsection (a) that—

[(1) focus on the needs of at-risk youth; or

[(2) employ a program of instruction conducted in the Native Hawaiian language, except that entities receiving grants

awarded pursuant to subsection (a)(2) shall coordinate in the development of new curricula.

[(c) ADMINISTRATIVE COSTS.—Not more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this section. Funds appropriated under the authority of this subsection shall remain available until expended.

[SEC. 9210. [20 U.S.C. 7910] NATIVE HAWAIIAN COMMUNITY-BASED EDUCATION LEARNING CENTERS.

[(a) GENERAL AUTHORITY.—The Secretary is authorized to make direct grants, to collaborative efforts between community-based Native Hawaiian organizations and community colleges, to develop, establish, and operate a minimum of three community-based education learning centers.

[(b) PURPOSE.—The learning centers described in subsection (a) shall meet the needs of families and communities through interdepartmental and interagency coordination of new and existing public and private programs and services, which may include—

[(1) preschool programs;

[(2) after-school programs; and

[(3) vocational and adult education programs.

[(c) ADMINISTRATIVE COSTS.—Not more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this section. Funds appropriated under the authority of this subsection shall remain available until expended.

[SEC. 9211. [20 U.S.C. 7911] ADMINISTRATIVE PROVISIONS.

[(a) APPLICATION REQUIRED.—No grant may be made under this part, nor any contract be entered into under this part, unless an application is submitted to the Secretary in such form, in such manner, and containing such information as the Secretary may determine necessary to carry out the provisions of this title.

[(b) SPECIAL RULE.—Each application submitted under this title shall be accompanied by the comments of each local educational agency serving students who will participate in the project for which assistance is sought.

[SEC. 9212. [20 U.S.C. 7912] DEFINITIONS.

[For the purposes of this part—

[(1) The term "Native Hawaiian" means any individual who is—

[(A) a citizen of the United States; and

[(B) a descendant of the aboriginal people, who prior to 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawai'i, as evidenced by—

[(i) genealogical records;

[(ii) Kupuna (elders) or Kama'aina (long-term community residents) verification; or

[(iii) certified birth records.

[(2) The term "Native Hawaiian educational organization" means a private nonprofit organization that—

[(A) serves the interests of Native Hawaiians;

[(B) has Native Hawaiians in substantive and policy-making positions within the organization;

[(C) has a demonstrated expertise in the education of Native Hawaiian youth; and

[(D) has demonstrated expertise in research and program development.

[(3) The term "Native Hawaiian Organization" means a private nonprofit organization that—

[(A) serves the interests of Native Hawaiians;

[(B) has Native Hawaiians in substantive and policy-making positions within the organizations; and

[(C) is recognized by the Governor of Hawai'i for the purpose of planning, conducting, or administering programs (or portions of programs) for the benefit of Native Hawaiians.

[(4) The term "Native Hawaiian language" means the single Native American language indigenous to the original inhabitants of the State of Hawai'i.

[(5) The term "Office of Hawaiian Affairs" means the Office of Hawaiian Affairs established by the Constitution of the State of Hawai'i.

[(6) The term "Native Hawaiian community-based organization" means any organization which is composed primarily of Native Hawaiians from a specific community and which assists in the social, cultural and educational development of Native Hawaiians in that community.

PART C—ALASKA NATIVE EDUCATION

[SEC. 9301. [20 U.S.C. 7931] SHORT TITLE.

[This part may be cited as the "Alaska Native Educational Equity, Support and Assistance Act".

[SEC. 9302. [20 U.S.C. 7932] FINDINGS.

[The Congress finds and declares:

[(1) The attainment of educational success is critical to the betterment of the conditions, long-term well-being and preservation of the culture of Alaska Natives.

[(2) It is the policy of the Federal Government to encourage the maximum participation by Alaska Natives in the planning and the management of Alaska Native education programs.

[(3) Alaska Native children enter and exit school with serious educational handicaps.

[(4) The educational achievement of Alaska Native children is far below national norms. In addition to low Native performance on standardized tests, Native student dropout rates are high, and Natives are significantly underrepresented among holders of baccalaureate degrees in the State of Alaska. As a result, Native students are being denied their opportunity to become full participants in society by grade school and high

school educations that are condemning an entire generation to an underclass status and a life of limited choices.

[(5) The programs authorized herein, combined with expanded Head Start, infant learning and early childhood education programs, and parent education programs are essential if educational handicaps are to be overcome.

[(6) The sheer magnitude of the geographic barriers to be overcome in delivering educational services in rural and village Alaska should be addressed through the development and implementation of innovative, model programs in a variety of areas.

[(7) Congress finds that Native children should be afforded the opportunity to begin their formal education on a par with their non-Native peers. The Federal Government should lend support to efforts developed by and undertaken within the Alaska Native community to improve educational opportunity for all students.

[SEC. 9303. [20 U.S.C. 7933] PURPOSE.

[It is the purpose of this part to—

[(1) recognize the unique educational needs of Alaska Natives;

[(2) authorize the development of supplemental educational programs to benefit Alaska Natives;

[(3) supplement existing programs and authorities in the area of education to further the purposes of this part; and

[(4) provide direction and guidance to appropriate Federal, State and local agencies to focus resources, including resources made available under this part, on meeting the educational needs of Alaska Natives.

[SEC. 9304. [20 U.S.C. 7934] ALASKA NATIVE EDUCATIONAL PLANNING, CURRICULUM DEVELOPMENT, TEACHER TRAINING AND RECRUITMENT PROGRAM.

[(a) GENERAL AUTHORITY.—The Secretary shall make direct grants to Alaska Native organizations or educational entities with experience in developing or operating Alaska Native programs or programs of instruction conducted in Alaska Native languages, or to partnerships involving Alaska Native organizations, for the following purposes:

[(1) EDUCATIONAL PLANNING.—The consolidation of existing educational plans, recommendations and research into implementation methods and strategies to improve schooling for Alaska Natives.

[(2) IMPLEMENTATION OF EDUCATIONAL PLANS.—The adoption and implementation of specific educational plans developed under subsection (1) above.

[(3) CURRICULA.—The development of curricula to address the needs of Alaska Native students, particularly elementary and secondary school students, which may include innovative programs and pilot and demonstration programs to develop and introduce curriculum materials that reflect cultural diversities or the contributions of Alaska Native people, programs of instruction conducted in Native languages, and the development of networks to introduce successful techniques, programs

and curriculum materials to rural and urban schools, including:

[(A) multimedia social studies curricula which fully and accurately portray the role of Native Americans historically and contemporarily; and

[(B) curricula and teaching materials for instructions in Native languages.

[(4) PRETEACHER TRAINING.—The development and implementation of preteacher training programs in order to ensure that student teachers within the State of Alaska, particularly student teachers who are likely to be employed in schools with a high concentration of Alaska Native students, are prepared to better address the cultural diversity and unique needs of Alaska Native students;

[(5) TEACHER RECRUITMENT.—The development and implementation of teacher recruitment programs to meet the objectives of—

[(A) increasing the numbers of teachers who are Alaska Natives;

[(B) enhancing teacher recruitment within communities with a high concentration of Alaska Native students; and

[(C) improving the teacher selection processes in order to recruit teachers who are more positively responsive to rural conditions and who are suited for effective cross-cultural instruction.

[(6) INSERVICE TEACHER TRAINING.—The development and implementation of inservice teacher training programs in order to ensure that teachers are prepared to better address the unique needs of Alaska Native students.

[(b) ADMINISTRATIVE COSTS.—Not more than 10 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

[(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this section. Funds appropriated under the authority of this subsection shall remain available until expended.

[SEC. 9305. [20 U.S.C. 7935] ALASKA NATIVE HOME BASED EDUCATION FOR PRESCHOOL CHILDREN.

[(a) GENERAL AUTHORITY.—The Secretary shall make direct grants to Alaska Native organizations or educational entities with experience in developing or operating Alaska Native programs, or to partnerships involving Alaska Native organizations, to implement home instruction programs for Alaska Native preschool youngsters. The objective of such programs shall be to develop parents as educators for their children and to assure the active involvement of parents in the education of their children from the earliest ages.

[(b) PROGRAM ELEMENTS.—Home based education programs for Alaska Native children shall include—

[(1) parent-infant programs for prenatal through three-year olds;

[(2) preschool programs for four- and five-year olds;

[(3) training, education and support programs to teach parents skills in observation, reading readiness, story telling and critical thinking;

[(4) continued research and development; and

[(5) a long-term followup and assessment program.

[(c) ELIGIBILITY OF HIPPY PROGRAMS.—Programs based on the HIPPY (Home Instruction Program for Preschool Youngsters) model shall be eligible for funding under this section.

[(d) ADMINISTRATIVE COSTS.—Not more than 10 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

[(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $2,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this section. Funds appropriated under the authority of this subsection shall remain available until expended.

[SEC. 9306. [20 U.S.C. 7936] ALASKA NATIVE STUDENT ENRICHMENT PROGRAMS.

[(a) GENERAL AUTHORITY.—The Secretary shall make a grant or grants to Alaska Native educational organizations or educational entities with experience in developing or operating Alaska Native programs, or to partnerships including Alaska Native organizations, for enrichment programs for Alaska Native students in the areas of science and mathematics education. The programs shall be designed to—

[(1) prepare qualified students from rural areas who are preparing to enter village high schools to excel in science and mathematics; and

[(2) provide those support services to the families of such students that are needed to enable such students to benefit from the program.

[(b) USES OF FUNDS.—The program funded under this section may include—

[(1) the identification of the students eligible to participate in the program;

[(2) the conduct of educational, psychosocial, and developmental activities which hold reasonable promise of resulting in substantial enrichment of the educational performance of the participating students;

[(3) leadership programs designed to provide for the replication of the program in other subject matter areas and the dissemination of information derived from the program; and

[(4) appropriate research, evaluation and related activities pertaining to the benefits of such enrichment programs.

[(c) ADMINISTRATIVE COSTS.—Not more than 10 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this section. Funds appropriated under the authority of this subsection shall remain available until expended.

[SEC. 9307. [20 U.S.C. 7937] ADMINISTRATIVE PROVISIONS.

[(a) APPLICATION REQUIRED.—No grant may be made under this part, nor any contract be entered into under this part, unless an application is submitted to the Secretary in such form, in such manner, and containing such information as the Secretary may determine necessary to carry out the provisions of this part.

[(b) APPLICATIONS BY LOCAL SCHOOL DISTRICTS OR STATE EDUCATIONAL ENTITIES.—Local school districts or State educational entities shall apply for funding under this part in partnership with Alaska Native organizations.

[(c) CONSULTATION REQUIRED.—Each applicant for funding shall provide for ongoing advice from and consultation with representatives of the Alaska Native community.

[(d) LOCAL EDUCATIONAL AGENCY COORDINATION.—Each local educational agency serving students who will participate in the program for which assistance is sought shall be informed regarding each application submitted under this part, except that approval by or concurrence from such local educational agency shall not be required.

[(e) IMPLEMENTATION OF AUTHORITIES.—The Secretary shall expeditiously obligate funds appropriated as provided in this part.

[SEC. 9308. [20 U.S.C. 7938] DEFINITIONS.

[For purposes of this part—

[(1) the term "Alaska Native" has the same meaning as the term "Native" has in section 3(b) of the Alaska Native Claims Settlement Act; and

[(2) the term "Alaska Native organization" means a federally recognized tribe, consortium of tribes, regional nonprofit Native association, and other Alaska Native organizations that—

[(A) has or commits to acquire expertise in the education of Alaska Natives; and

[(B) has Alaska Natives in substantive and policymaking positions within the organization.]

* * * * * * *

TITLE IX—INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

PART A—INDIAN EDUCATION

SEC. 9101. FINDINGS.

Congress finds that—

(1) the Federal Government has a special responsibility to ensure that educational programs for all American Indian and Alaska Native children and adults—

(A) are based on high-quality, internationally competitive content standards and student performance standards, and build on Indian culture and the Indian community;

(B) assist local educational agencies, Indian tribes, and other entities and individuals in providing Indian students the opportunity to achieve the standards described in subparagraph (A); and

(C) meet the unique educational and culturally related academic needs of American Indian and Alaska Native students;

(2) since the date of enactment of the Indian Education Act in 1972, the level of involvement of Indian parents in the planning, development, and implementation of educational programs that affect such parents and their children has increased significantly, and schools should continue to foster such involvement;

(3) although the number of Indian teachers, administrators, and university professors has increased since 1972, teacher training programs are not recruiting, training, or retraining a sufficient number of Indian individuals as educators to meet the needs of a growing Indian student population in elementary, secondary, vocational, adult, and higher education;

(4) the dropout rate for Indian students is unacceptably high: 9 percent of Indian students who were eighth graders in 1988 had already dropped out of school by 1990;

(5) during the period from 1980 to 1990, the percentage of Indian individuals living at or below the poverty level increased from 24 percent to 31 percent, and the readiness of Indian children to learn is hampered by the high incidence of poverty, unemployment, and health problems among Indian children and their families; and

(6) research related specifically to the education of Indian children and adults is very limited, and much of the research is of poor quality or is focused on limited local or regional issues.

SEC. 9102. PURPOSE.

(a) PURPOSE.—The purpose of this part is to support the efforts of local educational agencies, Indian tribes and organizations, postsecondary institutions, and other entities to meet the unique educational and culturally related academic needs of American Indian and Alaska Native students, so that such students can meet the same challenging State performance standards as are expected for all students.

(b) PROGRAMS.—This part carries out the purpose described in subsection (a) by authorizing programs of direct assistance for—

(1) meeting the unique educational and culturally related academic needs of American Indians and Alaska Natives;

(2) the education of Indian children and adults;

(3) the training of Indian persons as educators and counselors, and in other professions serving Indian people; and

(4) research, evaluation, data collection, and technical assistance.

Subpart 1—Formula Grants to Local Educational Agencies

SEC. 9111. PURPOSE.

The purpose of this subpart is to support local educational agencies in their efforts to reform elementary school and secondary

school programs that serve Indian students in order to ensure that such programs—

(1) are based on challenging State content standards and State student performance standards that are used for all students; and

(2) are designed to assist Indian students to meet those standards and assist the Nation in reaching the National Education Goals.

SEC. 9112. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) IN GENERAL.—The Secretary may make grants to local educational agencies and Indian tribes in accordance with this section.

(b) LOCAL EDUCATIONAL AGENCIES.—

(1) ENROLLMENT REQUIREMENTS.—A local educational agency shall be eligible for a grant under this subpart for any fiscal year if the number of Indian children who are eligible under section 9117, and who were enrolled in the schools of the agency, and to whom the agency provided free public education, during the preceding fiscal year—

(A) was at least 10; or

(B) constituted not less than 25 percent of the total number of individuals enrolled in the schools of such agency.

(2) EXCLUSION.—The requirement of paragraph (1) shall not apply in Alaska, California, or Oklahoma, or with respect to any local educational agency located on, or in proximity to, a reservation.

(c) INDIAN TRIBES.—

(1) IN GENERAL.—If a local educational agency that is otherwise eligible for a grant under this subpart does not establish a parent committee under section 9114(c)(4), an Indian tribe that represents not less than ½ of the eligible Indian children who are served by such local educational agency may apply for such grant by submitting an application in accordance with section 9114.

(2) SPECIAL RULE.—The Secretary shall treat each Indian tribe applying for a grant pursuant to paragraph (1) as if such Indian tribe were a local educational agency for purposes of this subpart, except that any such tribe shall not be subject to section 9114(c)(4) (relating to a parent committee), section 9118(c) (relating to maintenance of effort), or section 9119 (relating to State review of applications).

SEC. 9113. AMOUNT OF GRANTS.

(a) AMOUNT OF GRANT AWARDS.—

(1) IN GENERAL.—Except as provided in subsections (c) and (d), for purposes of making grants under this subpart the Secretary shall allocate to each local educational agency that has an approved application under this subpart an amount equal to the product of—

(A) the number of Indian children who are eligible under section 9117 and served by such agency; and

(B) the greater of—

(i) the average per-pupil expenditure of the State in which such agency is located; or

(ii) 80 percent of the average per-pupil expenditure of all the States.

(2) REDUCTION.—The Secretary shall reduce the amount of each allocation determined under paragraph (1) or subsection (b) in accordance with subsection (c).

(b) SCHOOLS OPERATED OR SUPPORTED BY THE BUREAU OF INDIAN AFFAIRS.—

(1) IN GENERAL.—In addition to the grants awarded under subsection (a), and subject to paragraph (2), for purposes of making grants under this subpart the Secretary shall allocate to the Secretary of the Interior an amount equal to the product of—

(A) the total number of Indian children enrolled in schools that are operated by—

(i) the Bureau of Indian Affairs; or

(ii) an Indian tribe, or an organization controlled or sanctioned by an Indian tribal government, for the children of such tribe under a contract with, or grant from, the Department of the Interior under the Indian Self-Determination Act or the Tribally Controlled Schools Act of 1988; and

(B) the greater of—

(i) the average per-pupil expenditure of the State in which the school is located; or

(ii) 80 percent of the average per-pupil expenditure of all the States.

(2) SPECIAL RULE.—Any school described in paragraph (1) may apply for an allocation under this subpart by submitting an application in accordance with section 9114. The Secretary shall treat the school as if the school were a local educational agency for purposes of this subpart, except that any such school shall not be subject to section 9114(c)(4), 9118(c), or 9119.

(c) RATABLE REDUCTIONS.—If the sums appropriated for any fiscal year under section 9162(a) are insufficient to pay in full the amounts determined for local educational agencies under subsection (a) and for the Secretary of the Interior under subsection (b), each of those amounts shall be ratably reduced.

(d) MINIMUM GRANT.—

(1) IN GENERAL.—Notwithstanding subsection (c), a local educational agency (including an Indian tribe as authorized under section 9112(b)) that is eligible for a grant under section 9112, and a school that is operated or supported by the Bureau of Indian Affairs that is eligible for a grant under subsection (b), that submits an application that is approved by the Secretary, shall, subject to appropriations, receive a grant under this subpart in an amount that is not less than $3,000.

(2) CONSORTIA.—Local educational agencies may form a consortium for the purpose of obtaining grants under this subpart.

(3) INCREASE.—The Secretary may increase the minimum grant under paragraph (1) to not more than $4,000 for all grant recipients if the Secretary determines such increase is necessary to ensure quality programs.

(e) DEFINITION.—In this section, the term "average per-pupil expenditure", for a State, means an amount equal to—

(1) the sum of the aggregate current expenditures of all the local educational agencies in the State, plus any direct current expenditures by the State for the operation of such agencies, without regard to the sources of funds from which such local or State expenditures were made, during the second fiscal year preceding the fiscal year for which the computation is made; divided by

(2) the aggregate number of children who were included in average daily attendance and for whom such agencies provided free public education during such preceding fiscal year.

SEC. 9114. APPLICATIONS.

(a) APPLICATION REQUIRED.—Each local educational agency that desires to receive a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(b) COMPREHENSIVE PROGRAM REQUIRED.—Each application submitted under subsection (a) shall include a description of a comprehensive program for meeting the needs of Indian children served by the local educational agency, including the language and cultural needs of the children, that—

(1) describes how the comprehensive program will offer programs and activities to meet the culturally related academic needs of American Indian and Alaska Native students;

(2)(A) is consistent with the State and local plans submitted under other provisions of this Act; and

(B) includes academic content and student performance goals for such children, and benchmarks for attaining such goals, that are based on the challenging State standards adopted under title I for all children;

(3) explains how Federal, State, and local programs, especially programs carried out under title I, will meet the needs of such students;

(4) demonstrates how funds made available under this subpart will be used for activities described in section 9115;

(5) describes the professional development opportunities that will be provided, as needed, to ensure that—

(A) teachers and other school professionals who are new to the Indian community are prepared to work with Indian children; and

(B) all teachers who will be involved in programs assisted under this subpart have been properly trained to carry out such programs; and

(6) describes how the local educational agency—

(A) will periodically assess the progress of all Indian children enrolled in the schools of the local educational agency, including Indian children who do not participate in programs assisted under this subpart, in meeting the goals described in paragraph (2);

(B) will provide the results of each assessment referred to in subparagraph (A) to—

(i) the committee of parents described in subsection (c)(4); and

(ii) the community served by the local educational agency; and

(C) is responding to findings of any previous assessments that are similar to the assessments described in subparagraph (A).

(c) ASSURANCES.—Each application submitted under subsection (a) shall include assurances that—

(1) the local educational agency will use funds received under this subpart only to supplement the funds that, in the absence of the Federal funds made available under this subpart, such agency would make available for the education of Indian children, and not to supplant such funds;

(2) the local educational agency will prepare and submit to the Secretary such reports, in such form and containing such information, as the Secretary may require to—

(A) carry out the functions of the Secretary under this subpart; and

(B) determine the extent to which activities carried out with funds provided to the local educational agency under this subpart are effective in improving the educational achievement of Indian students served by such agency;

(3) the program for which assistance is sought—

(A) is based on a comprehensive local assessment and prioritization of the unique educational and culturally related academic needs of the American Indian and Alaska Native students for whom the local educational agency is providing an education;

(B) will use the best available talents and resources, including individuals from the Indian community; and

(C) was developed by such agency in open consultation with parents of Indian children and teachers, and, if appropriate, Indian students from secondary schools, including through public hearings held by such agency to provide to the individuals described in this subparagraph a full opportunity to understand the program and to offer recommendations regarding the program; and

(4) the local educational agency developed the program with the participation and written approval of a committee—

(A) that is composed of, and selected by—

(i) parents of Indian children in the local educational agency's schools and teachers in the schools; and

(ii) if appropriate, Indian students attending secondary schools of the agency;

(B) a majority of whose members are parents of Indian children;

(C) that has set forth such policies and procedures, including policies and procedures relating to the hiring of personnel, as will ensure that the program for which assistance is sought will be operated and evaluated in consultation with, and with the involvement of, parents of the children, and representatives of the area, to be served;

(D) with respect to an application describing a schoolwide program carried out in accordance with section 9115(c), that has—

(i) reviewed in a timely fashion the program; and

(ii) determined that the program will enhance the availability of culturally related activities for American Indian and Alaska Native students; and

(E) that has adopted reasonable bylaws for the conduct of the activities of the committee and abides by such bylaws.

SEC. 9115. AUTHORIZED SERVICES AND ACTIVITIES.

(a) GENERAL REQUIREMENTS.—Each local educational agency that receives a grant under this subpart shall use the grant funds, in a manner consistent with the purpose specified in section 9111, for services and activities that—

(1) are designed to carry out the comprehensive program of the local educational agency for Indian students, and described in the application of the local educational agency submitted to the Secretary under section 9114;

(2) are designed with special regard for the language and cultural needs of the Indian students; and

(3) supplement and enrich the regular school program of such agency.

(b) PARTICULAR SERVICES AND ACTIVITIES.—The services and activities referred to in subsection (a) may include—

(1) culturally related activities that support the program described in the application submitted by the local educational agency;

(2) early childhood and family programs that emphasize school readiness;

(3) enrichment programs that focus on problem-solving and cognitive skills development and directly support the attainment of challenging State content standards and State student performance standards;

(4) integrated educational services in combination with other programs that meet the needs of Indian children and their families;

(5) career preparation activities to enable Indian students to participate in programs such as the programs supported by Public Law 103–239 and Public Law 88–210, including programs for tech-prep, mentoring, and apprenticeship activities;

(6) activities to educate individuals concerning substance abuse and to prevent substance abuse;

(7) the acquisition of equipment, but only if the acquisition of the equipment is essential to meet the purpose described in section 9111;

(8) activities that promote the incorporation of culturally responsive teaching and learning strategies into the educational program of the local educational agency;

(9) activities that incorporate American Indian and Alaska Native specific curriculum content, consistent with State standards, into the curriculum used by the local educational agency;

(10) activities to promote coordination and collaboration between tribal, Federal, and State public schools in areas that will improve American Indian and Alaska Native student achievement; and

(11) family literacy services.

(c) SCHOOLWIDE PROGRAMS.—Notwithstanding any other provision of law, a local educational agency may use funds made available to such agency under this subpart to support a schoolwide program under section 1114 if—

(1) the committee composed of parents established pursuant to section 9114(c)(4) approves the use of the funds for the schoolwide program; and

(2) the schoolwide program is consistent with the purpose described in section 9111.

(d) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds made available to a local educational agency through a grant made under this subpart for a fiscal year may be used to pay for administrative costs.

SEC. 9116. INTEGRATION OF SERVICES AUTHORIZED.

(a) PLAN.—An entity receiving funds under this subpart may submit a plan to the Secretary for a demonstration project for the integration of education and related services provided to Indian students.

(b) CONSOLIDATION OF PROGRAMS.—Upon the receipt of an acceptable plan under subsection (a), the Secretary, in cooperation with each Federal agency providing grants for the provision of education and related services to the applicant, shall authorize the applicant to consolidate, in accordance with such plan, the federally funded education and related services programs of the applicant and the agencies, or portions of the programs, serving Indian students in a manner that integrates the program services involved into a single, coordinated, comprehensive program and reduces administrative costs by consolidating administrative functions.

(c) PROGRAMS AFFECTED.—The funds that may be consolidated in a demonstration project under any such plan referred to in subsection (b) shall include funds for any Federal program exclusively serving Indian children, or the funds reserved exclusively to serve Indian children under any program, for which the applicant is eligible for receipt of funds under a statutory or administrative formula for the purposes of providing education and related services for Indian students.

(d) PLAN REQUIREMENTS.—For a plan to be acceptable pursuant to subsection (b), the plan shall—

(1) identify the programs or funding sources to be consolidated;

(2) be consistent with the objectives of this section authorizing the program services to be integrated in a demonstration project;

(3) describe a comprehensive strategy that identifies the full range of potential educational opportunities and related services to be provided to assist Indian students to achieve the objectives set forth in this subpart;

(4) describe the way in which the services are to be integrated and delivered and the results expected from the plan;

(5) identify the projected expenditures under the plan in a single budget;

(6) identify the State, tribal, or local agencies to be involved in the delivery of the services integrated under the plan;

(7) identify any statutory provisions, regulations, policies, or procedures that the applicant believes need to be waived in order to implement the plan;

(8) set forth measures of student achievement and performance goals designed to be met within a specified period of time for activities provided under the plan; and

(9) be approved by a parent committee formed in accordance with section 9114(c)(4), if such a committee exists, in consultation with the Committee on Resources of the House of Representatives and the Committee on Indian Affairs of the Senate.

(e) PLAN REVIEW.—Upon receipt of the plan from an eligible entity, the Secretary shall consult with the head of each Federal agency providing funds to be used to implement the plan, and with the entity submitting the plan. The parties so consulting shall identify any waivers of statutory requirements or of Federal regulations, policies, or procedures necessary to enable the applicant to implement the plan. Notwithstanding any other provision of law, the Secretary of the affected agency shall have the authority to waive, for the applicant, any regulation, policy, or procedure promulgated by that agency that has been so identified by the applicant or agency, unless the head of the affected agency determines that such a waiver is inconsistent with the objectives of this subpart or the provisions of the statute from which the program involved derives authority that are specifically applicable to Indian students.

(f) PLAN APPROVAL.—Within 90 days after the receipt of an applicant's plan by the Secretary under subsection (a), the Secretary shall inform the applicant, in writing, of the Secretary's approval or disapproval of the plan. If the plan is disapproved, the applicant shall be informed, in writing, of the reasons for the disapproval and shall be given an opportunity to amend the plan or to petition the Secretary to reconsider such disapproval.

(g) RESPONSIBILITIES OF DEPARTMENT OF EDUCATION.—Not later than 180 days after the date of enactment of the Educational Opportunities Act, the Secretary of Education, the Secretary of the Interior, and the head of any other Federal agency identified by the Secretary of Education, shall enter into an interagency memorandum of agreement providing for the implementation of the demonstration projects authorized under this section. The lead agency for a demonstration project authorized under this section shall be—

(1) the Department of the Interior, in the case of an applicant that is a contract or grant school, as defined in section 1146 of the Education Amendments of 1978; or

(2) the Department of Education, in the case of any other applicant.

(h) RESPONSIBILITIES OF LEAD AGENCY.—The responsibilities of the lead agency for a demonstration project shall include—

(1) the use of a single report format related to the plan for the individual project, which shall be used by an eligible entity to report on the activities undertaken under the project;

(2) the use of a single report format related to the projected expenditures for the individual project, which shall be used by an eligible entity to report on all project expenditures;

(3) the development of a single system of Federal oversight for the project, which shall be implemented by the lead agency; and

(4) the provision of technical assistance to an eligible entity appropriate to the project, except that an eligible entity shall have the authority to accept or reject the plan for providing such technical assistance and the technical assistance provider.

(i) REPORT REQUIREMENTS.—

(1) IN GENERAL.—The Secretary shall develop, consistent with the requirements of this section, a single report format for the reports described in subsection (h).

(2) REPORT INFORMATION.—Such report format shall require that the reports shall—

(A) contain such information as will allow a determination that the eligible entity has complied with the requirements incorporated in the entity's approved plan, including the demonstration of student achievement; and

(B) provide assurances to the Secretary of Education and the Secretary of the Interior that the eligible entity has complied with all directly applicable statutory requirements and with those directly applicable regulatory requirements that have not been waived.

(3) RECORD INFORMATION.—The Secretary shall require that records maintained at the local level on the programs consolidated for the project shall contain the information and provide the assurances described in paragraph (2).

(j) NO REDUCTION IN AMOUNTS.—In no case shall the amount of Federal funds available to an eligible entity involved in any demonstration project be reduced as a result of the enactment of this section.

(k) INTERAGENCY FUND TRANSFERS AUTHORIZED.—The Secretary is authorized to take such action as may be necessary to provide for an interagency transfer of funds otherwise available to an eligible entity in order to further the objectives of this section.

(l) ADMINISTRATION OF FUNDS.—

(1) IN GENERAL.—An eligible entity shall administer the program funds for the consolidated programs in such a manner as to allow for a determination that funds from a specific program are spent on allowable activities authorized under such program, except that the eligible entity shall determine the proportion of the funds that shall be allocated to such program.

(2) SEPARATE RECORDS NOT REQUIRED.—Nothing in this section shall be construed as requiring the eligible entity to maintain separate records tracing any services or activities conducted under the approved plan to the individual programs under which funds were authorized for the services or activities, nor shall the eligible entity be required to allocate expenditures among such individual programs.

(m) OVERAGE.—The eligible entity may commingle all administrative funds from the consolidated programs and shall be entitled to the full amount of such funds (under each program's or agency's regulations). The overage (defined as the difference between the amount of the commingled funds and the actual administrative cost of the programs) shall be considered to be properly spent for Federal audit purposes, if the overage is used for the purposes provided for under this section.

(n) FISCAL ACCOUNTABILITY.—Nothing in this part shall be construed so as to interfere with the ability of the Secretary or the lead agency to fulfill responsibilities for safeguarding Federal funds pursuant to chapter 75 of title 31, United States Code.

(o) REPORT ON STATUTORY OBSTACLES TO PROGRAM INTEGRATION.—

(1) PRELIMINARY REPORT.—Not later than 2 years after the date of enactment of the Educational Opportunities Act, the Secretary of Education shall submit a preliminary report to the Committee on Education and the Workforce and the Committee on Resources of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Indian Affairs of the Senate on the status of the implementation of the demonstration projects authorized under this section.

(2) FINAL REPORT.—Not later than 5 years after the date of enactment of the Educational Opportunities Act, the Secretary of Education shall submit a report to the Committee on Education and the Workforce and the Committee on Resources of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Indian Affairs of the Senate on the results of the implementation of the demonstration projects authorized under this section. Such report shall identify statutory barriers to the ability of participants to integrate more effectively their education and related services to Indian students in a manner consistent with the objectives of this section.

(p) DEFINITION.—In this section, the term "Secretary" means—

(1) the Secretary of the Interior, in the case of an applicant that is a contract or grant school, as defined in section 1146 of the Education Amendments of 1978; or

(2) the Secretary of Education, in the case of any other applicant.

SEC. 9117. STUDENT ELIGIBILITY FORMS.

(a) IN GENERAL.—The Secretary shall require that, as part of an application for a grant under this subpart, each applicant shall maintain a file, with respect to each Indian child for whom the local educational agency provides a free public education, that contains a form that sets forth information establishing the status of the child as an Indian child eligible for assistance under this subpart, and that otherwise meets the requirements of subsection (b).

(b) FORMS.—

(1) IN GENERAL.—The form described in subsection (a) shall include—

(A) either—

(i)(I) the name of the tribe or band of Indians (as defined in section 9161(3)) with respect to which the child claims membership;

(II) the enrollment number establishing the membership of the child (if readily available); and

(III) the name and address of the organization that maintains updated and accurate membership data for such tribe or band of Indians; or

(ii) if the child is not a member of tribe or band of Indians (as so defined), the name, the enrollment num-

ber (if readily available), and the name and address of the organization responsible for maintaining updated and accurate membership rolls, of any parent or grandparent of the child from whom the child claims eligibility under this subpart;

(B) a statement of whether the tribe or band of Indians (as so defined) with respect to which the child, or parent or grandparent of the child, claims membership is federally recognized;

(C) the name and address of the parent or legal guardian of the child;

(D) a signature of the parent or legal guardian of the child that verifies the accuracy of the information supplied; and

(E) any other information that the Secretary considers necessary to provide an accurate program profile.

(2) MINIMUM INFORMATION.—In order for a child to be eligible to be counted for the purpose of computing the amount of a grant award made under section 9113, an eligibility form prepared pursuant to this section for a child shall include—

(A) the name of the child;

(B) the name of the tribe or band of Indians (as so defined) with respect to which the child claims membership; and

(C) the dated signature of the parent or guardian of the child.

(3) FAILURE.—The failure of an applicant to furnish any information described in this subsection other than the information described in paragraph (2) with respect to any child shall have no bearing on the determination of whether the child is an eligible Indian child for the purposes of computing the amount of a grant award made under section 9113.

(c) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to affect a definition contained in section 9161.

(d) FORMS AND STANDARDS OF PROOF.—The forms and the standards of proof (including the standard of good faith compliance) that were in use during the 1985–86 academic year to establish the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act shall be the forms and standards of proof used—

(1) to establish eligibility under this subpart; and

(2) to meet the requirements of subsection (a).

(e) DOCUMENTATION.—For purposes of determining whether a child is eligible to be counted for the purpose of computing the amount of a grant award under section 9113, the membership of the child, or any parent or grandparent of the child, in a tribe or band of Indians (as so defined) may be established by proof other than an enrollment number, notwithstanding the availability of an enrollment number for a member of such tribe or band. Nothing in subsection (b) shall be construed to require the furnishing of an enrollment number.

(f) MONITORING AND EVALUATION REVIEW.—

(1) IN GENERAL.—

(A) REVIEW.—For each fiscal year, in order to provide such information as is necessary to carry out the responsibility of the Secretary to provide technical assistance under this subpart, the Secretary shall conduct a monitoring and evaluation review of a sampling of the local educational agencies that are recipients of grants under this subpart. The sampling conducted under this paragraph shall take into account the size of such a local educational agency and the geographic location of such agency.

(B) EXCEPTION.—A local educational agency may not be held liable to the United States or be subject to any penalty by reason of the findings of an audit that relates to the date of completion, or the date of submission, of any forms used to establish, before April 28, 1988, the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act.

(2) FALSE INFORMATION.—Any local educational agency that provides false information in an application for a grant under this subpart shall—

(A) be ineligible to apply for any other grant under this subpart; and

(B) be liable to the United States for any funds from the grant that have not been expended.

(3) EXCLUDED CHILDREN.—A student who provides false information for the form required under subsection (a) shall not be counted for the purpose of computing the amount of a grant award under section 9113.

(g) TRIBAL GRANT AND CONTRACT SCHOOLS.—Notwithstanding any other provision of this section, the Secretary, in computing the amount of a grant award under section 9113 to a tribal school that receives a grant or contract from the Bureau of Indian Affairs, shall use only 1 of the following, as selected by the school:

(1) A count, certified by the Bureau, of the number of students in the school.

(2) A count of the number of students for whom the school has eligibility forms that comply with this section.

(h) TIMING OF CHILD COUNTS.—For purposes of determining the number of children to be counted in computing the amount of a local educational agency's grant award under section 9113 (other than in the case described in subsection (g)(1)), the local educational agency shall—

(1) establish a date on, or a period not longer than 31 consecutive days during which, the agency counts those children, if that date or period occurs before the deadline established by the Secretary for submitting an application under section 9114; and

(2) determine that each such child was enrolled, and receiving a free public education, in a school of the agency on that date or during that period, as the case may be.

SEC. 9118. PAYMENTS.

(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary shall pay to each local educational agency that submits an application that is approved by the Secretary under this subpart the amount computed under section 9113. The Secretary shall notify the

local educational agency of the amount of the payment not later than June 1 of the year for which the Secretary makes the payment.

(b) PAYMENTS TAKEN INTO ACCOUNT BY THE STATE.—The Secretary may not make a grant under this subpart to a local educational agency for a fiscal year if, for such fiscal year, the State in which the local educational agency is located takes into consideration payments made under this subpart in determining the eligibility of the local educational agency for State aid, or the amount of the State aid, with respect to the free public education of children during such fiscal year or the preceding fiscal year.

(c) REDUCTION OF PAYMENT FOR FAILURE TO MAINTAIN FISCAL EFFORT.—

(1) IN GENERAL.—The Secretary may not pay a local educational agency in a State the full amount of a grant award computed under section 9113 for any fiscal year unless the State educational agency notifies the Secretary, and the Secretary determines, that with respect to the provision of free public education by the local educational agency for the preceding fiscal year, that the combined fiscal effort of the local educational agency and the State, computed on either a per student or aggregate expenditure basis was not less than 90 percent of the amount of the combined fiscal effort, computed on the same basis, for the second preceding fiscal year.

(2) FAILURE.—If, for any fiscal year, the Secretary determines that a local educational agency and State failed to maintain the combined fiscal effort at the level specified in paragraph (1), the Secretary shall—

(A) reduce the amount of the grant that would otherwise be made to such agency under this subpart in the exact proportion of the failure to maintain the fiscal effort at such level; and

(B) not use the reduced amount of the combined fiscal effort for the year to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1) during the fiscal year for which the determination is made.

(3) WAIVER.—

(A) IN GENERAL.—The Secretary may waive the requirement of paragraph (1) for a local educational agency, for not more than 1 year at a time, if the Secretary determines that the failure to comply with such requirement is due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the agency's financial resources.

(B) FUTURE DETERMINATIONS.—The Secretary shall not use the reduced amount of the combined fiscal effort for the year for which the waiver is granted to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1) in the absence of the waiver during the fiscal year for which the waiver is granted.

(d) REALLOCATIONS.—The Secretary may reallocate, in a manner that the Secretary determines will best carry out the purpose of this subpart, any amounts that—

(1) based on estimates made by local educational agencies or other information, the Secretary determines will not be needed by such agencies to carry out approved programs under this subpart; or

(2) otherwise become available for reallocation under this subpart.

SEC. 9119. STATE EDUCATIONAL AGENCY REVIEW.

Before submitting an application to the Secretary under section 9114, a local educational agency shall submit the application to the State educational agency, which may comment on the application. If the State educational agency comments on the application, the agency shall comment on each such application submitted by a local educational agency in the State and shall provide the comment to the appropriate local educational agency, with an opportunity to respond.

Subpart 2—Special Programs and Projects To Improve Educational Opportunities for Indian Children

SEC. 9121. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN.

(a) PURPOSE.—

(1) IN GENERAL.—The purpose of this section is to support projects to develop, test, and demonstrate the effectiveness of services and programs to improve educational opportunities and achievement of Indian children.

(2) COORDINATION.—The Secretary shall take such actions as are necessary to achieve the coordination of activities assisted under this subpart with—

(A) other programs funded under this Act; and

(B) other Federal programs operated for the benefit of American Indian and Alaska Native children.

(b) ELIGIBLE ENTITIES.—In this section, the term "eligible entity" means a State educational agency, local educational agency, Indian tribe, Indian organization, federally supported elementary school or secondary school for Indian students, Indian institution (including an Indian institution of higher education) or a consortium of such entities.

(c) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary shall award grants to eligible entities to enable such entities to carry out activities that meet the purpose specified in subsection (a)(1), including—

(A) innovative programs related to the educational needs of educationally disadvantaged children;

(B) educational services that are not available to such children in sufficient quantity or quality, including remedial instruction, to raise the achievement of Indian children in 1 or more of the core academic subjects of English, math-

ematics, science, foreign languages, art, history, and geography;

(C) bilingual and bicultural programs and projects;

(D) special health and nutrition services, and other related activities, that address the special health, social, and psychological problems of Indian children;

(E) special compensatory and other programs and projects designed to assist and encourage Indian children to enter, remain in, or reenter school, and to increase the rate of secondary school graduation for Indian children;

(F) comprehensive guidance, counseling, and testing services;

(G) early childhood and kindergarten programs, including family-based preschool programs that emphasize school readiness and parental skills, and the provision of services to Indian children with disabilities;

(H) partnership projects between local educational agencies and institutions of higher education that allow secondary school students to enroll in courses at the postsecondary level to aid such students in the transition from secondary school to postsecondary education;

(I) partnership projects between schools and local businesses for school-to-work transition programs designed to provide Indian youth with the knowledge and skills the youth need to make an effective transition from school to a first job in a high-skill, high-wage career;

(J) programs designed to encourage and assist Indian students to work toward, and gain entrance into, an institution of higher education;

(K) family literacy services; or

(L) other services that meet the purpose described in subsection (a)(1).

(2) PRE-SERVICE OR IN-SERVICE TRAINING.—Pre-service or in-service training of professional and paraprofessional personnel may be a part of any program assisted under this section.

(d) GRANT REQUIREMENTS AND APPLICATIONS.—

(1) GRANT REQUIREMENTS.—

(A) IN GENERAL.—The Secretary may make multiyear grants under subsection (c) for the planning, development, pilot operation, or demonstration of any activity described in subsection (c). The Secretary shall make the grants for periods of not more than 5 years.

(B) PRIORITY.—In making multiyear grants described in this paragraph, the Secretary shall give priority to entities submitting applications that present a plan for combining 2 or more of the activities described in subsection (c) over a period of more than 1 year.

(C) PROGRESS.—The Secretary shall make a payment for a grant described in this paragraph to an eligible entity after the initial year of the multiyear grant period only if the Secretary determines that the eligible entity has made substantial progress in carrying out the activities assisted under the grant in accordance with the application sub-

mitted under paragraph (3) and any subsequent modifications to such application.

(2) DISSEMINATION GRANTS.—

(A) IN GENERAL.—In addition to awarding the multiyear grants described in paragraph (1), the Secretary may award grants under subsection (c) to eligible entities for the dissemination of exemplary materials or programs assisted under this section.

(B) DETERMINATION.—The Secretary may award a dissemination grant described in this paragraph if, prior to awarding the grant, the Secretary determines that the material or program to be disseminated—

(i) has been adequately reviewed;

(ii) has demonstrated educational merit; and

(iii) can be replicated.

(3) APPLICATION.—

(A) IN GENERAL.—Any eligible entity that desires to receive a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

(B) CONTENTS.—Each application submitted to the Secretary under subparagraph (A), other than an application for a dissemination grant under paragraph (2), shall contain—

(i) a description of how parents of Indian children and representatives of Indian tribes have been, and will be, involved in developing and implementing the activities for which assistance is sought;

(ii) assurances that the applicant will participate, at the request of the Secretary, in any national evaluation of activities assisted under this section;

(iii) information demonstrating that the proposed program for the activities is a research-based program, which may include a program that has been modified to be culturally appropriate for students who will be served;

(iv) a description of how the applicant will incorporate the proposed activities into the ongoing school program involved once the grant period is over; and

(v) such other assurances and information as the Secretary may reasonably require.

(e) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds provided to a grant recipient under this subpart for any fiscal year may be used to pay for administrative costs.

SEC. 9122. PROFESSIONAL DEVELOPMENT.

(a) PURPOSES.—The purposes of this section are—

(1) to increase the number of qualified Indian individuals in teaching or other education professions that serve Indian people;

(2) to provide training to qualified Indian individuals to enable such individuals to become teachers, administrators, teacher aides, social workers, and ancillary educational personnel; and

(3) to improve the skills of qualified Indian individuals who serve in the capacities described in paragraph (2).

(b) ELIGIBLE ENTITIES.—In this section, the term "eligible entity" means a consortium of—

(1) a State or local educational agency; and

(2) an institution of higher education (including an Indian institution of higher education) or an Indian tribe or organization.

(c) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to eligible entities with applications approved under subsection (e) to enable such entities to carry out the activities described in subsection (d).

(d) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—Grant funds made available under subsection (c) shall be used for activities to provide support and training for Indian individuals in a manner consistent with the purposes of this section. Such activities may include continuing programs, symposia, workshops, conferences, and direct financial support.

(2) SPECIAL RULES.—

(A) TYPE OF TRAINING.—For education personnel, the training received pursuant to a grant awarded under subsection (c) may be in-service or pre-service training.

(B) PROGRAM.—For individuals who are being trained to enter any field other than education, the training received pursuant to a grant awarded under subsection (c) shall be in a program that results in a graduate degree.

(e) APPLICATION.—Each eligible entity desiring a grant under subsection (c) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information, as the Secretary may reasonably require.

(f) SPECIAL RULE.—In awarding grants under subsection (c), the Secretary—

(1) shall consider the prior performance of an eligible entity; and

(2) may not limit eligibility to receive a grant under subsection (c) on the basis of—

(A) the number of previous grants the Secretary has awarded such entity; or

(B) the length of any period during which such entity received such grants.

(g) GRANT PERIOD.—Each grant awarded under subsection (c) shall be awarded for a program of activities of not more than 5 years.

(h) SERVICE OBLIGATION.—

(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives pre-service training pursuant to a grant awarded under subsection (c)—

(A) perform work—

(i) related to the training received under this section; and

(ii) that benefits Indian people; or

(B) repay all or a prorated part of the assistance received for the training.

(2) REPORTING.—The Secretary shall establish, by regulation, a reporting procedure under which a recipient of the pre-service training shall, not later than 12 months after the date of completion of the training, and periodically thereafter, provide information concerning the compliance of such recipient with the work requirement described in paragraph (1).

(i) INSERVICE TRAINING FOR TEACHERS OF INDIAN CHILDREN.—

(1) GRANTS AUTHORIZED.—In addition to the grants authorized by subsection (c), the Secretary may make grants to eligible consortia for the provision of high quality in-service training. The Secretary may make such a grant to—

(A) a consortium of a tribal college and an institution of higher education that awards a degree in education; or

(B) a consortium of—

(i) a tribal college;

(ii) an institution of higher education that awards a degree in education; and

(iii) 1 or more elementary schools or secondary schools operated by the Bureau of Indian Affairs, local educational agencies serving Indian children, or tribal educational agencies.

(2) USE OF FUNDS.—

(A) IN-SERVICE TRAINING.—A consortium that receives a grant under paragraph (1) shall use the grant funds only to provide high quality in-service training to teachers, including teachers who are not Indians, in schools of local educational agencies with substantial numbers of Indian children enrolled in their schools, in order to better meet the needs of those children.

(B) COMPONENTS.—The training described in subparagraph (A) shall include such activities as preparing teachers to use the best available research-based practices and learning strategies, and to make the most effective use of curricula and materials, to respond to the unique needs of Indian children in their classrooms.

(3) PREFERENCE FOR INDIAN APPLICANTS.—In applying section 9153 to this subsection, the Secretary shall give a preference to any consortium that includes 1 or more of the entities described in that section.

SEC. 9123. FELLOWSHIPS FOR INDIAN STUDENTS.

(a) FELLOWSHIPS.—

(1) AUTHORITY.—The Secretary is authorized to award fellowships to Indian students to enable such students to study in graduate and professional programs at institutions of higher education.

(2) REQUIREMENTS.—The fellowships described in paragraph (1) shall be awarded to Indian students to enable such students to pursue a course of study—

(A) of not more than 4 academic years; and

(B) that leads—

(i) toward a postbaccalaureate degree in medicine, clinical psychology, psychology, law, education, or a related field; or

(ii) to an undergraduate or graduate degree in engineering, business administration, natural resources, or a related field.

(b) STIPENDS.—The Secretary shall pay to Indian students awarded fellowships under subsection (a) such stipends (including allowances for subsistence of such students and dependents of such students) as the Secretary determines to be consistent with prevailing practices under comparable federally supported programs.

(c) PAYMENTS TO INSTITUTIONS IN LIEU OF TUITION.—The Secretary shall pay to the institution of higher education at which such a fellowship recipient is pursuing a course of study, in lieu of tuition charged to such recipient, such amounts as the Secretary may determine to be necessary to cover the cost of education provided to such recipient.

(d) SPECIAL RULES.—

(1) IN GENERAL.—If a fellowship awarded under subsection (a) is vacated prior to the end of the period for which the fellowship is awarded, the Secretary may award an additional fellowship for the unexpired portion of the period of the first fellowship.

(2) WRITTEN NOTICE.—Not later than 45 days before the commencement of an academic term, the Secretary shall provide to each individual who is awarded a fellowship under subsection (a) for such academic term written notice of—

(A) the amount of the funding for the fellowship; and

(B) any stipends or other payments that will be made under this section to, or for the benefit of, the individual for the academic term.

(3) PRIORITY.—Not more than 10 percent of the fellowships awarded under subsection (a) shall be awarded, on a priority basis, to persons receiving training in guidance counseling with a specialty in the area of alcohol and substance abuse counseling and education.

(e) SERVICE OBLIGATION.—

(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives financial assistance under this section—

(A) perform work—

(i) related to the training for which the individual receives the assistance under this section; and

(ii) that benefits Indian people; or

(B) repay all or a prorated portion of such assistance.

(2) REPORTING.—The Secretary shall establish, by regulation, a reporting procedure under which a recipient of assistance under this section shall, not later than 12 months after the date of completion of the training, and periodically thereafter, provide information concerning the compliance of such recipient with the work requirement described in paragraph (1).

(f) ADMINISTRATION OF FELLOWSHIPS.—The Secretary may administer the fellowships authorized under this section through a grant to, or contract or cooperative agreement with, an Indian organization with demonstrated qualifications to administer all facets of the program assisted under this section.

SEC. 9124. GIFTED AND TALENTED INDIAN STUDENTS.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized to—

(1) establish 2 centers for gifted and talented Indian students at tribally controlled community colleges in accordance with this section; and

(2) support demonstration projects described in subsection (c).

(b) ELIGIBLE ENTITIES.—The Secretary shall make grants, or enter into contracts, for the activities described in subsection (a), to or with—

(1) 2 tribally controlled community colleges that—

(A) are eligible for funding under the Tribally Controlled College or University Assistance Act of 1978; and

(B) are fully accredited; or

(2) if the Secretary does not receive applications that the Secretary determines to be approvable from 2 colleges that meet the requirements of paragraph (1), the American Indian Higher Education Consortium.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Funds made available through the grants made, or contracts entered into, by the Secretary under subsection (b) shall be used for—

(A) the establishment of centers described in subsection (a); and

(B) carrying out demonstration projects designed to—

(i) address the special needs of Indian students in elementary schools and secondary schools who are gifted and talented; and

(ii) provide such support services to the families of the students described in clause (i) as are needed to enable such students to benefit from the projects.

(2) SUBCONTRACTS.—Each recipient of a grant or contract under subsection (b) to carry out a demonstration project under subsection (a) may enter into a contract with any other entity, including the Children's Television Workshop, to carry out the demonstration project.

(3) DEMONSTRATION PROJECTS.—Demonstration projects assisted under subsection (b) may include—

(A) the identification of the special needs of gifted and talented Indian students, particularly at the elementary school level, giving attention to—

(i) identifying the emotional and psychosocial needs of such students; and

(ii) providing such support services to the families of such students as are needed to enable such students to benefit from the project;

(B) the conduct of educational, psychosocial, and developmental activities that the Secretary determines hold a reasonable promise of resulting in substantial progress toward meeting the educational needs of such gifted and talented children, including—

(i) demonstrating and exploring the use of Indian languages and exposure to Indian cultural traditions; and

(ii) carrying out mentoring and apprenticeship programs;

(C) the provision of technical assistance and the coordination of activities at schools that receive grants under subsection (d) with respect to the activities assisted under such grants, the evaluation of programs assisted under such grants, or the dissemination of such evaluations;

(D) the use of public television in meeting the special educational needs of such gifted and talented children;

(E) leadership programs designed to replicate programs for such children throughout the United States, including disseminating information derived from the demonstration projects conducted under subsection (a); and

(F) appropriate research, evaluation, and related activities pertaining to the needs of such children and to the provision of such support services to the families of such children as are needed to enable such children to benefit from the project.

(4) APPLICATION.—Each entity desiring a grant or contract under subsection (b) shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

(d) ADDITIONAL GRANTS.—

(1) IN GENERAL.—The Secretary, in consultation with the Secretary of the Interior, shall award 5 grants to schools funded by the Bureau of Indian Affairs (referred to individually in this section as a "Bureau school") for program research and development and the development and dissemination of curriculum and teacher training material, regarding—

(A) gifted and talented students;

(B) college preparatory studies (including programs for Indian students with an interest in pursuing teaching careers);

(C) students with special culturally related academic needs, including students with social, lingual, and cultural needs; or

(D) mathematics and science education.

(2) APPLICATIONS.—Each Bureau school desiring a grant to conduct 1 or more of the activities described in paragraph (1) shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

(3) SPECIAL RULE.—Each application described in paragraph (2) shall be developed, and each grant under this subsection shall be administered, jointly by the supervisor of the Bureau school and the local educational agency serving such school.

(4) REQUIREMENTS.—In awarding grants under paragraph (1), the Secretary shall achieve a mixture of the programs described in paragraph (1) that ensures that Indian students at all grade levels and in all geographic areas of the United States are able to participate in a program assisted under this subsection.

(5) GRANT PERIOD.—Subject to the availability of appropriations, a grant awarded under paragraph (1) shall be awarded for a 3-year period and may be renewed by the Secretary for ad-

ditional 3-year periods if the Secretary determines that the performance of the grant recipient has been satisfactory.

(6) DISSEMINATION.—

(A) COOPERATIVE EFFORTS.—The dissemination of any materials developed from activities assisted under paragraph (1) shall be carried out in cooperation with entities that receive funds pursuant to subsection (b).

(B) REPORT.—The Secretary shall prepare and submit to the Secretary of the Interior and to Congress a report concerning any results from activities described in this subsection.

(7) EVALUATION COSTS.—

(A) DIVISION.—The costs of evaluating any activities assisted under paragraph (1) shall be divided between the Bureau schools conducting such activities and the recipients of grants or contracts under subsection (b) who conduct demonstration projects under subsection (a).

(B) GRANTS AND CONTRACTS.—If no funds are provided under subsection (b) for—

(i) the evaluation of activities assisted under paragraph (1);

(ii) technical assistance and coordination with respect to such activities; or

(iii) the dissemination of the evaluations referred to in clause (i),

the Secretary shall make such grants, or enter into such contracts, as are necessary to provide for the evaluations, technical assistance, and coordination of such activities, and the dissemination of the evaluations.

(e) INFORMATION NETWORK.—The Secretary shall encourage each recipient of a grant or contract under this section to work cooperatively as part of a national network to ensure that the information developed by the grant or contract recipient is readily available to the entire educational community.

SEC. 9125. GRANTS TO TRIBES FOR EDUCATION ADMINISTRATIVE PLANNING AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary may make grants to Indian tribes, and tribal organizations approved by Indian tribes, to plan and develop a centralized tribal administrative entity to—

(1) coordinate all education programs operated by the tribe or within the territorial jurisdiction of the tribe;

(2) develop education codes for schools within the territorial jurisdiction of the tribe;

(3) provide support services and technical assistance to schools serving children of the tribe; and

(4) perform child-find screening services for the preschool-aged children of the tribe to—

(A) ensure placement in appropriate educational facilities; and

(B) coordinate the provision of any needed special services for conditions such as disabilities and English language skill deficiencies.

(b) PERIOD OF GRANT.—Each grant awarded under this section may be awarded for a period of not more than 3 years. Such grant

may be renewed upon the termination of the initial period of the grant if the grant recipient demonstrates to the satisfaction of the Secretary that renewing the grant for an additional 3-year period is necessary to carry out the objectives of the grant described in subsection (c)(2)(A).

(c) APPLICATION FOR GRANT.—

(1) IN GENERAL.—Each Indian tribe and tribal organization desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, containing such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

(2) CONTENTS.—Each application described in paragraph (1) shall contain—

(A) a statement describing the activities to be conducted, and the objectives to be achieved, under the grant; and

(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and for determining whether such objectives are achieved.

(3) APPROVAL.—The Secretary may approve an application submitted by a tribe or tribal organization pursuant to this section only if the Secretary is satisfied that such application, including any documentation submitted with the application—

(A) demonstrates that the applicant has consulted with other education entities, if any, within the territorial jurisdiction of the applicant who will be affected by the activities to be conducted under the grant;

(B) provides for consultation with such other education entities in the operation and evaluation of the activities conducted under the grant; and

(C) demonstrates that there will be adequate resources provided under this section or from other sources to complete the activities for which assistance is sought, except that the availability of such other resources shall not be a basis for disapproval of such application.

(d) RESTRICTION.—A tribe may not receive funds under this section if such tribe receives funds under section 1144 of the Education Amendments of 1978.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Education to carry out this section $3,000,000 for each of fiscal years 2001 through 2005.

Subpart 3—Special Programs Relating to Adult Education for Indians

SEC. 9131. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR ADULT INDIANS.

(a) IN GENERAL.—The Secretary shall make grants to State and local educational agencies and to Indian tribes, institutions, and organizations—

(1) to support planning, pilot, and demonstration projects that are designed to test and demonstrate the effectiveness of programs for improving employment and educational opportunities for adult Indians;

(2) to assist in the establishment and operation of programs that are designed to stimulate—

(A) the provision of basic literacy opportunities for all nonliterate Indian adults; and

(B) the provision of opportunities to all Indian adults to qualify for a secondary school diploma, or its recognized equivalent, in the shortest period of time feasible;

(3) to support a major research and development program to develop more innovative and effective techniques for achieving literacy and secondary school equivalency for Indians;

(4) to provide for basic surveys and evaluations to define accurately the extent of the problems of illiteracy and lack of secondary school completion among Indians; and

(5) to encourage the dissemination of information and materials relating to, and the evaluation of, the effectiveness of education programs that may offer educational opportunities to Indian adults.

(b) EDUCATIONAL SERVICES.—The Secretary may make grants to Indian tribes, institutions, and organizations to develop and establish educational services and programs specifically designed to improve educational opportunities for Indian adults.

(c) INFORMATION AND EVALUATION.—The Secretary may make grants to, and enter into contracts with, public agencies and institutions and Indian tribes, institutions, and organizations, for—

(1) the dissemination of information concerning educational programs, services, and resources available to Indian adults, including evaluations of the programs, services, and resources; and

(2) the evaluation of federally assisted programs in which Indian adults may participate to determine the effectiveness of the programs in achieving the purposes of the programs with respect to Indian adults.

(d) APPLICATIONS.—

(1) IN GENERAL.—Each entity desiring a grant or contract under this section shall submit to the Secretary an application at such time, in such manner, containing such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

(2) CONTENTS.—Each application described in paragraph (1) shall contain—

(A) a statement describing the activities to be conducted and the objectives to be achieved under the grant or contract; and

(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and determining whether the objectives of the grant or contract are achieved.

(3) APPROVAL.—The Secretary shall not approve an application described in paragraph (1) unless the Secretary determines that such application, including any documentation submitted with the application, indicates that—

(A) there has been adequate participation, by the individuals to be served and the appropriate tribal communities,

in the planning and development of the activities to be assisted; and

(B) the individuals and tribal communities referred to in subparagraph (A) will participate in the operation and evaluation of the activities to be assisted.

(4) PRIORITY.—In approving applications under paragraph (1), the Secretary shall give priority to applications from Indian educational agencies, organizations, and institutions.

(e) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds made available to an entity through a grant or contract made or entered into under this subpart for a fiscal year may be used to pay for administrative costs.

Subpart 4—National Research Activities

SEC. 9141. NATIONAL ACTIVITIES.

(a) AUTHORIZED ACTIVITIES.—The Secretary may use funds made available under section 9162(b) for each fiscal year to—

(1) conduct research related to effective approaches for the education of Indian children and adults;

(2) evaluate federally assisted education programs from which Indian children and adults may benefit;

(3) collect and analyze data on the educational status and needs of Indians; and

(4) carry out other activities that are consistent with the purpose of this part.

(b) ELIGIBILITY.—The Secretary may carry out any of the activities described in subsection (a) directly or through grants to, or contracts or cooperative agreements with, Indian tribes, Indian organizations, State educational agencies, local educational agencies, institutions of higher education, including Indian institutions of higher education, and other public and private agencies and institutions.

(c) COORDINATION.—Research activities supported under this section—

(1) shall be carried out in consultation with the Office of Educational Research and Improvement to assure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

(2) may include collaborative research activities that are jointly funded and carried out by the Office of Indian Education and the Office of Educational Research and Improvement.

(d) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds made available to an entity through a grant, contract, or agreement made or entered into under this subpart for a fiscal year may be used to pay for administrative costs.

Subpart 5—Federal Administration

SEC. 9151. NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION.

(a) MEMBERSHIP.—There is established a National Advisory Council on Indian Education (referred to in this section as the "Council"), which shall—

(1) consist of 15 Indian members, who shall be appointed by the President from lists of nominees furnished, from time to time, by Indian tribes and Indian organizations; and

(2) represent different geographic areas of the United States.

(b) DUTIES.—The Council shall—

(1) advise the Secretary concerning the funding and administration (including the development of regulations and administrative policies and practices) of any program, including any program established under this part—

(A) with respect to which the Secretary has jurisdiction; and

(B)(i) that includes Indian children or adults as participants; or

(ii) that may benefit Indian children or adults;

(2) make recommendations to the Secretary for filling the position of Director of Indian Education whenever a vacancy occurs; and

(3) prepare and submit to Congress, not later than June 30 of each year, a report on the activities of the Council, including—

(A) any recommendations that the Council considers to be appropriate for the improvement of Federal education programs that include Indian children or adults as participants, or that may benefit Indian children or adults; and

(B) recommendations concerning the funding of any program described in subparagraph (A).

SEC. 9152. PEER REVIEW.

The Secretary may use a peer review process to review applications submitted to the Secretary under subpart 2, 3, or 4.

SEC. 9153. PREFERENCE FOR INDIAN APPLICANTS.

In making grants and entering into contracts or cooperative agreements under subpart 2, 3, or 4, the Secretary shall give a preference to Indian tribes, organizations, and institutions of higher education under any program with respect to which Indian tribes, organizations, and institutions are eligible to apply for grants, contracts, or cooperative agreements.

SEC. 9154. MINIMUM GRANT CRITERIA.

The Secretary may not approve an application for a grant, contract, or cooperative agreement under subpart 2 or 3 unless the application is for a grant, contract, or cooperative agreement that is—

(1) of sufficient size, scope, and quality to achieve the purpose or objectives of such grant, contract, or cooperative agreement; and

(2) based on relevant research findings.

Subpart 6—Definitions; Authorizations of Appropriations

SEC. 9161. DEFINITIONS.

In this part:

(1) ADULT.—The term "adult" means an individual who—

(A) has attained age 16; or

(B) has attained an age that is greater than the age of compulsory school attendance under an applicable State law.

(2) FREE PUBLIC EDUCATION.—The term "free public education" means education that is—

(A) provided at public expense, under public supervision and direction, and without tuition charge; and

(B) provided as elementary or secondary education in the applicable State or to preschool children.

(3) INDIAN.—The term "Indian" means an individual who is—

(A) a member of an Indian tribe or band, as membership is defined by the tribe or band, including—

(i) any tribe or band terminated since 1940; and

(ii) any tribe or band recognized by the State in which the tribe or band resides;

(B) a descendant, in the first or second degree, of an individual described in subparagraph (A);

(C) an individual who is considered by the Secretary of the Interior to be an Indian for any purpose;

(D) an Eskimo, Aleut, or other Alaska Native (as defined in section 9306); or

(E) a member of an organized Indian group that received a grant under the Indian Education Act of 1988 as in effect the day preceding the date of enactment of the "Improving America's Schools Act of 1994" (108 Stat. 3518).

SEC. 9162. AUTHORIZATIONS OF APPROPRIATIONS.

(a) SUBPART 1.—There are authorized to be appropriated to the Secretary of Education to carry out subpart 1 $62,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(b) SUBPARTS 2 THROUGH 4.—There are authorized to be appropriated to the Secretary of Education to carry out subparts 2, 3, and 4 $4,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

PART B—NATIVE HAWAIIAN EDUCATION

SEC. 9201. SHORT TITLE.

This part may be cited as the "Native Hawaiian Education Act".

SEC. 9202. FINDINGS.

Congress finds the following:

(1) Native Hawaiians are a distinct and unique indigenous people with a historical continuity to the original inhabitants of the Hawaiian archipelago, whose society was organized as a

nation and internationally recognized as a nation by the United States, Britain, France, and Japan, as evidenced by treaties governing friendship, commerce, and navigation.

(2) At the time of the arrival of the first non-indigenous people in Hawai'i in 1778, the Native Hawaiian people lived in a highly organized, self-sufficient subsistence social system based on a communal land tenure system with a sophisticated language, culture, and religion.

(3) A unified monarchal government of the Hawaiian Islands was established in 1810 under Kamehameha I, the first King of Hawai'i.

(4) From 1826 until 1893, the United States recognized the sovereignty and independence of the Kingdom of Hawai'i, which was established in 1810 under Kamehameha I, extended full and complete diplomatic recognition to the Kingdom of Hawai'i, and entered into treaties and conventions with the Kingdom of Hawai'i to govern friendship, commerce and navigation in 1826, 1842, 1849, 1875, and 1887.

(5) In 1893, the sovereign, independent, internationally recognized, and indigenous government of Hawai'i, the Kingdom of Hawai'i, was overthrown by a small group of non-Hawaiians, including United States citizens, who were assisted in their efforts by the United States Minister, a United States naval representative, and armed naval forces of the United States. Because of the participation of United States agents and citizens in the overthrow of the Kingdom of Hawai'i, in 1993 the United States apologized to Native Hawaiians for the overthrow and the deprivation of the rights of Native Hawaiians to self-determination through Public Law 103–150 (107 Stat. 1510).

(6) In 1898, the joint resolution entitled "Joint Resolution to provide for annexing the Hawaiian Islands to the United States", approved July 7, 1898 (30 Stat. 750), ceded absolute title of all lands held by the Republic of Hawai'i, including the government and crown lands of the former Kingdom of Hawai'i, to the United States, but mandated that revenue generated from the lands be used "solely for the benefit of the inhabitants of the Hawaiian Islands for educational and other public purposes".

(7) By 1919, the Native Hawaiian population had declined from an estimated 1,000,000 in 1778 to an alarming 22,600, and in recognition of this severe decline, Congress enacted the Hawaiian Homes Commission Act, 1920 (42 Stat. 108), which designated approximately 200,000 acres of ceded public lands for homesteading by Native Hawaiians.

(8) Through the enactment of the Hawaiian Homes Commission Act, 1920, Congress affirmed the special relationship between the United States and the Native Hawaiians, which was described by then Secretary of the Interior Franklin K. Lane, who said: "One thing that impressed me . . . was the fact that the natives of the island who are our wards, I should say, and for whom in a sense we are trustees, are falling off rapidly in numbers and many of them are in poverty."

(9) In 1938, Congress again acknowledged the unique status of the Hawaiian people by including in the Act of June 20, 1938 (52 Stat. 781, chapter 530; 16 U.S.C. 391b, 391b–1, 392b, 392c,

396, 396a), a provision to lease lands within the National Parks extension to Native Hawaiians and to permit fishing in the area "only by native Hawaiian residents of said area or of adjacent villages and by visitors under their guidance."

(10) Under the Act entitled "An Act to provide for the admission of the State of Hawai'i into the Union", approved March 18, 1959 (73 Stat. 4), the United States transferred responsibility for the administration of the Hawaiian Home Lands to the State of Hawai'i but reaffirmed the trust relationship between the United States and the Hawaiian people by retaining the exclusive power to enforce the trust, including the power to approve land exchanges and amendments to such Act affecting the rights of beneficiaries under such Act.

(11) In 1959, under the Act entitled "An Act to provide for the admission of the State of Hawai'i into the Union", the United States also ceded to the State of Hawai'i title to the public lands formerly held by the United States, but mandated that such lands be held by the State "in public trust" and reaffirmed the special relationship that existed between the United States and the Hawaiian people by retaining the legal responsibility to enforce the public trust responsibility of the State of Hawai'i for the betterment of the conditions of Native Hawaiians, as defined in section 201(a) of the Hawaiian Homes Commission Act, 1920.

(12) The United States has recognized and reaffirmed that—

(A) Native Hawaiians have a cultural, historic, and land-based link to the indigenous people who exercised sovereignty over the Hawaiian Islands, and that group has never relinquished its claims to sovereignty or its sovereign lands;

(B) Congress does not extend services to Native Hawaiians because of their race, but because of their unique status as the indigenous people of a once sovereign nation as to whom the United States has established a trust relationship;

(C) Congress has also delegated broad authority to administer a portion of the Federal trust responsibility to the State of Hawai'i;

(D) the political status of Native Hawaiians is comparable to that of American Indians and Alaska Natives; and

(E) the aboriginal, indigenous people of the United States have—

(i) a continuing right to autonomy in their internal affairs; and

(ii) an ongoing right of self-determination and self-governance that has never been extinguished.

(13) The political relationship between the United States and the Native Hawaiian people has been recognized and reaffirmed by the United States, as evidenced by the inclusion of Native Hawaiians in—

(A) the Native American Programs Act of 1974 (42 U.S.C. 2991 et seq.);

(B) the American Indian Religious Freedom Act (42 U.S.C. 1996);

(C) the National Museum of the American Indian Act (20 U.S.C. 80q et seq.);

(D) the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001 et seq.);

(E) the National Historic Preservation Act (16 U.S.C. 470 et seq.);

(F) the Native American Languages Act (25 U.S.C. 2901 et seq.);

(G) the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4401 et seq.);

(H) the Job Training Partnership Act (29 U.S.C. 1501 et seq.) and the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.); and

(I) the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.).

(14) In 1981, Congress instructed the Office of Education to submit to Congress a comprehensive report on Native Hawaiian education. The report, entitled the "Native Hawaiian Educational Assessment Project", was released in 1983 and documented that Native Hawaiians scored below parity with regard to national norms on standardized achievement tests, were disproportionately represented in many negative social and physical statistics indicative of special educational needs, and had educational needs that were related to their unique cultural situation, such as different learning styles and low self-image.

(15) In recognition of the educational needs of Native Hawaiians, in 1988, Congress enacted title IV of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (102 Stat. 130) to authorize and develop supplemental educational programs to address the unique conditions of Native Hawaiians.

(16) In 1993, the Kamehameha Schools Bishop Estate released a 10-year update of findings of the Native Hawaiian Educational Assessment Project, which found that despite the successes of the programs established under title IV of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, many of the same educational needs still existed for Native Hawaiians. Subsequent reports by the Kamehameha Schools Bishop Estate and other organizations have generally confirmed those findings. For example—

(A) educational risk factors continue to start even before birth for many Native Hawaiian children, including—

(i) late or no prenatal care;

(ii) high rates of births by Native Hawaiian women who are unmarried; and

(iii) high rates of births to teenage parents;

(B) Native Hawaiian students continue to begin their school experience lagging behind other students in terms of readiness factors such as vocabulary test scores;

(C) Native Hawaiian students continue to score below national norms on standardized education achievement tests at all grade levels;

(D) both public and private schools continue to show a pattern of lower percentages of Native Hawaiian students in the uppermost achievement levels and in gifted and talented programs;

(E) Native Hawaiian students continue to be overrepresented among students qualifying for special education programs provided to students with learning disabilities, mild mental retardation, emotional impairment, and other such disabilities;

(F) Native Hawaiians continue to be underrepresented in institutions of higher education and among adults who have completed 4 or more years of college;

(G) Native Hawaiians continue to be disproportionately represented in many negative social and physical statistics indicative of special educational needs, as demonstrated by the fact that—

(i) Native Hawaiian students are more likely to be retained in grade level and to be excessively absent in secondary school;

(ii) Native Hawaiian students have the highest rates of drug and alcohol use in the State of Hawai'i; and

(iii) Native Hawaiian children continue to be disproportionately victimized by child abuse and neglect; and

(H) Native Hawaiians now comprise over 23 percent of the students served by the State of Hawai'i Department of Education, and there are and will continue to be geographically rural, isolated areas with a high Native Hawaiian population density.

(17) In the 1998 National Assessment of Educational Progress, Hawaiian fourth-graders ranked 39th among groups of students from 39 States in reading. Given that Hawaiian students rank among the lowest groups of students nationally in reading, and that Native Hawaiian students rank the lowest among Hawaiian students in reading, it is imperative that greater focus be placed on beginning reading and early education and literacy in Hawai'i.

(18) The findings described in paragraphs (16) and (17) are inconsistent with the high rates of literacy and integration of traditional culture and Western education historically achieved by Native Hawaiians through a Hawaiian language-based public school system established in 1840 by Kamehameha III.

(19) Following the overthrow of the Kingdom of Hawai'i in 1893, Hawaiian medium schools were banned. After annexation, throughout the territorial and statehood period of Hawai'i, and until 1986, use of the Hawaiian language as an instructional medium in education in public schools was declared unlawful. The declaration caused incalculable harm to a culture that placed a very high value on the power of language, as exemplified in the traditional saying: "I ka 'olelo no

ke ola; I ka ʻolelo nō ka make. In the language rests life; In the language rests death."

(20) Despite the consequences of over 100 years of nonindigenous influence, the Native Hawaiian people are determined to preserve, develop, and transmit to future generations their ancestral territory and their cultural identity in accordance with their own spiritual and traditional beliefs, customs, practices, language, and social institutions.

(21) The State of Hawaiʻi, in the constitution and statutes of the State of Hawaiʻi—

(A) reaffirms and protects the unique right of the Native Hawaiian people to practice and perpetuate their culture and religious customs, beliefs, practices, and language;

(B) recognizes the traditional language of the Native Hawaiian people as an official language of the State of Hawaiʻi, which may be used as the language of instruction for all subjects and grades in the public school system; and

(C) promotes the study of the Hawaiian culture, language, and history by providing a Hawaiian education program and using community expertise as a suitable and essential means to further the program.

SEC. 9203. PURPOSES.

The purposes of this part are to—

(1) authorize and develop innovative educational programs to assist Native Hawaiians in reaching the National Education Goals;

(2) provide direction and guidance to appropriate Federal, State, and local agencies to focus resources, including resources made available under this part, on Native Hawaiian education, and to provide periodic assessment and data collection;

(3) supplement and expand programs and authorities in the area of education to further the purposes of this title; and

(4) encourage the maximum participation of Native Hawaiians in planning and management of Native Hawaiian education programs.

SEC. 9204. NATIVE HAWAIIAN EDUCATION COUNCIL AND ISLAND COUNCILS.

(a) ESTABLISHMENT OF NATIVE HAWAIIAN EDUCATION COUNCIL.—In order to better effectuate the purposes of this part through the coordination of educational and related services and programs available to Native Hawaiians, including those programs receiving funding under this part, the Secretary is authorized to establish a Native Hawaiian Education Council (referred to in this part as the "Education Council").

(b) COMPOSITION OF EDUCATION COUNCIL.—The Education Council shall consist of not more than 21 members, unless otherwise determined by a majority of the council.

(c) CONDITIONS AND TERMS.—

(1) CONDITIONS.—At least 10 members of the Education Council shall be Native Hawaiian education service providers and 10 members of the Education Council shall be Native Hawaiians or Native Hawaiian education consumers. In addition,

a representative of the State of Hawai'i Office of Hawaiian Affairs shall serve as a member of the Education Council.

(2) APPOINTMENTS.—The members of the Education Council shall be appointed by the Secretary based on recommendations received from the Native Hawaiian community.

(3) TERMS.—Members of the Education Council shall serve for staggered terms of 3 years, except as provided in paragraph (4).

(4) COUNCIL DETERMINATIONS.—Additional conditions and terms relating to membership on the Education Council, including term lengths and term renewals, shall be determined by a majority of the Education Council.

(d) NATIVE HAWAIIAN EDUCATION COUNCIL GRANT.—The Secretary shall make a direct grant to the Education Council in order to enable the Education Council to—

(1) coordinate the educational and related services and programs available to Native Hawaiians, including the programs assisted under this part;

(2) assess the extent to which such services and programs meet the needs of Native Hawaiians, and collect data on the status of Native Hawaiian education;

(3) provide direction and guidance, through the issuance of reports and recommendations, to appropriate Federal, State, and local agencies in order to focus and improve the use of resources, including resources made available under this part, relating to Native Hawaiian education, and serve, where appropriate, in an advisory capacity; and

(4) make direct grants, if such grants enable the Education Council to carry out the duties of the Education Council, as described in paragraphs (1) through (3).

(e) ADDITIONAL DUTIES OF THE EDUCATION COUNCIL.—

(1) IN GENERAL.—The Education Council shall provide copies of any reports and recommendations issued by the Education Council, including any information that the Education Council provides to the Secretary pursuant to subsection (i), to the Secretary, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Indian Affairs of the Senate.

(2) ANNUAL REPORT.—The Education Council shall prepare and submit to the Secretary an annual report on the Education Council's activities.

(3) ISLAND COUNCIL SUPPORT AND ASSISTANCE.—The Education Council shall provide such administrative support and financial assistance to the island councils established pursuant to subsection (f) as the Secretary determines to be appropriate, in a manner that supports the distinct needs of each island council.

(f) ESTABLISHMENT OF ISLAND COUNCILS.—

(1) IN GENERAL.—In order to better effectuate the purposes of this part and to ensure the adequate representation of island and community interests within the Education Council, the Secretary is authorized to facilitate the establishment of Native Hawaiian education island councils (referred to individually in this part as an "island council") for the following islands:

(A) Hawai'i.
(B) Maui.
(C) Moloka'i.
(D) Lana'i.
(E) O'ahu.
(F) Kaua'i.
(G) Ni'ihau.

(2) COMPOSITION OF ISLAND COUNCILS.—Each island council shall consist of parents, students, and other community members who have an interest in the education of Native Hawaiians, and shall be representative of individuals concerned with the educational needs of all age groups, from children in preschool through adults. At least 3/4 of the members of each island council shall be Native Hawaiians.

(g) ADMINISTRATIVE PROVISIONS RELATING TO EDUCATION COUNCIL AND ISLAND COUNCILS.—The Education Council and each island council shall meet at the call of the chairperson of the appropriate council, or upon the request of the majority of the members of the appropriate council, but in any event not less often than 4 times during each calendar year. The provisions of the Federal Advisory Committee Act shall not apply to the Education Council and each island council.

(h) COMPENSATION.—Members of the Education Council and each island council shall not receive any compensation for service on the Education Council and each island council, respectively.

(i) REPORT.—Not later than 4 years after the date of enactment of the Educational Opportunities Act, the Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Indian Affairs of the Senate a report that summarizes the annual reports of the Education Council, describes the allocation and use of funds under this part, and contains recommendations for changes in Federal, State, and local policy to advance the purposes of this part.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $300,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years. Funds appropriated under this subsection shall remain available until expended.

SEC. 9205. PROGRAM AUTHORIZED.

(a) GENERAL AUTHORITY.—

(1) GRANTS AND CONTRACTS.—The Secretary is authorized to make direct grants to, or enter into contracts with—

(A) Native Hawaiian educational organizations;
(B) Native Hawaiian community-based organizations;
(C) public and private nonprofit organizations, agencies, and institutions with experience in developing or operating Native Hawaiian programs or programs of instruction in the Native Hawaiian language; and
(D) consortia of the organizations, agencies, and institutions described in subparagraphs (A) through (C),

to carry out programs that meet the purposes of this part.

(2) PRIORITIES.—In awarding grants or contracts to carry out activities described in paragraph (3), the Secretary shall give

priority to entities proposing projects that are designed to address—

(A) beginning reading and literacy among students in kindergarten through third grade;

(B) the needs of at-risk children and youth;

(C) needs in fields or disciplines in which Native Hawaiians are underemployed; and

(D) the use of the Hawaiian language in instruction.

(3) AUTHORIZED ACTIVITIES.—Activities provided through programs carried out under this part may include—

(A) the development and maintenance of a statewide Native Hawaiian early education and care system to provide a continuum of services for Native Hawaiian children from the prenatal period of the children through age 5;

(B) the operation of family-based education centers that provide such services as—

(i) programs for Native Hawaiian parents and their infants from the prenatal period of the infants through age 3;

(ii) preschool programs for Native Hawaiians; and

(iii) research on, and development and assessment of, family-based, early childhood, and preschool programs for Native Hawaiians;

(C) activities that enhance beginning reading and literacy in either the Hawaiian or the English language among Native Hawaiian students in kindergarten through third grade and assistance in addressing the distinct features of combined English and Hawaiian literacy for Hawaiian speakers in fifth and sixth grade;

(D) activities to meet the special needs of Native Hawaiian students with disabilities, including—

(i) the identification of such students and their needs;

(ii) the provision of support services to the families of those students; and

(iii) other activities consistent with the requirements of the Individuals with Disabilities Education Act;

(E) activities that address the special needs of Native Hawaiian students who are gifted and talented, including—

(i) educational, psychological, and developmental activities designed to assist in the educational progress of those students; and

(ii) activities that involve the parents of those students in a manner designed to assist in the students' educational progress;

(F) the development of academic and vocational curricula to address the needs of Native Hawaiian children and adults, including curriculum materials in the Hawaiian language and mathematics and science curricula that incorporate Native Hawaiian tradition and culture;

(G) professional development activities for educators, including—

(i) the development of programs to prepare prospective teachers to address the unique needs of Native Ha-

waiian students within the context of Native Hawaiian culture, language, and traditions;

(ii) in-service programs to improve the ability of teachers who teach in schools with concentrations of Native Hawaiian students to meet those students' unique needs; and

(iii) the recruitment and preparation of Native Hawaiians, and other individuals who live in communities with a high concentration of Native Hawaiians, to become teachers;

(H) the operation of community-based learning centers that address the needs of Native Hawaiian families and communities through the coordination of public and private programs and services, including—

(i) preschool programs;

(ii) after-school programs; and

(iii) vocational and adult education programs;

(I) activities to enable Native Hawaiians to enter and complete programs of postsecondary education, including—

(i) provision of full or partial scholarships for undergraduate or graduate study that are awarded to students based on their academic promise and financial need, with a priority, at the graduate level, given to students entering professions in which Native Hawaiians are underrepresented;

(ii) family literacy services;

(iii) counseling and support services for students receiving scholarship assistance;

(iv) counseling and guidance for Native Hawaiian secondary students who have the potential to receive scholarships; and

(v) faculty development activities designed to promote the matriculation of Native Hawaiian students;

(J) research and data collection activities to determine the educational status and needs of Native Hawaiian children and adults;

(K) other research and evaluation activities related to programs carried out under this part; and

(L) other activities, consistent with the purposes of this part, to meet the educational needs of Native Hawaiian children and adults.

(4) SPECIAL RULE AND CONDITIONS.—

(A) INSTITUTIONS OUTSIDE HAWAII.—The Secretary shall not establish a policy under this section that prevents a Native Hawaiian student enrolled at a 2- or 4-year degree granting institution of higher education outside of the State of Hawai'i from receiving a fellowship pursuant to paragraph (3)(I).

(B) FELLOWSHIP CONDITIONS.—The Secretary shall establish conditions for receipt of a fellowship awarded under paragraph (3)(I). The conditions shall require that an individual seeking such a fellowship enter into a contract to provide professional services, either during the fellowship

period or upon completion of a program of postsecondary education, to the Native Hawaiian community.

(b) ADMINISTRATIVE COSTS.—Not more than 5 percent of funds provided to a grant recipient under this section for any fiscal year may be used for administrative purposes.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $23,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years. Funds appropriated under this subsection shall remain available until expended.

SEC. 9206. ADMINISTRATIVE PROVISIONS.

(a) APPLICATION REQUIRED.—No grant may be made under this part, and no contract may be entered into under this part, unless the entity seeking the grant or contract submits an application to the Secretary at such time, in such manner, and containing such information as the Secretary may determine to be necessary to carry out the provisions of this part.

(b) SPECIAL RULE.—Each applicant for a grant or contract under this part shall submit the application for comment to the local educational agency serving students who will participate in the program to be carried out under the grant or contract, and include those comments, if any, with the application to the Secretary.

SEC. 9207. DEFINITIONS.

In this part:

(1) NATIVE HAWAIIAN.—The term "Native Hawaiian" means any individual who is—

(A) a citizen of the United States; and

(B) a descendant of the aboriginal people who, prior to 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawai'i, as evidenced by—

(i) genealogical records;

(ii) Kupuna (elders) or Kama'aina (long-term community residents) verification; or

(iii) certified birth records.

(2) NATIVE HAWAIIAN COMMUNITY-BASED ORGANIZATION.—The term "Native Hawaiian community-based organization" means any organization that is composed primarily of Native Hawaiians from a specific community and that assists in the social, cultural, and educational development of Native Hawaiians in that community.

(3) NATIVE HAWAIIAN EDUCATIONAL ORGANIZATION.—The term "Native Hawaiian educational organization" means a private nonprofit organization that—

(A) serves the interests of Native Hawaiians;

(B) has Native Hawaiians in substantive and policy-making positions within the organization;

(C) incorporates Native Hawaiian perspective, values, language, culture, and traditions into the core function of the organization;

(D) has demonstrated expertise in the education of Native Hawaiian youth; and

(E) has demonstrated expertise in research and program development.

(4) NATIVE HAWAIIAN LANGUAGE.—The term "Native Hawaiian language" means the single Native American language indigenous to the original inhabitants of the State of Hawai'i.

(5) NATIVE HAWAIIAN ORGANIZATION.—The term "Native Hawaiian organization" means a private nonprofit organization that—

(A) serves the interests of Native Hawaiians;

(B) has Native Hawaiians in substantive and policymaking positions within the organizations; and

(C) is recognized by the Governor of Hawai'i for the purpose of planning, conducting, or administering programs (or portions of programs) for the benefit of Native Hawaiians.

(6) OFFICE OF HAWAIIAN AFFAIRS.—The term "Office of Hawaiian Affairs" means the office of Hawaiian Affairs established by the Constitution of the State of Hawai'i.

PART C—ALASKA NATIVE EDUCATION

SEC. 9301. SHORT TITLE.

This part may be cited as the "Alaska Native Educational Equity, Support, and Assistance Act".

SEC. 9302. FINDINGS.

Congress finds the following:

(1) The attainment of educational success is critical to the betterment of the conditions, long-term well-being, and preservation of the culture of Alaska Natives.

(2) It is the policy of the Federal Government to encourage the maximum participation by Alaska Natives in the planning and the management of Alaska Native education programs.

(3) Alaska Native children enter and exit school with serious educational handicaps.

(4) The educational achievement of Alaska Native children is far below national norms. Native performance on standardized tests is low, Native student dropout rates are high, and Natives are significantly underrepresented among holders of baccalaureate degrees in the State of Alaska. As a result, Native students are being denied their opportunity to become full participants in society by grade school and high school educations that are condemning an entire generation to an underclass status and a life of limited choices.

(5) The programs authorized in this title, combined with expanded Head Start, infant learning and early childhood education programs, and parent education programs are essential if educational handicaps are to be overcome.

(6) The sheer magnitude of the geographic barriers to be overcome in delivering educational services in rural Alaska and Alaska villages should be addressed through the development and implementation of innovative, model programs in a variety of areas.

(7) Congress finds that Native children should be afforded the opportunity to begin their formal education on a par with their non-Native peers. The Federal Government should lend support

to efforts developed by and undertaken within the Alaska Native community to improve educational opportunity for all students.

SEC. 9303. PURPOSES.

The purposes of this part are to—

(1) recognize the unique educational needs of Alaska Natives;

(2) authorize the development of supplemental educational programs to benefit Alaska Natives;

(3) supplement programs and authorities in the area of education to further the objectives of this part; and

(4) provide direction and guidance to appropriate Federal, State, and local agencies to focus resources, including resources made available under this part, on meeting the educational needs of Alaska Natives.

SEC. 9304. PROGRAM AUTHORIZED.

(a) GENERAL AUTHORITY.—

(1) GRANTS AND CONTRACTS.—The Secretary is authorized to make grants to, or enter into contracts with, Alaska Native organizations, educational entities with experience in developing or operating Alaska Native programs or programs of instruction conducted in Alaska Native languages, and consortia of such organizations and entities to carry out programs that meet the purposes of this part.

(2) PERMISSIBLE ACTIVITIES.—Activities provided through programs carried out under this part may include—

(A) the development and implementation of plans, methods, and strategies to improve the education of Alaska Natives;

(B) the development of curricula and educational programs that address the educational needs of Alaska Native students, including—

(i) curriculum materials that reflect the cultural diversity or the contributions of Alaska Natives;

(ii) instructional programs that make use of Native Alaskan languages; and

(iii) networks that introduce successful programs, materials, and techniques to urban and rural schools;

(C) professional development activities for educators, including—

(i) programs to prepare teachers to address the cultural diversity and unique needs of Alaska Native students;

(ii) in-service programs to improve the ability of teachers to meet the unique needs of Alaska Native students; and

(iii) recruitment and preparation of teachers who are Alaska Native, reside in communities with high concentrations of Alaska Native students, or are likely to succeed as teachers in isolated, rural communities and engage in cross-cultural instruction in Alaska;

(D) the development and operation of home instruction programs for Alaska Native preschool children, the purpose

of which is to ensure the active involvement of parents in their children's education from the earliest ages;

(E) family literacy services;

(F) the development and operation of student enrichment programs in science and mathematics that—

(i) are designed to prepare Alaska Native students from rural areas, who are preparing to enter secondary school, to excel in science and math; and

(ii) provide appropriate support services to the families of such students that are needed to enable such students to benefit from the programs;

(G) research and data collection activities to determine the educational status and needs of Alaska Native children and adults;

(H) other research and evaluation activities related to programs carried out under this part; and

(I) other activities, consistent with the purposes of this part, to meet the educational needs of Alaska Native children and adults.

(3) HOME INSTRUCTION PROGRAMS.—Home instruction programs for Alaska Native preschool children carried out under paragraph (2)(D) may include—

(A) programs for parents and their infants, from the prenatal period of the infant through age 3;

(B) preschool programs; and

(C) training, education, and support for parents in such areas as reading readiness, observation, story telling, and critical thinking.

(b) ADMINISTRATIVE COSTS.—Not more than 5 percent of funds provided to a grant recipient under this section for any fiscal year may be used for administrative purposes.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $17,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

SEC. 9305. ADMINISTRATIVE PROVISIONS.

(a) APPLICATION REQUIRED.—No grant may be made under this part, and no contract may be entered into under this part, unless the entity seeking the grant or contract submits an application to the Secretary at such time, in such manner, and containing such information as the Secretary may determine to be necessary to carry out the provisions of this part.

(b) APPLICATIONS.—A State educational agency or local educational agency may apply for a grant or contract under this part only as part of a consortium involving an Alaska Native organization. The consortium may include other eligible applicants.

(c) CONSULTATION REQUIRED.—Each applicant for a grant or contract under this part shall provide for ongoing advice from and consultation with representatives of the Alaska Native community.

(d) LOCAL EDUCATIONAL AGENCY COORDINATION.—Each applicant for a grant or contract under this part shall inform each local educational agency serving students who will participate in the program to be carried out under the grant or contract about the application.

SEC. 9306. DEFINITIONS.

In this part:

(1) ALASKA NATIVE.—The term "Alaska Native" has the meaning given the term "Native" in section 3(b) of the Alaska Native Claims Settlement Act.

(2) ALASKA NATIVE ORGANIZATION.—The term "Alaska Native organization" means a federally recognized tribe, consortium of tribes, regional nonprofit Native association, or another organization that—

(A) has or commits to acquire expertise in the education of Alaska Natives; and

(B) has Alaska Natives in substantive and policymaking positions within the organization.

[TITLE X—PROGRAMS OF NATIONAL SIGNIFICANCE]

TITLE X—GENERAL PROVISIONS

[PART A—FUND FOR THE IMPROVEMENT OF EDUCATION

[SEC. 10101. [20 U.S.C. 8001] FUND FOR THE IMPROVEMENT OF EDUCATION.

[(a) FUND AUTHORIZED.—From funds appropriated under subsection (d), the Secretary is authorized to support nationally significant programs and projects to improve the quality of education, assist all students to meet challenging State content standards and challenging State student performance standards, and contribute to achievement of the National Education Goals. The Secretary is authorized to carry out such programs and projects directly or through grants to, or contracts with, State and local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions.

[(b) USES OF FUNDS.—

[(1) IN GENERAL.—Funds under this section may be used for—

[(A) activities that will promote systemic education reform at the State and local levels, such as—

[(i) research and development related to challenging State content and challenging State student performance standards;

[(ii) the development and evaluation of model strategies for—

[(I) assessment of student learning;

[(II) professional development for teachers and administrators;

[(III) parent and community involvement; and

[(IV) other aspects of systemic reform;

[(iii) developing and evaluating strategies for eliminating ability-grouping practices, and developing policies and programs that place all students on a college-preparatory path of study, particularly in academic

fields such as mathematics, science, English, and social studies, including comprehensive inservice programs for teachers and pupil services personnel and academic enrichment programs that supplement regular courses for students;

[(iv) developing and evaluating programs that directly involve parents and family members in the academic progress of their children;

[(v) developing and evaluating strategies for integrating instruction and assessment such that teachers and administrators can focus on what students should know and be able to do at particular grade levels, which instruction shall promote the synthesis of knowledge, encourage the development of problem-solving skills drawing on a vast range of disciplines, and promote the development of higher order thinking by all students; and

[(vi) developing and evaluating strategies for supporting professional development for teachers across all disciplines and for pupil services personnel, guidance counselors, and administrators, including inservice training that improves the skills of pupil services personnel, counselors and administrators for working with students from diverse populations;

[(B) demonstrations at the State and local levels that are designed to yield nationally significant results, including approaches to public school choice and school-based decisionmaking;

[(C) joint activities with other agencies to assist the effort to achieve the National Education Goals, including activities related to improving the transition from pre-school to school and from school to work, as well as activities related to the integration of education and health and social services;

[(D) activities to promote and evaluate counseling and mentoring for students, including intergenerational mentoring;

[(E) activities to promote and evaluate coordinated pupil services programs;

[(F) activities to promote comprehensive health education;

[(G) activities to promote environmental education;

[(H) activities to promote consumer, economic, and personal finance education, such as saving, investing, and entrepreneurial education;

[(I) activities to promote programs to assist students to demonstrate competence in foreign languages;

[(J) studies and evaluation of various education reform strategies and innovations being pursued by the Federal Government, States, and local educational agencies;

[(K) activities to promote metric education;

[(L) the identification and recognition of exemplary schools and programs, such as Blue Ribbon Schools;

[(M) programs designed to promote gender equity in education by evaluating and eliminating gender bias in instruction and educational materials, identifying, and analyzing gender inequities in educational practices, and implementing and evaluating educational policies and practices designed to achieve gender equity;

[(N) programs designed to reduce excessive student mobility, retain students who move within a school district at the same school, educate parents about the effect of mobility on a child's education and encourage parents to participate in school activities;

[(O) experiential-based learning, such as service-learning;

[(P) the development and expansion of public-private partnership programs which extend the learning experience, via computers, beyond the classroom environment into student homes through such programs as the Buddy System Computer Project;

[(Q) other programs and projects that meet the purposes of this section;

[(R) activities to promote child abuse education and prevention programs;

[(S) activities to raise standards and expectations for academic achievement among all students, especially disadvantaged students traditionally underserved in schools;

[(T) activities to provide the academic support, enrichment and motivation to enable all students to reach such standards;

[(U) demonstrations relating to the planning and evaluations of the effectiveness of projects under which local educational agencies or schools contract with private management organizations to reform a school or schools;

[(V) demonstrations that are designed to test whether prenatal and counseling provided to pregnant students may have a positive effect on pregnancy outcomes, with such education and counseling emphasizing the importance of prenatal care, the value of sound diet and nutrition habits, and the harmful effects of smoking, alcohol, and substance abuse on fetal development;

[(W) programs under section 10102;

[(X) programs under section 10103;

[(Y) programs under section 10104; and

[(Z) programs under section 10105;

[(2) ADDITIONAL USES.—The Secretary may also use funds under this section to complete the project periods for direct grants or contracts awarded under the provisions of this Act, the Fund for the Improvement and Reform of Schools and Teaching Act, or title III of the Education for Economic Security Act, as such Acts were in effect on the day preceding the date of the enactment of the Improving America's Schools Act of 1994.

[(3) SPECIAL RULE.—The Secretary shall not make available more than $1,000,000 to carry out paragraph (1)(R), nor more than $1,000,000 to carry out paragraph (1)(V) during the pe-

riod beginning on October 1, 1994, through September 30, 1999.

[(c) AWARDS.—

[(1) IN GENERAL.—The Secretary may—

[(A) make awards under this section on the basis of competitions announced by the Secretary; and

[(B) support meritorious unsolicited proposals.

[(2) SPECIAL RULE.—The Secretary shall ensure that programs, projects, and activities supported under this section are designed so that the effectiveness of such programs, projects, and activities is readily ascertainable.

[(3) PEER REVIEW.—The Secretary shall use a peer review process in reviewing applications for assistance under this section and may use funds appropriated under subsection (d) for the cost of such peer review.

[(d) AUTHORIZATION.—For the purpose of carrying out this section, there are authorized to be appropriated $50,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[SEC. 10102. [20 U.S.C. 8002] ELEMENTARY SCHOOL COUNSELING DEMONSTRATION.

[(a) COUNSELING DEMONSTRATION.—

[(1) IN GENERAL.—The Secretary may award grants under this section to establish or expand elementary school counseling programs.

[(2) PRIORITY.—In awarding grants under this section, the Secretary shall give special consideration to applications describing programs that—

[(A) demonstrate the greatest need for new or additional counseling services among the children in the elementary schools served by the applicant;

[(B) propose the most promising and innovative approaches for initiating or expanding elementary school counseling; and

[(C) show the greatest potential for replication and dissemination.

[(3) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall ensure an equitable geographic distribution among the regions of the United States and among urban, suburban, and rural areas.

[(4) DURATION.—A grant under this section shall be awarded for a period not to exceed three years.

[(5) MAXIMUM GRANT.—A grant under this section shall not exceed $400,000 for any fiscal year.

[(b) APPLICATIONS.—

[(1) IN GENERAL.—Each local educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[(2) CONTENTS.—Each application for a grant under this section shall—

[(A) describe the elementary school population to be targeted by the program, the particular personal, social, emotional, educational, and career development needs of such

population, and the current school counseling resources available for meeting such needs;

[(B) describe the activities, services, and training to be provided by the program and the specific approaches to be used to meet the needs described in subparagraph (A);

[(C) describe the methods to be used to evaluate the outcomes and effectiveness of the program;

[(D) describe the collaborative efforts to be undertaken with institutions of higher education, businesses, labor organizations, community groups, social service agencies, and other public or private entities to enhance the program and promote school-linked services integration;

[(E) describe collaborative efforts with institutions of higher education which specifically seek to enhance or improve graduate programs specializing in the preparation of elementary school counselors, school psychologists, and school social workers;

[(F) document that the applicant has the personnel qualified to develop, implement, and administer the program;

[(G) describe how any diverse cultural populations, if applicable, would be served through the program;

[(H) assure that the funds made available under this part for any fiscal year will be used to supplement and, to the extent practicable, increase the level of funds that would otherwise be available from non-Federal sources for the program described in the application, and in no case supplant such funds from non-Federal sources; and

[(I) assure that the applicant will appoint an advisory board composed of parents, school counselors, school psychologists, school social workers, other pupil services personnel, teachers, school administrators, and community leaders to advise the local educational agency on the design and implementation of the program.

[(c) USE OF FUNDS.—

[(1) IN GENERAL.—Grant funds under this section shall be used to initiate or expand elementary school counseling programs that comply with the requirements in paragraph (2).

[(2) PROGRAM REQUIREMENTS.—Each program assisted under this section shall—

[(A) be comprehensive in addressing the personal, social, emotional, and educational needs of all students;

[(B) use a developmental, preventive approach to counseling;

[(C) increase the range, availability, quantity, and quality of counseling services in the elementary schools of the local educational agency;

[(D) expand counseling services only through qualified school counselors, school psychologists, and school social workers;

[(E) use innovative approaches to increase children's understanding of peer and family relationships, work and self, decisionmaking, academic and career planning, or to improve social functioning;

[(F) provide counseling services that are well-balanced among classroom group and small group counseling, individual counseling, and consultation with parents, teachers, administrators, and other pupil services personnel;

[(G) include inservice training for school counselors, school social workers, school psychologists, other pupil services personnel, teachers, and instructional staff;

[(H) involve parents of participating students in the design, implementation, and evaluation of a counseling program;

[(I) involve collaborative efforts with institutions of higher education, businesses, labor organizations, community groups, social service agencies, or other public or private entities to enhance the program and promote school-linked services integration; and

[(J) evaluate annually the effectiveness and outcomes of the counseling services and activities assisted under this section.

[(3) REPORT.—The Secretary shall issue a report evaluating the programs assisted pursuant to each grant under this subsection at the end of each grant period in accordance with section 14701, but in no case later than January 30, 1998.

[(4) DISSEMINATION.—The Secretary shall make the programs assisted under this section available for dissemination, either through the National Diffusion Network or other appropriate means.

[(5) LIMIT ON ADMINISTRATION.—Not more than five percent of the amounts made available under this section in any fiscal year shall be used for administrative costs to carry out this section.

[(d) DEFINITIONS.—For purposes of this section—

[(1) the term "school counselor" means an individual who has documented competence in counseling children and adolescents in a school setting and who—

[(A) possesses State licensure or certification granted by an independent professional regulatory authority;

[(B) in the absence of such State licensure or certification, possesses national certification in school counseling or a specialty of counseling granted by an independent professional organization; or

[(C) holds a minimum of a master's degree in school counseling from a program accredited by the Council for Accreditation of Counseling and Related Educational Programs or the equivalent;

[(2) the term "school psychologist" means an individual who—

[(A) possesses a minimum of 60 graduate semester hours in school psychology from an institution of higher education and has completed 1,200 clock hours in a supervised school psychology internship, of which 600 hours shall be in the school setting;

[(B) possesses State licensure or certification in the State in which the individual works; or

[(C) in the absence of such State licensure or certification, possesses national certification by the National School Psychology Certification Board;

[(3) the term "school social worker" means an individual who holds a master's degree in social work and is licensed or certified by the State in which services are provided or holds a school social work specialist credential; and

[(4) the term "supervisor" means an individual who has the equivalent number of years of professional experience in such individual's respective discipline as is required of teaching experience for the supervisor or administrative credential in the State of such individual.

[SEC. 10103. [20 U.S.C. 8003] PARTNERSHIPS IN CHARACTER EDUCATION PILOT PROJECT.

[(a) PROGRAM AUTHORIZED.—

[(1) IN GENERAL.—The Secretary is authorized to make up to a total of ten grants annually to partnerships of State educational agencies and local educational agencies for the design and implementation of character education programs that incorporate the elements of character listed in subsection (d), as well as other character elements identified by applicants.

[(2) MAXIMUM AMOUNT OF GRANT.—No State educational agency shall receive more than a total of $1,000,000 in grants under this part.

[(3) DURATION.—Each grant under this section shall be awarded for a period not to exceed five years, of which the State educational agency shall not use more than one year for planning and program design.

[(b) STATE EDUCATIONAL AGENCY APPLICATIONS.—

[(1) REQUIREMENT.—Each State educational agency desiring a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

[(2) PARTNERSHIPS.—Each State educational agency desiring a grant under this section shall form a partnership with at least one local educational agency to be eligible for funding. The partnership shall pursue State and local initiatives to meet the objectives of this section.

[(3) APPLICATION.—Each application under this section shall include—

[(A) a list of the local educational agencies entering into the partnership with the State educational agency;

[(B) a description of the goals of the partnership;

[(C) a description of activities that will be pursued by the participating local educational agencies, including—

[(i) how parents, students, and other members of the community, including members of private and nonprofit organizations, will be involved in the design and implementation of the program;

[(ii) curriculum and instructional practices;

[(iii) methods of teacher training and parent education that will be used or developed; and

[(iv) examples of activities that will be carried out under this part;

[(D) a description of how the State educational agency will provide technical and professional assistance to its local educational agency partners in the development and implementation of character education programs;

[(E) a description of how the State educational agency will evaluate the success of local programs and how local educational agencies will evaluate the progress of their own programs;

[(F) a description of how the State educational agency will assist other interested local educational agencies that are not members of the original partnership in designing and establishing programs;

[(G) a description of how the State educational agency will establish a clearinghouse for information on model programs, materials, and other information the State and local educational agencies determine to be appropriate;

[(H) an assurance that the State educational agency will annually provide to the Secretary such information as may be required to determine the effectiveness of the program; and

[(I) any other information that the Secretary may require.

[(4) NON-PARTNER LOCAL EDUCATIONAL AGENCIES.—Any local educational agency that was not a partner with the State when the application was submitted may become a partner by submitting an application for partnership to the State educational agency, containing such information that the State educational agency may require.

[(c) EVALUATION AND PROGRAM DEVELOPMENT.—

[(1) REQUIREMENT.—Each State educational agency receiving a grant under this section shall submit to the Secretary a comprehensive evaluation of the program assisted under this part, including the impact on students, teachers, administrators, parents, and others—

[(A) by the mid-term of the program; and

[(B) not later than one year after completion of such program.

[(2) CONTRACTS FOR EVALUATION.—Each State educational agency receiving a grant under this section may contract with outside sources, including institutions of higher education, and private and nonprofit organizations, for purposes of evaluating their program and measuring the success of the program toward fostering in students the elements of character listed in subsection (b).

[(3) FACTORS.—Factors which may be considered in evaluating the success of the program may include—

[(A) discipline problems;

[(B) students' grades;

[(C) participation in extracurricular activities;

[(D) parental and community involvement;

[(E) faculty and administration involvement; and

[(F) student and staff morale.

[(4) MATERIALS AND PROGRAM DEVELOPMENT.—Local educational agencies, after consulting with the State educational

agency, may contract with outside sources, including institutions of higher education, and private and nonprofit organizations, for assistance in developing curriculum, materials, teacher training, and other activities related to character education.

[(d) ELEMENTS OF CHARACTER.—

[(1) IN GENERAL.—Applicants desiring funding under this part shall develop character education programs that incorporate the following elements of character:

[(A) Caring.

[(B) Civic virtue and citizenship.

[(C) Justice and fairness.

[(D) Respect.

[(E) Responsibility.

[(F) Trustworthiness.

[(G) Any other elements deemed appropriate by the members of the partnership.

[(2) ADDITIONAL ELEMENTS OF CHARACTER.—A local educational agency participating under this section may, after consultation with schools and communities of such agency, define additional elements of character that the agency determines to be important to the schools and communities of such agency.

[(e) USE OF FUNDS.—Of the total funds received by a State educational agency in any fiscal year under this section—

[(1) not more than 30 percent of such funds may be retained by the State educational agency, of which—

[(A) not more than 10 percent of such funds may be used for administrative purposes; and

[(B) the remainder of such funds may be used for—

[(i) collaborative initiatives with local educational agencies;

[(ii) the establishment of the clearinghouse, preparation of materials, teacher training; and

[(iii) other appropriate activities; and

[(2) the remaining of such funds shall be used to award subgrants to local educational agencies, of which—

[(A) not more than 10 percent of such funds may be retained for administrative purposes; and

[(B) the remainder of such funds may be used to—

[(i) award subgrants to schools within the local educational agency; and

[(ii) pursue collaborative efforts with the State educational agency.

[(f) SELECTION OF GRANTEES.—

[(1) CRITERIA.—The Secretary shall select, through peer review, partnerships to receive grants under this section on the basis of the quality of the applications submitted under subsection (b), taking into consideration such factors as—

[(A) the quality of the activities proposed by local educational agencies;

[(B) the extent to which the program fosters in students the elements of character;

[(C) the extent of parental, student, and community involvement;

[(D) the number of local educational agencies involved in the effort;

[(E) the quality of the plan for measuring and assessing success; and

[(F) the likelihood that the goals of the program will be realistically achieved.

[(2) DIVERSITY OF PROJECTS.— The Secretary shall approve applications under this section in a manner that ensures, to the extent practicable, that programs assisted under this section—

[(A) serve different areas of the Nation, including urban, suburban, and rural areas; and

[(B) serve schools that serve minorities, Native Americans, students of limited-English proficiency, and disadvantaged students.

[SEC. 10104. [20 U.S.C. 8004] PROMOTING SCHOLAR-ATHLETE COMPETITIONS.

[(a) IN GENERAL.—The Secretary is authorized to award a grant to a nonprofit organization to reimburse such organizations for the costs of conducting scholar-athlete games to be held in 1999.

[(b) PRIORITY.—In awarding the grant under subsection (a), the Secretary shall give priority to a nonprofit organization that—

[(1) is described in section 501(c)(3) of, and exempt from taxation under section 501(a) of, the Internal Revenue Code of 1986, and is affiliated with a university capable of hosting a large educational, cultural, and athletic event that will serve as a national model;

[(2) has the capability and experience in administering federally funded scholar-athlete games;

[(3) has the ability to provide matching funds, on a dollar-for-dollar basis, from foundations and the private sector for the purpose of conducting a scholar-athlete program;

[(4) has the organizational structure and capability to administer a model scholar-athlete program in the summer of 1999;

[(5) has the organizational structure and expertise to replicate the scholar-athlete program in various venues throughout the United States internationally; and

[(6) has plans for conducting scholar-athlete games after 1999 without Federal assistance.

[SEC. 10105. [20 U.S.C. 8005] SMALLER LEARNING COMMUNITIES.

[(a) IN GENERAL.—Each local educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each such application shall describe—

[(1) strategies and methods the applicant will use to create the smaller learning community or communities;

[(2) curriculum and instructional practices, including any particular themes or emphases, to be used in the learning environment;

[(3) the extent of involvement of teachers and other school personnel in investigating, designing, implementing and sustaining the smaller learning community or communities;

[(4) the process to be used for involving students, parents and other stakeholders in the development and implementation of the smaller learning community or communities;

[(5) any cooperation or collaboration among community agencies, organizations, businesses, and others to develop or implement a plan to create the smaller learning community or communities;

[(6) the training and professional development activities that will be offered to teachers and others involved in the activities assisted under this part;

[(7) the goals and objectives of the activities assisted under this part, including a description of how such activities will better enable all students to reach challenging State content standards and State student performance standards;

[(8) the methods by which the applicant will assess progress in meeting such goals and objectives;

[(9) if the smaller learning community or communities exist as a school-within-a-school, the relationship, including governance and administration, of the smaller learning community to the rest of the school;

[(10) a description of the administrative and managerial relationship between the local educational agency and the smaller learning community or communities, including how such agency will demonstrate a commitment to the continuity of the smaller learning community or communities, including the continuity of student and teacher assignment to a particular learning community;

[(11) how the applicant will coordinate or use funds provided under this part with other funds provided under this Act or other Federal laws;

[(12) grade levels or ages of students who will participate in the smaller learning community or communities; and

[(13) the method of placing students in the smaller learning community or communities, such that students are not placed according to ability, performance or any other measure, so that students are placed at random or by their own choice, not pursuant to testing or other judgments.

[(b) AUTHORIZED ACTIVITIES.—Funds under this section may be used—

[(1) to study the feasibility of creating the smaller learning community or communities as well as effective and innovative organizational and instructional strategies that will be used in the smaller learning community or communities;

[(2) to research, develop and implement strategies for creating the smaller learning community or communities, as well as effective and innovative changes in curriculum and instruction, geared to high State content standards and State student performance standards;

[(3) to provide professional development for school staff in innovative teaching methods that challenge and engage stu-

dents to be used in the smaller learning community or communities; and

[(4) to develop and implement strategies to include parents, business representatives, local institutions of higher education, community-based organizations, and other community members in the smaller learning communities, as facilitators of activities that enable teachers to participate in professional development activities, as well as to provide links between students and their community.

[SEC. 10106. [20 U.S.C. 8006] NATIONAL STUDENT AND PARENT MOCK ELECTION.

[(a) IN GENERAL.—The Secretary is authorized to award grants to national nonprofit, nonpartisan organizations that work to promote voter participation in American elections to enable such organizations to carry out voter education activities for students and their parents. Such activities shall—

[(1) be limited to simulated national elections that permit participation by students and parents from all 50 States in the United States; and

[(2) consist of—

[(A) school forums and local cable call-in shows on the national issues to be voted upon in an "issue forum";

[(B) speeches and debates before students and parents by local candidates or stand-ins for such candidates;

[(C) quiz team competitions, mock press conferences and speechwriting competitions;

[(D) weekly meetings to follow the course of the campaign; or

[(E) school and neighborhood campaigns to increase voter turnout, including newsletters, posters, telephone chains, and transportation.

[(b) REQUIREMENT.—Each organization receiving a grant under this section shall present awards to outstanding student and parent mock election projects.

[SEC. 10107. [20 U.S.C. 8007] MODEL PROJECTS.

[(a) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to cultural institutions to enable such institutions to develop and expand model projects of outreach activities for at-risk children in the communities served by such institutions, including activities which integrate such institution's cultural programming with other disciplines, including environmental, mathematics, and science programs.

[(b) PRIORITY.—In awarding grants under this section the Secretary shall give priority to activities that are part of an overall State, local, and private commitment, seek to improve learning for at-risk youth, and are substantially funded by State, local, or private funds.]

[PART E] *PART A*—UNIFORM PROVISIONS

SEC. [14501] *10101.* [20 U.S.C. 8891] MAINTENANCE OF EFFORT.

(a) IN GENERAL.—A local educational agency may receive funds under a covered program for any fiscal year only if the State educational agency finds that either the combined fiscal effort per stu-

dent or the aggregate expenditures of such agency and the State with respect to the provision of free public education by such agency for the preceding fiscal year was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

(b) REDUCTION IN CASE OF FAILURE TO MEET.—

(1) IN GENERAL.—The State educational agency shall reduce the amount of the allocation of funds under a covered program in any fiscal year in the exact proportion to which a local educational agency fails to meet the requirement of subsection (a) by falling below 90 percent of both the combined fiscal effort per student and aggregate expenditures (using the measure most favorable to such local agency).

(2) SPECIAL RULE.—No such lesser amount shall be used for computing the effort required under subsection (a) for subsequent years.

(c) WAIVER.—The Secretary may waive the requirements of this section if the Secretary determines that such a waiver would be equitable due to—

(1) exceptional or uncontrollable circumstances such as a natural disaster; or

(2) a precipitous decline in the financial resources of the local educational agency.

SEC. [14502.] *10102.* [20 U.S.C. 8892] PROHIBITION REGARDING STATE AID.

A State shall not take into consideration payments under this Act (other than under title VIII) in determining the eligibility of any local educational agency in such State for State aid, or the amount of State aid, with respect to free public education of children.

SEC. [14503.] *10103.* [20 U.S.C. 8893] PARTICIPATION BY PRIVATE SCHOOL CHILDREN AND TEACHERS.

(a) PRIVATE SCHOOL PARTICIPATION.—

(1) IN GENERAL.—Except as otherwise provided in this Act, to the extent consistent with the number of eligible children in a State educational agency, local educational agency, or educational service agency or consortium of such agencies receiving financial assistance under a program specified in subsection (b), who are enrolled in private elementary and secondary schools in such agency or consortium, such agency or consortium shall, after timely and meaningful consultation with appropriate private school officials, provide such children and their teachers or other educational personnel, on an equitable basis, special educational services or other benefits under such program.

(2) SECULAR, NEUTRAL, AND NONIDEOLOGICAL SERVICES OR BENEFITS.—Educational services or other benefits, including materials and equipment, provided under this section, shall be secular, neutral, and nonideological.

(3) SPECIAL RULE.—Educational services and other benefits provided under this section for such private school children, teachers, and other educational personnel shall be equitable in comparison to services and other benefits for public school chil-

dren, teachers, and other educational personnel participating in such program.

(4) EXPENDITURES.—Expenditures for educational services and other benefits provided under this section to eligible private school children, their teachers, and other educational personnel serving such children shall be equal, taking into account the number and educational needs of the children to be served, to the expenditures for participating public school children.

(5) PROVISION OF SERVICES.—Such agency or consortium described in subsection (a)(1) may provide such services directly or through contracts with public and private agencies, organizations, and institutions.

(b) APPLICABILITY—

(1) IN GENERAL.—This section applies to the program under—

[(A) part C of title I (migrant education);

[(B) title II (other than section 2103 and part D of such title);

[(C)title VII;

[(D) title III (other than part B of such title) (Star Schools); and

[(E) part A of title IV (other than section 4114).]

(A) part C of title I;

(B) title II;

(C) part A of title IV;

(D) part A of title V; and

(E) title VII.

(2) DEFINITION.—For the purposes of this section, the term "eligible children" means children eligible for services under a program described in paragraph (1).

(c) CONSULTATION.—

(1) IN GENERAL.—To ensure timely and meaningful consultation, a State educational agency, local educational agency, educational service agency or consortium of such agencies shall consult with appropriate private school officials during the design and development of the programs under this Act, on issues such as—

(A) how the children's needs will be identified;

(B) what services will be offered;

(C) how and where the services will be provided; and

(D) how the services will be assessed.

(2) TIMING.—Such consultation shall occur before the agency or consortium makes any decision that affects the opportunities of eligible private school children, teachers, and other educational personnel to participate in programs under this Act.

(3) DISCUSSION REQUIRED.—Such consultation shall include a discussion of service delivery mechanisms that the agency or consortium could use to provide equitable services to eligible private school children, teachers, administrators, and other staff.

(d) PUBLIC CONTROL OF FUNDS.—

(1) IN GENERAL.—The control of funds used to provide services under this section, and title to materials, equipment, and

property purchased with such funds, shall be in a public agency for the uses and purposes provided in this Act, and a public agency shall administer such funds and property.

(2) PROVISION OF SERVICES.—(A) The provision of services under this section shall be provided—

(i) by employees of a public agency; or

(ii) through contract by such public agency with an individual, association, agency, or organization.

(B) In the provision of such services, such employee, person, association, agency, or organization shall be independent of such private school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency.

(C) Funds used to provide services under this section shall not be commingled with non-Federal funds.

SEC. [14504.] *10104.* [20 U.S.C. 8894] STANDARDS FOR BY-PASS.

If, by reason of any provision of law, a State educational agency, local educational agency, educational service agency or consortium of such agencies is prohibited from providing for the participation in programs of children enrolled in, or teachers or other educational personnel from, private elementary and secondary schools, on an equitable basis, of if the Secretary determines that such agency or consortium has substantially failed or is unwilling to provide for such participation, as required by section [14503], *10103*, the Secretary shall—

(1) waive the requirements of that section for such agency or consortium; and

(2) arrange for the provision of equitable services to such children, teachers, or other educational personnel through arrangements that shall be subject to the requirement of this section and of sections [14503, 14505, and 14506] *10103, 10105, and 10106.*

SEC. [14505.] *10105.* [20 U.S.C. 8895] COMPLAINT PROCESS FOR PARTICIPATION OF PRIVATE SCHOOL CHILDREN.

(a) PROCEDURES FOR COMPLAINTS.—The Secretary shall develop and implement written procedures for receiving, investigating, and resolving complaints from parents, teachers, or other individuals and organizations concerning violations of section [14503] *10103* by a State educational agency, local educational agency, educational service agency, or consortium of such agencies. Such individual or organization shall submit such complaint to the State educational agency for a written resolution by the State educational agency within a reasonable period of time.

(b) APPEALS TO THE SECRETARY.—Such resolution may be appealed by an interested party to the Secretary not later than 30 days after the State educational agency resolves the complaint or fails to resolve the complaint within a reasonable period of time. Such appeal shall be accompanied by a copy of the State educational agency's resolution, and a complete statement of the reasons supporting the appeal. The Secretary shall investigate and resolve each such appeal not later than 120 days after receipt of the appeal.

SEC. [14506.] *10106.* [20 U.S.C. 8896] BY-PASS DETERMINATION PROCESS.

(a) REVIEW.—

(1) IN GENERAL.—(A) The Secretary shall not take any final action under section [14504] *10104* until the State educational agency, local educational agency, educational service agency, or consortium of such agencies affected by such action has had an opportunity, for not less than 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary to show cause why that action should not be taken.

(B) Pending final resolution of any investigation or complaint that could result in a determination under this section, the Secretary may withhold from the allocation of the affected State or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of those services.

(2) PETITION FOR REVIEW.—(A) If such failed agency or consortium is dissatisfied with the Secretary's final action after a proceeding under paragraph (1), such agency or consortium may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action.

(B) A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary.

(C) The Secretary upon receipt of the copy of the petition shall file in the court the record of the proceedings on which the Secretary based this action, as provided in section 2112 of title 28, United States Code.

(3) FINDING OF FACT.—(A) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may then make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings.

(B) Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(4) JURISDICTION.—(A) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set such action aside, in whole or in part.

(B) The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(b) DETERMINATION.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines, in consultation with such agency or consortium and representatives of the affected private school children, teachers, or other educational personnel that there will no longer be any failure or inability on the part of such agency or consortium to meet the applicable requirements of section [14503] *10103* or any other provision of this Act.

(c) PAYMENT FROM STATE ALLOTMENT.—When the Secretary arranges for services pursuant to this section, the Secretary shall,

after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allocation or allocations under this Act.

(d) PRIOR DETERMINATION.—Any by-pass determination by the Secretary under this Act as in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994 shall remain in effect to the extent the Secretary determines that such determination is consistent with the purpose of this section.

SEC. [14507.] *10107.* [20 U.S.C. 8897] PROHIBITION AGAINST FUNDS FOR RELIGIOUS WORSHIP OR INSTRUCTION.

Nothing contained in this Act shall be construed to authorize the making of any payment under this Act for religious worship or instruction.

SEC. [14508.] *10108.* [20 U.S.C. 8898] APPLICABILITY TO HOME SCHOOLS.

Nothing in this Act shall be construed to affect home schools.

SEC. [14509.] *10109.* [20 U.S.C. 8899] GENERAL PROVISION REGARDING NONRECIPIENT NONPUBLIC SCHOOLS.

Nothing in this Act shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school, whether or not a home school is treated as a private school or home school under State law. This section shall not be construed to bar private, religious, or home schools from participation in programs or services under this Act.

SEC. [14510.] *10110.* [20 U.S.C. 8900] SCHOOL PRAYER.

Any State or local educational agency that is adjudged by a Federal court of competent jurisdiction to have willfully violated a Federal court order mandating that such local educational agency remedy a violation of the constitutional right of any student with respect to prayer in public schools, in addition to any other judicial remedies, shall be ineligible to receive Federal funds under this Act until such time as the local educational agency complies with such order. Funds that are withheld under this section shall not be reimbursed for the period during which the local educational agency was in willful noncompliance.

SEC. [14511.] *10116.* [20 U.S.C. 8901] GENERAL PROHIBITIONS.

(a) PROHIBITION.—None of the funds authorized under this Act shall be used—

(1) to develop or distribute materials, or operate programs or courses of instruction directed at youth that are designed to promote or encourage, sexual activity, whether homosexual or heterosexual;

(2) to distribute or to aid in the distribution by any organization of legally obscene materials to minors on school grounds;

(3) to provide sex education or HIV prevention education in schools unless such instruction is age appropriate and includes the health benefits of abstinence; or

(4) to operate a program of condom distribution in schools.

(b) LOCAL CONTROL.—Nothing in this section shall be construed to—

(1) authorize an officer or employee of the Federal Government to mandate, direct, review, or control a State, local edu-

cational agency, or schools' instructional content, curriculum, and related activities;

(2) limit the application of the General Education Provisions Act;

(3) require the distribution of scientifically or medically false or inaccurate materials or to prohibit the distribution of scientifically or medically true or accurate materials; or

(4) create any legally enforceable right.

SEC. [14512.] *10112.* [20 U.S.C. 8902] PROHIBITION ON FEDERAL MANDATES, DIRECTION, AND CONTROL.

Nothing in this Act shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's curriculum, program of instruction, or allocation of State or local resources, or mandate a State or any subdivision thereof to spend any funds or incur any costs not paid for under this Act.

SEC. [14513.] *10113.* [20 U.S.C. 8903] REPORT.

The Secretary shall report to the Congress not later than 180 days after the date of enactment of the Improving America's Schools Act of 1994 regarding how the Secretary shall ensure that audits conducted by Department employees of activities assisted under this Act comply with changes to this Act made by the Improving America's Schools Act of 1994, particularly with respect to permitting children with similar educational needs to be served in the same educational settings, where appropriate.

SEC. [14514.] *10114.* [20 U.S.C. 8904] REQUIRED PARTICIPATION PROHIBITED.

Notwithstanding any other provision of law, no State shall be required to participate in any program under the Goals 2000: Educate America Act, or to have content standards or student performance standards approved or certified under such Act, in order to receive assistance under this Act.

SEC. 10115. CONSTRUCTION.

Nothing in this Act shall be construed to prohibit recruiters for the Armed Forces of the United States from receiving the same access to secondary school students, and to directory information concerning such students, as is provided to postsecondary educational institutions or to prospective employers of such students, because all students should have access to high quality continuing education or service opportunities.

SEC. 10116. APPLICABILITY TO BUREAU OF INDIAN AFFAIRS OPERATED SCHOOLS.

For purposes of any competitive program under this Act—

(1) a consortium of schools operated by the Bureau of Indian Affairs;

(2) a school operated under a contract or grant with the Bureau of Indian Affairs in consortium with another contract or grant school, or with a tribal or community organization; or

(3) a Bureau of Indian Affairs school in consortium with an institution of higher education, with a contract or grant school, or with a tribal or community organization,

shall be given the same consideration as a local educational agency.

[PART B—GIFTED AND TALENTED CHILDREN

[SEC. 10201. [20 U.S.C. 8031] SHORT TITLE.

[This part may be cited as the "Jacob K. Javits Gifted and Talented Students Education Act of 1994".

[SEC. 10202. [20 U.S.C. 8032] FINDINGS AND PURPOSES.

[(a) FINDINGS.—The Congress finds and declares that—

[(1) all students can learn to high standards and must develop their talents and realize their potential if the United States is to prosper;

[(2) gifted and talented students are a national resource vital to the future of the Nation and its security and well-being;

[(3) too often schools fail to challenge students to do their best work, and students who are not challenged will not learn to challenging State content standards and challenging State student performance standards, fully develop their talents, and realize their potential;

[(4) unless the special abilities of gifted and talented students are recognized and developed during such students' elementary and secondary school years, much of such students' special potential for contributing to the national interest is likely to be lost;

[(5) gifted and talented students from economically disadvantaged families and areas, and students of limited-English proficiency are at greatest risk of being unrecognized and of not being provided adequate or appropriate educational services;

[(6) State and local educational agencies and private nonprofit schools often lack the necessary specialized resources to plan and implement effective programs for the early identification of gifted and talented students and for the provision of educational services and programs appropriate to their special needs;

[(7) the Federal Government can best carry out the limited but essential role of stimulating research and development and personnel training and providing a national focal point of information and technical assistance that is necessary to ensure that the Nation's schools are able to meet the special educational needs of gifted and talented students, and thereby serve a profound national interest; and

[(8) the experience and knowledge gained in developing and implementing programs for gifted and talented students can and should be used as a basis to—

[(A) develop a rich and challenging curriculum for all students; and

[(B) provide all students with important and challenging subject matter to study and encourage the habits of hard work.

[(b) STATEMENT OF PURPOSE.—It is the purpose of this part—

[(1) to provide financial assistance to State and local educational agencies, institutions of higher education, and other public and private agencies and organizations, to initiate a coordinated program of research, demonstration projects, per-

sonnel training, and similar activities designed to build a nationwide capability in elementary and secondary schools to meet the special educational needs of gifted and talented students;

[(2) to encourage the development of rich and challenging curricula for all students through the appropriate application and adaptation of materials and instructional methods developed under this part; and

[(3) to supplement and make more effective the expenditure of State and local funds, for the education of gifted and talented students.

[SEC. 10203. [20 U.S.C. 8033] CONSTRUCTION.

[Nothing in this part shall be construed to prohibit a recipient of funds under this part from serving gifted and talented students simultaneously with students with similar educational needs, in the same educational setting where appropriate.

[SEC. 10204. [20 U.S.C. 8034] AUTHORIZED PROGRAMS.

[(a) ESTABLISHMENT OF PROGRAM.—

[(1) IN GENERAL.—From the sums appropriated under section 10207 in any fiscal year the Secretary (after consultation with experts in the field of the education of gifted and talented students) shall make grants to or enter into contracts with State educational agencies, local educational agencies, institutions of higher education, or other public agencies and private agencies and organizations (including Indian tribes and Indian organizations (as such terms are defined by the Indian Self-Determination and Education Assistance Act) and Native Hawaiian organizations) to assist such agencies, institutions, and organizations which submit applications in carrying out programs or projects authorized by this part that are designed to meet the educational needs of gifted and talented students, including the training of personnel in the education of gifted and talents students and in the use, where appropriate, of gifted and talented services, materials, and methods for all students.

[(2) APPLICATION.—Each entity desiring assistance under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall describe how—

[(A) the proposed gifted and talented services, materials, and methods can be adapted, if appropriate, for use by all students; and

[(B) the proposed programs can be evaluated.

[(b) USES OF FUNDS.—Programs and projects assisted under this section may include—

[(1) professional development (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented students;

[(2) establishment and operations of model projects, and exemplary programs for serving gifted and talented students, including innovative methods for identifying and educating students who may not be served by traditional gifted and talented programs, summer programs, mentoring programs, service

learning programs, and cooperative programs involving business, industry, and education;

[(3) training of personnel and parents involved in gifted and talented programs with respect to the impact of gender role socialization on the educational needs of gifted and talented children and in gender equitable education methods, techniques and practices;

[(4) implementing innovative strategies, such as cooperative learning, peer tutoring and service learning;

[(5) strengthening the capability of State educational agencies and institutions of higher education to provide leadership and assistance to local educational agencies and nonprofit private schools in the planning, operation, and improvement of programs for the identification and education of gifted and talented students and the appropriate use of gifted and talented programs and methods to serve all students;

[(6) programs of technical assistance and information dissemination, including how gifted and talented programs and methods, where appropriate, may be adapted for use by all students; and

[(7) carrying out—

[(A) research on methods and techniques for identifying and teaching gifted and talented students, and for using gifted and talented programs and methods to serve all students; and

[(B) program evaluations, surveys, and the collection, analysis, and development of information needed to accomplish the purposes of this part.

[(c) ESTABLISHMENT OF NATIONAL CENTER.—

[(1) IN GENERAL.—The Secretary (after consultation with experts in the field of the education of gifted and talented students) shall establish a National Center for Research and Development in the Education of Gifted and Talented Children and Youth through grants to or contracts with one or more institutions of higher education or State educational agency, or a combination or consortium of such institutions and agencies, for the purpose of carrying out activities described in paragraph (7) of subsection (b).

[(2) DIRECTOR.—Such National Center shall have a Director. The Secretary may authorize the Director to carry out such functions of the National Center as may be agreed upon through arrangements with other institutions of higher education, State or local educational agencies, or other public or private agencies and organizations.

[(d) LIMITATION.—Not more than 30 percent of the funds available in any fiscal year to carry out the programs and projects authorized by this section may be used to conduct activities pursuant to subsection (b)(7) or (c).

[(e) COORDINATION.—Research activities supported under this section—

[(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by such Office; and

[(2) may include collaborative research activities which are jointly funded and carried out with such Office.

[SEC. 10205. [20 U.S.C. 8035] PROGRAM PRIORITIES.

[(a) GENERAL PRIORITY.—In the administration of this part the Secretary shall give highest priority—

[(1) to the identification of and the provision of services to gifted and talented students who may not be identified and served through traditional assessment methods (including economically disadvantaged individuals, individuals of limited-English proficiency, and individuals with disabilities); and

[(2) to programs and projects designed to develop or improve the capability of schools in an entire State or region of the Nation through cooperative efforts and participation of State and local educational agencies, institutions of higher education, and other public and private agencies and organizations (including business, industry, and labor), to plan, conduct, and improve programs for the identification of and service to gifted and talented students, such as mentoring and apprenticeship programs.

[(b) SERVICE PRIORITY.—In approving applications for assistance under section 10204(a)(2), the Secretary shall assure that in each fiscal year at least one-half of the applications approved under such section address the priority described in subsection (a)(1).

[SEC. 10206. [20 U.S.C. 8036] GENERAL PROVISIONS.

[(a) PARTICIPATION OF PRIVATE SCHOOL CHILDREN AND TEACHERS.—In making grants and entering into contracts under this part, the Secretary shall ensure, where appropriate, that provision is made for the equitable participation of students and teachers in private nonprofit elementary and secondary schools, including the participation of teachers and other personnel in professional development programs serving such children.

[(b) REVIEW, DISSEMINATION, AND EVALUATION.—The Secretary shall—

[(1) use a peer review process in reviewing applications under this part;

[(2) ensure that information on the activities and results of programs and projects funded under this part is disseminated to appropriate State and local agencies and other appropriate organizations, including nonprofit private organizations; and

[(3) evaluate the effectiveness of programs under this part in accordance with section 14701, both in terms of the impact on students traditionally served in separate gifted and talented programs and on other students, and submit the results of such evaluation to Congress not later than January 1, 1998.

[(c) PROGRAM OPERATIONS.—The Secretary shall ensure that the programs under this part are administered within the Department by a person who has recognized professional qualifications and experience in the field of the education of gifted and talented students and who shall—

[(1) administer the programs authorized by this part;

[(2) coordinate all programs for gifted and talented students administered by the Department.

[(3) serve as a focal point of national leadership and information on the educational needs of gifted and talented students and the availability of educational services and programs designed to meet such needs; and

[(4) assist the Assistant Secretary of the Office of Educational which reflect the needs of gifted and talented students.

[SEC. 10207. [20 U.S.C. 8037] AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $10,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years to carry out the provisions of this part.

[PART C—PUBLIC CHARTER SCHOOLS

[SEC. 10301. [20 U.S.C. 8061] FINDINGS AND PURPOSE.

[(a) FINDINGS.—The Congress finds that—

[(1) enhancement of parent and student choices among public schools can assist in promoting comprehensive educational reform and give more students the opportunity to learn to challenging State content standards and challenging State student performance standards, if sufficiently diverse and high-quality choices, and genuine opportunities to take advantage of such choices, are available to all students;

[(2) useful examples of such choices can come from States and communities that experiment with methods of offering teachers and other educators, parents, and other members of the public the opportunity to design and implement new public schools and to transform existing public schools;

[(3) charter schools are a mechanism for testing a variety of educational approaches and should, therefore, be exempted from restrictive rules and regulations if the leadership of such schools commits to attaining specific and ambitious educational results for educationally disadvantaged students consistent with challenging State content standards and challenging State student performance standards for all students;

[(4) charter schools, as such schools have been implemented in a few States, can embody the necessary mixture of enhanced choice, exemption from restrictive regulations, and a focus on learning gains;

[(5) charter schools, including charter schools that are schools-within-schools, can help reduce school size, which reduction can have a significant effect on student achievement;

[(6) the Federal Government should test, evaluate, and disseminate information on a variety of charter school models in order to help demonstrate the benefits of this promising educational reform; and

[(7) there is a strong documented need for cash-flow assistance to charter schools that are starting up, because State and local operating revenue streams are not immediately available.

[(b) PURPOSE.—It is the purpose of this part to increase national understanding of the charter schools model by—

[(1) providing financial assistance for the planning, program design and initial implementation of charter schools;

[(2) evaluating the effects of such schools including the effects on students, student achievement, staff, and parents; and

[(3) expanding the number of high-quality charter schools available to students across the Nation.

[SEC. 10302. [20 U.S.C. 8062] PROGRAM AUTHORIZED.

[(a) IN GENERAL.—The Secretary may award grants to State educational agencies having applications approved pursuant to section 10303 to enable such agencies to conduct a charter school grant program in accordance with this part.

[(b) SPECIAL RULE.—If a State educational agency elects not to participate in the program authorized by this part or does not have an application approved under section 10303, the Secretary may award a grant to an eligible applicant that serves such State and has an application approved pursuant to section 10303(c).

[(c) PROGRAM PERIODS.—

[(1) GRANTS TO STATES.—Grants awarded to State educational agencies under this part shall be awarded for a period of not more than 3 years.

[(2) GRANTS TO ELIGIBLE APPLICANTS.—Grants awarded by the Secretary to eligible applicants or subgrants awarded by State educational agencies to eligible applicants under this part shall be awarded for a period of not more than 3 years, of which the eligible applicant may use—

[(A) not more than 18 months for planning and program design;

[(B) not more than 2 years for the initial implementation of a charter school; and

[(C) not more than 2 years to carry out dissemination activities described in section 10304(f)(6)(B).

[(d) LIMITATION.—A charter school may not receive—

[(1) more than one grant for activities described in subparagraphs (A) and (B) of subsection (c)(2); or

[(2) more than one grant for activities under subparagraph (C) of subsection (c)(2).

[(e) PRIORITY TREATMENT.—

[(1) IN GENERAL.—

[(A) FISCAL YEARS 1999, 2000, AND 2001.—In awarding grants under this part for any of the fiscal years 1999, 2000, and 2001 from funds appropriated under section 10311 that are in excess of $51,000,000 for the fiscal year, the Secretary shall give priority to States to the extent that the States meet the criteria described in paragraph (A), (B), or (C) of paragraph (3).

[(B) SUCCEEDING FISCAL YEARS.—In awarding grants under this part for fiscal year 2002 or any succeeding fiscal year from any funds appropriated under section 10311, the Secretary shall give priority to States to the extent that the States meet the criteria described in paragraph (2) and one or more of the criteria described in subparagraph (A), (B), or (C) of paragraph (3).

[(2) REVIEW AND EVALUATION PRIORITY CRITERIA.—The criteria referred to in paragraph (1) is that the State provides for periodic review and evaluation by the authorized public chartering agency of each charter school, at least once every 5

years unless required more frequently by State law, to determine whether the charter school is meeting the terms of the schools' charter, and is meeting or exceeding the academic performance requirements and goals for charter schools as set forth under State law or the schools' charter.

[(3) PRIORITY CRITERIA.—The criteria referred to in paragraph (1) are the following:

[(A) The State has demonstrated progress, in increasing the number of high quality charter schools that are held accountable in the terms of the school's charters for meeting clear and measurable objectives for the educational progress of the students attending the schools, in the period prior to the period for which a State educational agency or eligible applicant applies for a grant under this part.

[(B) The State—

[(i) provides for one authorized public chartering agency that is not a local educational agency, such as a State chartering board, for each individual or entity seeking to operate a charter school pursuant to such State law; or

[(ii) in the case of a State in which local educational agencies are the only authorized public chartering agencies, allow for an appeals process for the denial of an application for a charter school.

[(C) The State ensures that each charter school has a high degree of autonomy over the charter school's budgets and expenditures.

[(f) AMOUNT CRITERIA.—In determining the amount of a grant to be awarded under this part to a State educational agency, the Secretary shall take into consideration the number of charter schools that are operating, or are approved to open, in the State.

[SEC. 10303. [20 U.S.C. 8063] APPLICATIONS.

[(a) APPLICATIONS FROM STATE AGENCIES.—Each State educational agency desiring a grant from the Secretary under this part shall submit to the Secretary an application at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

[(b) CONTENTS OF A STATE EDUCATIONAL AGENCY APPLICATION.—Each application submitted pursuant to subsection (a) shall—

[(1) describe the objectives of the State educational agency's charter school grant program and a description of how such objectives will be fulfilled, including steps taken by the State educational agency to inform teachers, parents, and communities of the State educational agency's charter school grant program; and

[(2) describe how the State educational agency—

[(A) will inform each charter school in the State regarding—

[(i) Federal funds that the charter school is eligible to receive; and

[(ii) Federal programs in which the charter school may participate;

[(B) will ensure that each charter school in the State receives the charter school's commensurate share of Federal

education funds that are allocated by formula each year, including during the first year of operation of the charter school; and

[(C) will disseminate best or promising practices of charter schools to each local educational agency in the State; and

[(3) contain assurances that the State educational agency will require each eligible applicant desiring to receive a subgrant to submit an application to the State educational agency containing—

[(A) a description of the educational program to be implemented by the proposed charter school, including—

[(i) how the program will enable all students to meet challenging State student performance standards;

[(ii) the grade levels or ages of children to be served; and

[(iii) the curriculum and instructional practices to be used;

[(B) a description of how the charter school will be managed;

[(C) a description of—

[(i) the objectives of the charter school; and

[(ii) the methods by which the charter school will determine its progress toward achieving those objectives;

[(D) a description of the administrative relationship between the charter school and the authorized public chartering agency;

[(E) a description of how parents and other members of the community will be involved in the planning, program design and implementation of the charter school;

[(F) a description of how the authorized public chartering agency will provide for continued operation of the school once the Federal grant has expired, if such agency determines that the school has met the objectives described in subparagraph (C)(i);

[(G) a request and justification for waivers of any Federal statutory or regulatory provisions that the applicant believes are necessary for the successful operation of the charter school, and a description of any State or local rules, generally applicable to public schools, that will be waived for, or otherwise not apply to, the school;

[(H) a description of how the subgrant funds or grant funds, as appropriate, will be used, including a description of how such funds will be used in conjunction with other Federal programs administered by the Secretary;

[(I) a description of how students in the community will be—

[(i) informed about the charter school; and

[(ii) given an equal opportunity to attend the charter school;

[(J) an assurance that the eligible applicant will annually provide the Secretary and the State educational agen-

cy such information as may be required to determine if the charter school is making satisfactory progress toward achieving the objectives described in subparagraph (C)(i);

[(K) an assurance that the applicant will cooperate with the Secretary and the State educational agency in evaluating the program assisted under this part;

[(L) a description of how a charter school that is considered a local educational agency under State law, or a local educational agency in which a charter school is located, will comply with sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act;

[(M) if the eligible applicant desires to use subgrant funds for dissemination activities under section 10302(c)(2)(C), a description of those activities and how those activities will involve charter schools and other public schools, local educational agencies, developers, and potential developers; and

[(N) such other information and assurances as the Secretary and the State educational agency may require.

[(c) CONTENTS OF ELIGIBLE APPLICANT APPLICATION.—Each eligible applicant desiring a grant pursuant to section 10302(b) shall submit an application to the State educational agency or Secretary, respectively, at such time, in such manner, and accompanied by such information as the State educational agency or Secretary, respectively, may reasonably require.

[(d) CONTENTS OF APPLICATION.—Each application submitted pursuant to subsection (c) shall contain—

[(1) the information and assurances described in subparagraphs (A) through (N) of subsection (b)(3), except that for purposes of this subsection subparagraphs (J), (K), and (N) of such subsection shall be applied by striking "and the State educational agency" each place such term appears; and

[(2) assurances that the State educaiton agency—

[(A) will grant, or will obtain waivers of State statutory or regulatory requirements; and

[(B) will assist each subgrantee in the State in receiving a waiver under section 10304(e).

[SEC. 10304. [20 U.S.C. 8064] ADMINISTRATION.

[(a) SELECTION CRITERIA FOR STATE EDUCATIONAL AGENCIES.—The Secretary shall award grants to State educational agencies under this part on the basis of the quality of the applications submitted under section 10303(b), after taking into consideration such factors as—

[(1) the contribution that the charter schools grant program will make to assisting educationally disadvantaged and other students to achieving State content standards and State student performance standards and, in general, a State's education improvement plan;

[(2) the degree of flexibility afforded by the State educational agency to charter schools under the State's charter schools law;

[(3) the ambitiousness of the objectives for the State charter school grant program;

[(4) the quality of the strategy for assessing achievement of those objectives;

[(5) the likelihood that the charter school grant program will meet those objectives and improve educational results for students;

[(6) the number of high quality charter schools created under this part in the State; and

[(7) in the case of State educational agencies that propose to use grant funds to support dissemination activities under section 10302(c)(2)(C), the quality of those activities and the likelihood that those activities will improve student achievement.

[(b) SELECTION CRITERIA FOR ELIGIBLE APPLICANTS.—The Secretary shall award grants to eligible applicants under this part on the basis of the quality of the applications submitted under section 10303(c), after taking into consideration such factors as—

[(1) the quality of the proposed curriculum and instructional practices;

[(2) the degree of flexibility afforded by the State educational agency and, if applicable, the local educational agency to the charter school;

[(3) the extent of community support for the application;

[(4) the ambitiousness of the objectives for the charter school;

[(5) the quality of the strategy for assessing achievement of those objectives;

[(6) the likelihood that the charter school will meet those objectives and improve educational results for students; and

[(7) in the case of an eligible applicant that proposes to use grant funds to support dissemination activities under section 10302(c)(2)(C), the quality of those activities and the likelihood that those activities will improve student achievement.

[(c) PEER REVIEW.—The Secretary, and each State educational agency receiving a grant under this part, shall use a peer review process to review applications for assistance under this part.

[(d) DIVERSITY OF PROJECTS.—The Secretary and each State educational agency receiving a grant under this part, shall award subgrants under this part in a manner that, to the extent possible, ensures that such grants and subgrants—

[(1) are distributed throughout different areas of the Nation and each State, including urban and rural areas; and

[(2) will assist charter schools representing a variety of educational approaches, such as approaches designed to reduce school size.

[(e) WAIVERS.—The Secretary may waive any statutory or regulatory requirement over which the Secretary exercises administration authority except any such requirement relating to the elements of a charter school described in section 10310(1), if—

[(1) the waiver is requested in an approved application under this part; and

[(2) the Secretary determines that granting such a waiver will promote the purpose of this part.

[(f) USE OF FUNDS.—

[(1) STATE EDUCATIONAL AGENCIES.—Each State educational agency receiving a grant under this part shall use such grant funds to award subgrants to one or more eligible applicants in the State to enable such applicant to plan and implement a

charter school in accordance with this part, except that the State educational agency may reserve not more than 10 percent of the grant funds to support dissemination activities described in paragraph (6).

[(2) ELIGIBLE APPLICANTS.—Each eligible applicant receiving funds from the Secretary or a State educational agency shall use such funds to plan and implement a charter school, or to disseminate information about the charter school and successful practices in the charter school, in accordance with this part.

[(3) ALLOWABLE ACTIVITIES.—An eligible applicant receiving a grant or subgrant under this part may use the grant or subgrant funds only for—

[(A) post-award planning and design of the educational program, which may include—

[(i) refinement of the desired educational results and of the methods for measuring progress toward achieving those results; and

[(ii) professional development of teachers and other staff who will work in the charter school; and

[(B) initial implementation of the charter school, which may include—

[(i) informing the community about the school;

[(ii) acquiring necessary equipment and educational materials and supplies;

[(iv) other initial operational costs that cannot be met from State or local sources.

[(4) ADMINISTRATIVE EXPENSES.—Each State educational agency receiving a grant pursuant to this part may reserve not more than 5 percent of such grant funds for administrative expenses associated with the charter school grant program assisted under this part.

[(5) REVOLVING LOAN FUNDS.—Each State educational agency receiving a grant pursuant to this part may reserve not more than 10 percent of the grant amount for the establishment of a revolving loan fund. Such fund may be used to make loans to eligible applicants that have received a subgrant under this part, under such terms as may be determined by the State educational agency, for the initial operation of the charter school grant program of such recipient until such time as the recipient begins receiving ongoing operational support from State or local financing sources.

[(6) DISSEMINATION.—

[(A) IN GENERAL.—A charter school may apply for funds under this part, whether or not the charter school has applied for or received funds under this part for planning, program design, or implementation, to carry out the activities described in subparagraph (B) if the charter school has been in operation for at least 3 consecutive years and has demonstrated overall success, including—

[(i) substantial progress in improving student achievement;

[(ii) high levels of parent satisfaction; and

[(iii) the management and leadership necessary to overcome initial start-up problems and establish a thriving, financially viable charter school.

[(B) ACTIVITIES.—A charter school described in subparagraph (A) may use funds reserved under paragraph (1) to assist other schools in adapting the charter school's program (or certain aspects of the charter school's program), or to disseminate information about the charter school, through such activities as—

[(i) assisting other individuals with the planning and start-up of one or more new public schools, including charter schools, that are independent of the assisting charter school and the assisting charter school's developers, and that agree to be held to at least as high a level of accountability as the assisting charter school;

[(ii) developing partnerships with other public schools, including charter schools, designed to improve student performance in each of the schools participating in the partnership;

[(iii) developing curriculum materials, assessments, and other materials that promote increased student achievement and are based on successful practices within the assisting charter school; and

[(iv) conducting evaluations and developing materials that document the successful practices of the assisting charter school and that are designed to improve student performance in other schools.

[(g) TRIBALLY CONTROLLED SCHOOLS.—Each State that receives a grant under this part and designates a tribally controlled school as a charter school shall not consider payments to a school under the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2507) in determining—

[(1) the eligibility of the school to receive any other Federal, State, or local aid; or

[(2) the amount of such aid.

[SEC. 10305. [20 U.S.C. 8065] NATIONAL ACTIVITIES.

[(a) IN GENERAL.—The Secretary shall reserve for each fiscal year the greater of 5 percent or $5,000,000 of the amount appropriated to carry out this part, except that in no fiscal year shall the total amount so reserved exceed $8,000,000, to carry out the following activities:

[(1) To provide charter schools, either directly or through State educational agencies, with—

[(A) information regarding—

[(i) Federal funds that charter schools are eligible to receive; and

[(ii) other Federal programs in which charter schools may participate; and

[(B) assistance in applying for Federal education funds that are allocated by formula, including assistance with filing deadlines and submission of applications.

[(2) To provide for the completion of the 4-year national study (which began in 1995) of charter schools.

[(3) To provide for other evaluations or studies that include the evaluation of the impact of charter schools on student achievement, including information regarding—

[(A) students attending charter schools reported on the basis of race, age, disability, gender, limited English proficiency, and previous enrollment in public school; and

[(B) the professional qualifications of teachers within a charter school and the turnover of the teaching force.

[(4) To provide—

[(A) information to applicants for assistance under this part;

[(B) assistance to applicants for assistance under this part with the preparation of applications under section 10303;

[(C) assistance in the planning and startup of charter schools;

[(D) training and technical assistance to existing charter schools; and

[(E) for the dissemination to other public schools of best or promising practices in charter schools.

[(5) To provide (including through the use of one or more contracts that use a competitive bidding process) for the collection of information regarding the financial resources available to charter schools, including access to private capital, and to widely disseminate to charter schools any such relevant information and model descriptions of successful programs.

[(b) CONSTRUCTION.—Nothing in this section shall be construed to require charter schools to collect any data described in subsection (a).

[SEC. 10306. [20 U.S.C. 8065a] FEDERAL FORMULA ALLOCATION DURING FIRST YEAR AND FOR SUCCESSIVE ENROLLMENT EXPANSIONS.

[(a) IN GENERAL.—For purposes of the allocation to schools by the States or their agencies of funds under part A of title I, and any other Federal funds which the Secretary allocates to States on a formula basis, the Secretary and each State educational agency shall take such measures not later than 6 months after the date of the enactment of the Charter School Expansion Act of 1998 as are necessary to ensure that every charter school receives the Federal funding for which the charter school is eligible not later than 5 months after the charter school first opens, notwithstanding the fact that the identity and characteristics of the students enrolling in that charter school are not fully and completely determined until that charter school actually opens. The measures similarly shall ensure that every charter school expanding its enrollment in any subsequent year of operation receives the Federal funding for which the charter school is eligible not later than 5 months after such expansion.

[(b) ADJUSTMENT AND LATE OPENINGS.—

[(1) IN GENERAL.—The measures described in subsection (a) shall include provision for appropriate adjustments, through recovery of funds or reduction of payments for the succeeding year, in cases where payments made to a charter school on the basis of estimated or projected enrollment data exceed the

amounts that the school is eligible to receive on the basis of actual or final enrollment data.

[(2) RULE.—For charter schools that first open after November 1 of any academic year, the State, in accordance with guidance provided by the Secretary and applicable Federal statutes and regulations, shall ensure that such charter schools that are eligible for the funds described in subsection (a) for such academic year have a full and fair opportunity to receive those funds during the charter schools' first year of operation.

[SEC. 10307. [20 U.S.C. 8065b] SOLICITATION OF INPUT FROM CHARTER SCHOOL OPERATORS.

[To the extent practicable, the Secretary shall ensure that administrators, teachers, and other individuals directly involved in the operation of charter schools are consulted in the development of any rules or regulations required to implement this part, as well as in the development of any rules or regulations relevant to charter schools that are required to implement part A of title I, the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), or any other program administered by the Secretary that provides education funds to charter schools or regulates the activities of charter schools.

[SEC. 10308. [20 U.S.C. 8065c] RECORDS TRANSFER.

[State educational agencies and local educational agencies, to the extent practicable, shall ensure that a student's records and, if applicable, a student's individualized education program as defined in section 602(11) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(11)), are transferred to a charter school upon the transfer of the student to the charter school, and to another public school upon the transfer of the student from a charter school to another public school, in accordance with applicable State law.

[SEC. 10309. [20 U.S.C. 8065d] PAPERWORK REDUCTION.

[To the extent practicable, the Secretary and each authorized public chartering agency shall ensure that implementation of this part results in a minimum of paperwork for any eligible applicant or charter school.

[SEC. 10310. [20 U.S.C. 8066] DEFINITIONS.

[As used in this part:

[(1) The term "charter school" means a public school that—

[(A) in accordance with a specific State statute authorizing the granting of charters to schools[1], is exempted from significant State or local rules that inhibit the flexible operation and management of public schools, but not from any rules relating to the other requirements of this paragraph;

[(B) is created by a developer as a public school, or is adapted by a developer from an existing public school, and is operated under public supervision and direction;

[(C) operates in pursuit of a specific set of educational objectives determined by the school's developer and agreed to by the authorized public chartering agency;

[(D) provides a program of elementary or secondary education, or both;

[(E) is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

[(F) does not charge tuition;

[(G) complies with the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and part B of the Individuals with Disabilities Education Act;

[(H) is a school to which parents choose to send their children, and that admits students on the basis of a lottery, if more students apply for admission than can be accommodated;

[(I) agrees to comply with the same Federal and State audit requirements as do other elementary and secondary schools in the State, unless such requirements are specifically waived for the purpose of this program;

[(J) meets all applicable Federal, State, and local health and safety requirements;

[(K) operates in accordance with State law; and

[(L) has a written performance contract with the authorized public chartering agency in the State that includes a description of how student performance will be measured in charter schools pursuant to State assessments that are required of other schools and pursuant to any other assessments mutually agreeable to the authorized public chartering agency and the charter school.

[(2) The term "developer" means an individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out.

[(3) The term "eligible applicant" means an authorized public chartering agency participating in a partnership with a developer to establish a charter school in accordance with this part.

[(4) The term "authorized public chartering agency" means a State educational agency, local educational agency, or other public entity that has the authority pursuant to State law and approved by the Secretary to authorize or approve a charter school.

[SEC. 10311. [20 U.S.C. 8067] AUTHORIZATION OF APPROPRIATIONS.

[For the purpose of carrying out this part, there are authorized to be appropriated $100,000,000 for fiscal year 1999 and such sums as may be necessary for each of the four succeeding fiscal years.

[PART D—ARTS IN EDUCATION

[Subpart 1—Arts Education

[SEC. 10401. [20 U.S.C. 8091] SUPPORT FOR ARTS EDUCATION.

[(a) FINDINGS.—The Congress finds that—

[(1) the arts are forms of understanding and ways of knowing that are fundamentally important to education;

[(2) the arts are important to excellent education and to effective school reform;

[(3) the most significant contribution of the arts to education reform is the transformation of teaching and learning;

[(4) such transformation is best realized in the context of comprehensive, systemic education reform;

[(5) demonstrated competency in the arts for American students is among the National Education Goals;

[(6) participation in performing arts activities has proven to be an effective strategy for promoting the inclusion of persons with disabilities in mainstream settings;

[(7) opportunities in the arts have enabled persons of all ages with disabilities to participate more fully in school and community activities;

[(8) the arts can motivate at-risk students to stay in school and become active participants in the educational process; and

[(9) arts education should be an integral part of the elementary and secondary school curriculum.

[(b) PURPOSES.—The purposes of this subject are to—

[(1) support systemic education reform by strengthening arts education as an integral part of the elementary and secondary school curriculum;

[(2) help ensure that all students have the opportunity to learn to challenging State content standards and challenging State student performance standards in the arts; and

[(3) support the national effort to enable all students to demonstrate competence in the arts in accordance with the National Education Goals.

[(c) ELIGIBLE RECIPIENTS.—In order to carry out the purposes of this subpart, the Secretary is authorized to award grants to, or enter into contracts or cooperative agreements with—

[(1) State educational agencies;

[(2) local educational agencies;

[(3) institutions of higher education;

[(4) museums and other cultural institutions; and

[(5) other public and private agencies, institutions, and organizations.

[(d) AUTHORIZED ACTIVITIES.—Funds under this subpart may be used for—

[(1) research on arts education;

[(2) the development of, and dissemination of information about, model arts education programs;

[(3) the development of model arts education assessments based on high standards;

[(4) the development and implementation of curriculum frameworks for arts education;

[(5) the development of model preservice and inservice professional development programs for arts educators and other instructional staff;

[(6) supporting collaborative activities with other Federal agencies or institutions involved in arts education, such as the National Endowment for the Arts, the Institute of Museum and Library Services, the John F. Kennedy Center for the Per-

forming Arts, Very Special Arts, and the National Gallery of Art;

[(7) supporting model projects and programs in the performing arts for children and youth through arrangements made with the John F. Kennedy Center for the Performing Arts;

[(8) supporting model projects and programs by Very Special Arts which assure the participation in mainstream settings in arts and education programs of individuals with disabilities;

[(9) supporting model projects and programs to integrate arts education into the regular elementary and secondary school curriculum; and

[(10) other activities that further the purposes of this subpart.

[(e) COORDINATION.—

[(1) IN GENERAL.—A recipient of funds under this subpart shall, to the extent possible, coordinate projects assisted under this subpart with appropriate activities of public and private cultural agencies, institutions, and organizations, including museums, arts education associations, libraries, and theaters.

[(2) SPECIAL RULE.—In carrying out this subpart, the Secretary shall coordinate with the National Endowment for the Arts, the Institute of Museum and Library Services, the John F. Kennedy Center for the Performing Arts, Very Special Arts, and the National Gallery of Art.

[(f) AUTHORIZATION.—

[(1) IN GENERAL.—For the purpose of carrying out this subpart, there are authorized to be appropriated $11,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(2) SPECIAL RULE.—If the amount appropriated under paragraph (1) for any fiscal year is $9,000,000 or less, then such amount shall only be available to carry out the activities described in paragraphs (7) and (8) of subsection (d).

[Subpart 2—Cultural Partnerships for At-Risk Children and Youth

[SEC. 10411. [20 U.S.C. 8101] FINDINGS AND PURPOSE.

[(a) FINDINGS.—The Congress finds:

[(1) With local school budget cuts there are inadequate arts and cultural programs available for children and youth in schools, especially at the elementary school level.

[(2) The arts promote progress in academic subjects as shown by research conducted by the National Endowment for the Arts.

[(3) Children and youth who receive instruction in the arts and humanities, or who are involved in cultural activities, remain in school longer and are more successful than children who do not receive such instruction.

[(4) Learning in the arts and humanities promotes progress in other academic subjects, and generates positive self-esteem and a greater sense of accomplishment in young people.

[(5) School-university and school-cultural institution partnerships that upgrade teacher training in the arts and humanities have significantly contributed to improved instruction and achievement levels of school-aged children.

[(6) Museum outreach, cultural activities and informal education for at-risk children and youth have contributed significantly to the educational achievement and enhanced interest in learning of at-risk children and youth.

[(7) The Goals 2000: Educate America Act, other legislation and local, State and national resources support the integration of the arts and humanities into the regular curriculum and school day for all children.

[(8) While all children benefit from instruction in the arts and the humanities, at-risk children and youth have a special, additional need for arts and cultural programs both in school and after school.

[(b) PURPOSE.—The purpose of this subpart is to make demonstration grants to eligible entities to improve the educational performance and future potential of at-risk children and youth by providing comprehensive and coordinated educational and cultural services.

[SEC. 10412. [20 U.S.C. 8102] PROGRAM AUTHORIZED.

[(a) IN GENERAL.—The Secretary is authorized to award grants to eligible entities to pay the Federal share of the costs of the activities described in section 10413.

[(b) SPECIAL REQUIREMENTS.—

[(1) IN GENERAL.—The Secretary shall award grants under this subpart only to programs designed to—

[(A) promote and enhance educational and cultural activities;

[(B) provide multi-year services to at-risk children and youth and to integrate community cultural resources into in-school and after-school educational programs;

[(C) provide integration of community cultural resources into the regular curriculum and school day;

[(D) focus school and cultural resources in the community on coordinated cultural services to address the needs of at-risk children and youth;

[(E) provide effective cultural programs to facilitate the transition from preschool programs to elementary school programs, including programs under the Head Start Act and part H of the Individuals with Disabilities Education Act;

[(F) facilitate school-to-work transition from secondary schools and alternative schools to job training, higher education and employment through educational programs and activities that utilize school resources;

[(G) increase parental and community involvement in the educational, social, and cultural development of at-risk children and youth; or

[(H)(i) develop programs and strategies that provide high-quality coordinated educational and cultural services; and

[(ii) provide a model to replicate such services in other schools and communities.

[(2) PARTNERSHIP.—An interagency partnership comprised of the Secretary of Education, the Chairman of the National Endowment for the Humanities, the Chairman of the National Endowment for the Arts, and the Director of the Institute of Museum and Library Services, or their designees, shall establish criteria and procedures for awarding grants, including the establishment of panels to review the applications, and shall administer the grants program authorized by this section. The Secretary shall publish such criteria and procedures in the Federal Register.

[(3) COORDINATION.—Grants may only be awarded under this subpart to eligible entities that agree to coordinate activities carried out under other Federal, State, and local grants, received by the members of the partnership for purposes and target populations described in this subpart, into an integrated service delivery system located at a school, cultural, or other community-based site accessible to and utilized by at-risk youth.

[(4) ELIGIBLE ENTITIES.—For purposes of this subpart, the term "eligible entity" means a partnership between—

[(A) a local educational agency or an individual school that is eligible to participate in a schoolwide program under section 1114; and

[(B) at least one institution of higher education, museum, local arts agency, or cultural entity that is accessible to individuals within the school district of such local educational agency or school, and that has a history of providing quality services to the community, which may include—

[(i) nonprofit institutions of higher education, museums, libraries, performing, presenting and exhibiting arts organizations, literary arts organizations, State and local arts organizations, cultural institutions, and zoological and botanical organizations; or

[(ii) private for-profit entities with a history of training children and youth in the arts.

[(5) GEOGRAPHIC DISTRIBUTION.—In awarding grants under this subpart the Secretary, to the extent feasible, shall ensure an equitable geographic distribution of such grants.

[(6) DURATION.—Grants made under this subpart may be renewable for a maximum of five years if the Secretary determines that the eligible recipient has made satisfactory progress toward the achievement of the program objectives described in the application.

[(7) MODELS.—The Secretary, in consultation with the Chairman of the National Endowment for the Humanities, the Chairman of the National Endowment for the Arts and the director of the Institute of Museum and Library Services, or their designees, shall submit successful models under this title to the National Diffusion Network for review.

[(c) TARGET POPULATION.—To be eligible for a grant under this subpart, an eligible entity shall serve—

[(1) students enrolled in schools participating in a schoolwide program under section 1114 and the families of such students to the extent practicable;

[(2) our-of-school children and youth at risk of disadvantages resulting from teenage parenting substance abuse, recent migration, disability, limited-English proficiency, illiteracy, being the child of a teenage parent, living in a single parent household, or dropping out of school; or

[(3) any combination of in-school and out-of-school at-risk children and youth.

[SEC. 10413. [U.S.C. 8103] AUTHORIZED ACTIVITIES.

[(a) IN GENERAL.—Grants awarded under this subpart may be used—

[(1) to plan, develop, acquire, expand, and improve school-based or community-based coordinated educational and cultural programs to strengthen the educational performance and future potential of in-school or out-of-school at-risk children and youth through grants, cooperative agreements, contracts for services, or administrative coordination;

[(2) to provide at-risk students with integrated cultural activities designed to develop a love of learning that fosters the smooth transition of preschool children to elementary school;

[(3) to design collaborative cultural activities for students in secondary or alternative schools that ensure the smooth transition to job training, higher education, or full employment;

[(4) to provide child care for children of at-risk students who would not otherwise be able to participate in the program;

[(5) to provide transportation necessary for participation in the program;

[(6) to work with existing school personnel to develop curriculum materials and programs in the arts;

[(7) to work with existing school personnel on staff development activities that encourage the integration of the arts into the curriculum;

[(8) for stipends that allow local artists to work with educational at-risk children and youth in schools;

[(9) for training individuals who are not trained to work with children and youth;

[(10) for cultural programs that encourage the active participation of parents in the education of their children;

[(11) for programs that use the arts and culture to reform current school practices, including lengthening the school day or academic year;

[(12) for equipment or supplies that the Secretary determines appropriate; and

[(13) for evaluation, administration, and supervision.

[(b) PLANNING GRANTS.—

[(1) APPLICATION.—An eligible entity may submit an application to the Secretary for a planning grant for an amount not to exceed $50,000. Such grants shall be for periods of not more than one year.

[(2) LIMIT ON PLANNING GRANTS.—Not more than 10 percent of the amounts appropriated in each fiscal year under this subpart shall be used for grants under this subsection, and an eli-

gible entity may receive not more than one such planning grant.

[(c) GENERAL PROVISIONS.—

[(1) IN GENERAL.—Each eligible entity desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

[(A) describe the cultural entity or entities that will participate in the partnership;

[(B) describe the target population to be served;

[(C) describe the services to be provided;

[(D) describe a plan for evaluating the success of the program;

[(E) in the case of each local educational agency or school participating in the eligible recipient partnership, describe how the activities assisted under this subpart will be perpetuated beyond the duration of the grant;

[(F) describe the manner in which the eligible entity will improve the educational achievement or future potential of at-risk youth through more effective coordination of cultural services in the community;

[(G) describe the overall and operational goals of the program;

[(H) describe the nature and location of all planned sites where services will be delivered and a description of services which will be provided at each site; and

[(I) describe training that will be provided to individuals who are not trained to work with children and youth, and how teachers will be involved.

[SEC. 10414. [20 U.S.C. 8104] PAYMENTS; AMOUNTS OF AWARD; COST SHARE; LIMITATIONS.

[(a) PAYMENTS.—

[(1) IN GENERAL.—The Secretary shall pay to each eligible recipient having an application approved under section 10413(c) the Federal share of the cost of the activities described in the application.

[(2) SPECIAL RULE.—(A) Grants awarded under this subpart shall be of sufficient size, scope, and quality to be effective.

[(B) The Secretary shall award grants under this subpart so as to ensure nonduplication of services provided by grant recipients and services provided by—

[(i) the National Endowment for the Humanities;

[(ii) the National Endowment for the Arts; and

[(iii) the Institute of Museum and Library Services.

[(b) COST SHARE.—

[(1) FEDERAL SHARE.—The Federal share of a grant under this subpart shall be 80 percent of the cost of carrying out the activities described in the application.

[(2) NON-FEDERAL SHARE.—The non-Federal share of a grant under this subpart shall be 20 percent of the cost of carrying out the activities described in the application and may be in

cash or in kind, fairly evaluated, including the provision of equipment, services, or facilities.

[(c) LIMITATIONS.—

[(1) NONINSTRUCTIONAL SERVICES.—Not more than 25 percent of the grant funds provided in any fiscal year under this subpart may be used for noninstructional activities such as the activities described in paragraphs (4), (5), and (12) of section 10413(a).

[(2) SUPPLEMENT AND NOT SUPPLANT.—Grant funds awarded under this part shall be used to supplement not supplant the amount of funds made available from non-Federal sources, for the activities assisted under this subpart, in amounts that exceed the amounts expended for such activities in the year preceding the year for which the grant is awarded.

[(3) ADMINISTRATIVE COSTS.—(A) The Secretary may reserve not more than five percent of the grant funds received under this subpart in each fiscal year for the costs of administration.

[(B) Each eligible recipient may reserve not more than 5 percent of any grant funds received under this subpart in each fiscal year for the costs of administration.

[SEC. 10415. [20 U.S.C. 8105] AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this subpart, $45,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years.

[PART E—INEXPENSIVE BOOK DISTRIBUTION PROGRAM

[SEC. 10501. [20 U.S.C. 8131] INEXPENSIVE BOOK DISTRIBUTION PROGRAM FOR READING MOTIVATION.

[(a) AUTHORIZATION.—The Secretary is authorized to enter into a contract with Reading is Fundamental (RIF) (hereafter in this section referred to as "the contractor") to support and promote programs, which include the distribution of inexpensive books to students, that motivate children to read.

[(b) REQUIREMENTS OF CONTRACT.—Any contract entered into under subsection (a) shall—

[(1) provide that the contractor will enter into subcontracts with local private nonprofit groups or organizations, or with public agencies, under which each subcontractor will agree to establish, operate, and provide the non-Federal share of the cost of reading motivation programs that include the distribution of books, by gift, to the extent feasible, or loan, to children from birth through secondary school age, including those in family literacy programs;

[(2) provide that funds made available to subcontractors will be used only to pay the Federal share of the cost of such programs;

[(3) provide that in selecting subcontractors for initial funding, the contractor will give priority to programs that will serve a substantial number or percentage of children with special needs, such as—

[(A) low-income children, particularly in high-poverty areas;

[(B) children at risk of school failure;

[(C) children with disabilities;

[(D) foster children;

[(E) homeless children;

[(F) migrant children;

[(G) children without access to libraries;

[(H) institutionalized or incarcerated children; and

[(I) children whose parents are institutionalized or incarcerated;

[(4) provide that the contractor will provide such technical assistance to subcontractors as may be necessary to carry out the purpose of this section;

[(5) provide that the contractor will annually report to the Secretary the number of, and describe, programs funded under paragraph (3); and

[(6) include such other terms and conditions as the Secretary determines to be appropriate to ensure the effectiveness of such programs.

[(c) RESTRICTION ON PAYMENTS.—The Secretary shall make no payment of the Federal share of the cost of acquiring and distributing books under any contact under this section unless the Secretary determines that the contractor or subcontractor, as the case may be, has made arrangements with book publishers or distributors to obtain books at discounts at least as favorable as discounts that are customarily given by such publisher or distributor for book purchases made under similar circumstances in the absence of Federal assistance.

[(d) DEFINITION OF "FEDERAL SHARE".—For the purpose of this section, the term "Federal share" means, with respect to the cost to a subcontractor of purchasing books to be paid under this section, 75 percent of such costs to the subcontractor, except that the Federal share for programs serving children of migrant or seasonal farmworkers shall be 100 percent of such costs to the subcontractor.

[(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $10,300,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.]

PART B—EVALUATIONS

SEC. 10201. EVALUATIONS.

(a) EVALUATIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary is authorized to reserve not more than 0.50 percent of the amount appropriated to carry out each program authorized under this Act—

(A) to carry out comprehensive evaluations of categorical programs and demonstration projects, and studies of program effectiveness, under this Act, and the administrative impact of such programs on schools and local educational agencies in accordance with subsection (b);

(B) to evaluate the aggregate short- and long-term effects and cost efficiencies across Federal programs under this Act; and

(C) to strengthen the usefulness of grant recipient evaluations for continuous program progress through improving the quality, timeliness, efficiency, and utilization of program information on program performance.

(2) SPECIAL RULE.—

(A) APPLICABILITY.—Paragraph (1) shall not apply to any program under title I.

(B) SPECIAL RULE.—If funds are made available under any program assisted under this Act (other than a program under title I) for evaluation activities, then the Secretary shall reserve no additional funds pursuant to the authority in paragraph (1) to evaluate such program, but shall coordinate the evaluation of such program with the national evaluation described in subsection (b).

(b) NATIONAL EVALUATIONS.—

(1) IN GENERAL.—The Secretary shall use the funds made available under subsection (a)—

(A) to carry out independent studies of categorical and demonstration programs under this Act and the administrative impact of such programs on schools and local educational agencies, that are coordinated with research supported through the Office of Educational Research and Improvement, using rigorous methodological designs and techniques, including longitudinal designs, control groups, and random assignment, as appropriate, to determine—

(i) the success of such programs in meeting the measurable goals and objectives, through appropriate targeting, quality services, and efficient administration, and in contributing to achieving America's Education Goals, with a priority on assessing program impact on student performance;

(ii) the short- and long-term effects of program participation on program participants, as appropriate;

(iii) the cost and efficiency of such programs;

(iv) to the extent feasible, the cost of serving all students eligible to be served under such programs;

(v) specific intervention strategies and implementation of such strategies that, based on theory, research and evaluation, offer the promise of improved achievement of program objectives;

(vi) promising means of identifying and disseminating effective management and educational practices;

(vii) the effect of such programs on school and local educational agencies' administrative responsibilities and structure, including the use of local and State resources, with particular attention to schools and agencies serving a high concentration of disadvantaged students;

(viii) the effect of Federal categorical programs at the elementary and secondary levels on the proliferation of State categorical education aid programs and regula-

tions, including an evaluation of the State regulations that are developed in response to Federal education laws; and

(ix) the effect of such programs on school reform efforts;

(B) to carry out a study of the waivers granted under section 6601, which study shall include—

(i) data on the total number of waiver requests that were granted and the total number of such requests that were denied, disaggregated by the statutory or regulatory requirement for which the waivers were requested; and

(ii) an analysis of the effect of waivers on categorical program requirements and other flexibility provisions in this Act on improvement in educational achievement of participating students and on school and local educational agency administrative responsibilities, structure, and resources based on an appropriate sample of State educational agencies, local educational agencies, schools, and tribes receiving waivers;

(C) to carry out a study of the waivers under section 1114 to support schoolwide programs which shall include—

(i) the extent to which schoolwide programs are meeting the intent and purposes of any program for which provisions were waived; and

(ii) the extent to which the needs of all students are being served by such programs particularly students who would be eligible for assistance under any provisions waived; and

(D) to provide for a study, conducted by the National Academy of Sciences, regarding the relationship between time and learning, which shall include—

(i) an analysis of the impact of increasing education time on student achievement;

(ii) an analysis of how schools, teachers, and students use time and the quality of instructional activities;

(iii) an analysis of how time outside of school may be used to enhance student learning; and

(iv) cost estimates for increasing time in school.

(2) INDEPENDENT PANEL.—The Secretary shall appoint an independent panel to review the plan for the evaluation described in paragraph (1), to advise the Secretary on such evaluation's progress, and to comment, if the panel so wishes, on the final report described in paragraph (3).

(3) REPORT.—The Secretary shall submit a final report on the evaluation described in this subsection by January 1, 2004, to the Committee on Education and the Workforce of the House of Representatives and to the Committee on Health, Education, Labor, and Pensions of the Senate.

(c) RECIPIENT EVALUATION AND QUALITY ASSURANCE IMPROVEMENT.—The Secretary is authorized to provide guidance, technical assistance, and model programs to recipients of assistance under this Act to strengthen information for quality assurance and per-

formance information feedback at State and local levels. Such guidance and assistance shall promote the development, measurement and reporting of valid, reliable, timely and consistent performance indicators within a program in order to promote continuous program improvement. Nothing in this subsection shall be construed to establish a national data system.

PART C—AMERICA'S EDUCATION GOALS

SEC. 10301. AMERICA'S EDUCATION GOALS.

America's Education Goals are as follows:

(1) SCHOOL READINESS.—

(A) GOAL.—All children in America will start school ready to learn.

(B) OBJECTIVES.—The objectives for this goal are that—

(i) all children will have access to high-quality and developmentally appropriate preschool programs that help prepare children for school;

(ii) every parent in the United States will be a child's first teacher and devote time each day to helping such parent's pre-school child learn, and parents will have access to the training and support parents need; and

(iii) children will receive the nutrition, physical activity experiences, and health care needed to arrive at school with healthy minds and bodies, and to maintain the mental alertness necessary to be prepared to learn, and the number of low-birthweight babies will be significantly reduced through enhanced prenatal health systems.

(2) SCHOOL COMPLETION.—

(A) GOAL.—The high school graduation rate will increase to at least 90 percent.

(B) OBJECTIVES.—The objectives for this goal are that—

(i) the Nation must dramatically reduce its school dropout rate, and 75 percent of the students who do drop out will successfully complete a high school degree or its equivalent; and

(ii) the gap in high school graduation rates between American students from minority backgrounds and their non-minority counterparts will be eliminated.

(3) STUDENT ACHIEVEMENT AND CITIZENSHIP.—

(A) GOAL.—All students will leave grades 4, 8, and 12 having demonstrated competency over challenging subject matter including English, mathematics, science, foreign languages, civics and government, economics, arts, history, and geography, and every school in America will ensure that all students learn to use their minds well, so they may be prepared for responsible citizenship, further learning, and productive employment in our Nation's modern economy.

(B) OBJECTIVES.—The objectives for this goal are that—

(i) the academic performance of all students at the elementary and secondary level will increase significantly in every quartile, and the distribution of minor-

ity students in each quartile will more closely reflect the student population as a whole;

(ii) the percentage of all students who demonstrate the ability to reason, solve problems, apply knowledge, and write and communicate effectively will increase substantially;

(iii) all students will be involved in activities that promote and demonstrate good citizenship, good health, community service, and personal responsibility;

(iv) all students will have access to physical education and health education to ensure they are healthy and fit;

(v) the percentage of all students who are competent in more than one language will substantially increase; and

(vi) all students will be knowledgeable about the diverse cultural heritage of this Nation and about the world community.

(4) TEACHER EDUCATION AND PROFESSIONAL DEVELOPMENT.—

(A) GOAL.—The Nation's teaching force will have access to programs for the continued improvement of their professional skills and the opportunity to acquire the knowledge and skills needed to instruct and prepare all American students.

(B) OBJECTIVES.—The objectives for this goal are that—

(i) all teachers will have access to preservice teacher education and continuing professional development activities that will provide such teachers with the knowledge and skills needed to teach to an increasingly diverse student population with a variety of educational, social, and health needs;

(ii) all teachers will have continuing opportunities to acquire additional knowledge and skills needed to teach challenging subject matter and to use emerging new methods, forms of assessment, and technologies;

(iii) States and school districts will create integrated strategies to attract, recruit, prepare, retrain, and support the continued professional development of teachers, administrators, and other educators, so that there is a highly talented work force of professional educators to teach challenging subject matter; and

(iv) partnerships will be established, whenever possible, among local educational agencies, institutions of higher education, parents, and local labor, business, and professional associations to provide and support programs for the professional development of educators.

(5) MATHEMATICS AND SCIENCE.—

(A) GOAL.—United States students will be first in the world in mathematics and science achievement.

(B) OBJECTIVES.—The objectives for this goal are that—

(i) mathematics and science education, including the metric system of measurement, will be strengthened

throughout the education system, especially in the early grades;

(ii) the number of teachers with a substantive background in mathematics and science, including the metric system of measurement, will increase by 50 percent; and

(iii) the number of United States undergraduate and graduate students, especially women and minorities, who complete degrees in mathematics, science, and engineering will increase significantly.

(6) ADULT LITERACY AND LIFELONG LEARNING.—

(A) GOAL.—Every adult American will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship.

(B) OBJECTIVES.—The objectives for this goal are that—

(i) every major American business will be involved in strengthening the connection between education and work;

(ii) all workers will have the opportunity to acquire the knowledge and skills, from basic to highly technical, needed to adapt to emerging new technologies, work methods, and markets through public and private educational, vocational, technical, workplace, or other programs;

(iii) the number of quality programs, including those at libraries, that are designed to serve more effectively the needs of the growing number of part-time and midcareer students will increase substantially;

(iv) the proportion of the qualified students, especially minorities, who enter college, who complete at least two years, and who complete their degree programs will increase substantially;

(v) the proportion of college graduates who demonstrate an advanced ability to think critically, communicate effectively, and solve problems will increase substantially; and

(vi) schools, in implementing comprehensive parent involvement programs, will offer more adult literacy, parent training and life-long learning opportunities to improve the ties between home and school, and enhance parents' work and home lives.

(7) SAFE, DISCIPLINED, AND ALCOHOL- AND DRUG-FREE SCHOOLS.—

(A) GOAL.—Every school in the United States will be free of drugs, violence, and the unauthorized presence of firearms and alcohol, and will offer a disciplined environment conducive to learning.

(B) OBJECTIVES.—The objectives for this goal are that—

(i) every school will implement a firm and fair policy on use, possession, and distribution of drugs and alcohol;

(ii) parents, businesses, governmental and community organizations will work together to ensure the

rights of students to study in a safe and secure environment that is free of drugs and crime, and that schools provide a healthy environment and are a safe haven for all children;

(iii) every local educational agency will develop and implement a policy to ensure that all schools are free of violence and the unauthorized presence of weapons;

(iv) every local educational agency will develop a sequential, comprehensive kindergarten through twelfth grade drug and alcohol prevention education program;

(v) drug and alcohol curriculum should be taught as an integral part of sequential, comprehensive health education;

(vi) community-based teams should be organized to provide students and teachers with needed support; and

(vii) every school should work to eliminate sexual harassment.

(8) PARENTAL PARTICIPATION.—

(A) GOAL.—Every school will promote partnerships that will increase parental involvement and participation in promoting the social, emotional, and academic growth of children.

(B) OBJECTIVES.—The objectives for this Goal are that—

(i) every State will develop policies to assist local schools and local educational agencies to establish programs for increasing partnerships that respond to the varying needs of parents and the home, including parents of children who are disadvantaged or bilingual, or parents of children with disabilities;

(ii) every school will actively engage parents and families in a partnership which supports the academic work of children at home and shared educational decisionmaking at school; and

(iii) parents and families will help to ensure that schools are adequately supported and will hold schools and teachers to high standards of accountability.

PART D—AMERICA'S EDUCATION GOALS PANEL

SEC. 10401. AMERICA'S EDUCATION GOALS PANEL.

(a) PURPOSE.—It is the purpose of this section to establish a bipartisan mechanism for—

(1) building a national consensus for education improvement; and

(2) reporting on progress toward achieving the National Education Goals.

(b) AMERICA'S EDUCATION GOALS PANEL.—

(1) ESTABLISHMENT.—There is established in the executive branch an America's Education Goals Panel (hereafter in this section referred to as the "Goals Panel") to advise the President, the Secretary, and Congress.

(2) COMPOSITION.—The Goals Panel shall be composed of 18 members (hereafter in this section referred to as "members"), including—

(A) 2 members appointed by the President;

(B) 8 members who are Governors, 3 of whom shall be from the same political party as the President and 5 of whom shall be from the opposite political party of the President, appointed by the Chairperson and Vice Chairperson of the National Governors' Association, with the Chairperson and Vice Chairperson each appointing representatives of such Chairperson's or Vice Chairperson's respective political party, in consultation with each other;

(C) 4 Members of Congress, of whom—

(i) 1 member shall be appointed by the Majority Leader of the Senate from among the Members of the Senate;

(ii) 1 member shall be appointed by the Minority Leader of the Senate from among the Members of the Senate;

(iii) 1 member shall be appointed by the Majority Leader of the House of Representatives from among the Members of the House of Representatives; and

(iv) 1 member shall be appointed by the Minority Leader of the House of Representatives from among the Members of the House of Representatives; and

(D) 4 members of State legislatures appointed by the President of the National Conference of State Legislatures, of whom 2 shall be of the same political party as the President of the United States.

(3) SPECIAL APPOINTMENT RULES.—

(A) IN GENERAL.—The members appointed pursuant to paragraph (2)(B) shall be appointed as follows:

(i) SAME PARTY.—If the Chairperson of the National Governors' Association is from the same political party as the President, the Chairperson shall appoint 3 individuals and the Vice Chairperson of such association shall appoint 5 individuals.

(ii) OPPOSITE PARTY.—If the Chairperson of the National Governors' Association is from the opposite political party as the President, the Chairperson shall appoint 5 individuals and the Vice Chairperson of such association shall appoint 3 individuals.

(B) SPECIAL RULE.—If the National Governors' Association has appointed a panel that meets the requirements of paragraph (2) and subparagraph (A), except for the requirements of subparagraph (D) of paragraph (2), prior to the date of enactment of the Elementary and Secondary Education Amendments of 1999, then the members serving on such panel shall be deemed to be in compliance with the provisions of such paragraph and subparagraph and shall not be required to be reappointed pursuant to such paragraph and subparagraph.

(C) REPRESENTATION.—To the extent feasible, the membership of the Goals Panel shall be geographically rep-

resentative and reflect the racial, ethnic, and gender diversity of the United States.

(4) TERMS.—The terms of service of members shall be as follows:

(A) PRESIDENETIAL APPOINTEES.—Members appointed under paragraph (2)(A) shall serve at the pleasure of the President.

(B) GOVERNORS.—Members appointed under paragraph (2)(B) shall serve for 2-year terms, except that the initial appointments under such paragraph shall be made to ensure staggered terms with ½ of such members' terms concluding every 2 years.

(C) CONGRESSIONAL APPOINTEES AND STATE LEGISLATORS.—Members appointed under subparagraphs (C) and (D) of paragraph (2) shall serve for 2-year terms.

(5) DATE OF APPOINTMENT.—The initial members shall be appointed not later than 60 days after the date of enactment of the Elementary and Secondary Education Amendments of 1999.

(6) INITIATION.—The Goals Panel may begin to carry out the Goals Panel's duties under this section when 10 members of the Goals Panel have been appointed.

(7) VACANCIES.—A vacancy on the Goals Panel shall not affect the powers of the Goals Panel, but shall be filled in the same manner as the original appointment.

(8) TRAVEL.—Each member may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties for the Goals Panel away from the home or regular place of business of the member.

(9) CHAIRPERSON.—

(A) IN GENERAL.—The members shall select a Chairperson from among the members.

(B) TERM AND POLITICAL AFFILIATION.—The Chairperson of the Goals Panel shall serve a 1-year term and shall alternate between political parties.

(10) CONFLICT OF INTEREST.—A member of the Goals Panel who is an elected official of a State which has developed content or student performance standards may not participate in Goals Panel consideration of such standards.

(11) EX OFFICIO MEMBER.—If the President has not appointed the Secretary as 1 of the 2 members the President appoints pursuant to paragraph (2)(A), then the Secretary shall serve as a nonvoting ex officio member of the Goals Panel.

(c) DUTIES.—

(1) IN GENERAL.—The Goals Panel shall—

(A) report to the President, the Secretary, and Congress regarding the progress the Nation and the States are making toward achieving America's Education Goals, including issuing an annual report;

(B) report on, and widely disseminate through multiple strategies, promising or effective actions being taken at the Federal, State, and local levels, and in the public and private sectors, to achieve America's Education Goals;

(C) report on, and widely disseminate on promising or effective practices pertaining to, the achievement of each of the 8 America's Education Goals; and

(D) help build a bipartisan consensus for the reforms necessary to achieve America's Education Goals.

(2) REPORT.—

(A) IN GENERAL.—The Goals Panel shall annually prepare and submit to the President, the Secretary, the appropriate committees of Congress, and the Governor of each State a report that shall—

(i) assess the progress of the United States toward achieving America's Education Goals; and

(ii) identify actions that should be taken by Federal, State, and local governments—

(I) to enhance progress toward achieving America's Education Goals; and

(II) to provide all students with a fair opportunity-to-learn.

(B) FORM; DATA.—Reports shall be presented in a form, and include data, that is understandable to parents and the general public.

(d) POWERS OF THE GOALS PANEL.—

(1) HEARINGS.—

(A) IN GENERAL.—The Goals Panel shall, for the purpose of carrying out this section, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Goals Panel considers appropriate.

(B) REPRESENTATION.—In carrying out this section, the Goals Panel shall conduct hearings to receive reports, views, and analyses of a broad spectrum of experts and the public on the establishment of voluntary national content standards, voluntary national student performance standards, and State assessments.

(2) INFORMATION.—The Goals Panel may secure directly from any department or agency of the United States information necessary to enable the Goals Panel to carry out this section. Upon request of the Chairperson of the Goals Panel, the head of a department or agency shall furnish such information to the Goals Panel to the extent permitted by law.

(3) POSTAL SERVICES.—The Goals Panel may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(4) USE OF FACILITIES.—The Goals Panel may, with or without reimbursement, and with the consent of any agency or instrumentality of the United States, or of any State or political subdivision thereof, use the research, equipment, services, and facilities of such agency, instrumentality, State, or subdivision, respectively.

(5) ADMINISTRATIVE ARRANGEMENTS AND SUPPORT.—

(A) IN GENERAL.—The Secretary shall provide to the Goals Panel, on a reimbursable basis, such administrative support services as the Goals Panel may request.

(B) CONTRACTS AND OTHER ARRANGEMENTS.—The Secretary, to the extent appropriate, and on a reimbursable basis, shall enter into contracts and make other arrangements that are requested by the Goals Panel to help the Goals Panel compile and analyze data or carry out other functions necessary to the performance of such responsibilities.

(6) GIFTS.—The Goals Panel may accept, administer, and utilize gifts or donations of services, money, or property, whether real or personal, tangible or intangible.

(e) ADMINISTRATIVE PROVISIONS.—

(1) MEETINGS.—The Goals Panel shall meet on a regular basis, as necessary, at the call of the Chairperson of the Goals Panel or a majority of the Goals Panel's members.

(2) QUORUM.—A majority of the members shall constitute a quorum for the transaction of business.

(3) VOTING AND FINAL DECISION.—

(A) VOTING.—No individual may vote, or exercise any of the powers of a member, by proxy.

(B) FINAL DECISIONS.—

(i) CONSENSUS.—In making final decisions of the Goals Panel with respect to the exercise of the Goals Panel's duties and powers the Goals Panel shall operate on the principle of consensus among the members of the Goals Panel.

(ii) VOTES.—Except as otherwise provided in this section, if a vote of the membership of the Goals Panel is required to reach a final decision with respect to the exercise of the Goals Panel's duties and powers, then such final decision shall be made by a 3/4 vote of the members of the Goals Panel who are present and voting.

(4) PUBLIC ACCESS.—The Goals Panel shall ensure public access to the Goals Panel's proceedings (other than proceedings, or portions of proceedings, relating to internal personnel and management matters) and make available to the public, at reasonable cost, transcripts of such proceedings.

(f) DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.—

(1) DIRECTOR.—The Chairperson of the Goals Panel, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, shall appoint a Director of the Goals Panel to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(2) APPOINTMENT AND PAY OF EMPLOYEES.—

(A) APPOINTMENT.—

(i) IN GENERAL.—The Director may appoint not more than 4 additional employees to serve as staff to the Goals Panel without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(ii) PAY.—The employees appointed under subparagraph (A) may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that

title relating to classification and General Schedule pay rates, but shall not be paid a rate that exceeds the maximum rate of basic pay payable for GS–15 of the General Schedule.

(B) ADDITIONAL EMPLOYEES.—The Director may appoint additional employees to serve as staff to the Goals Panel in accordance with title 5, United States Code.

(3) EXPERTS AND CONSULTANTS.—The Goals Panel may procure temporary and intermittent services of experts and consultants under section 3109(b) of title 5, United States Code.

(4) STAFF OF FEDERAL AGENCIES.—Upon the request of the Goals Panel, the head of any department or agency of the United States may detail any of the personnel of such agency to the Goals Panel to assist the Goals Panel in the Goals Panel's duties under this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part $2,500,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

PART E—COMPREHENSIVE REGIONAL ASSISTANCE CENTERS

SEC. 10501. PROGRAM AUTHORIZED.

(a) COMPREHENSIVE REGIONAL ASSISTANCE CENTERS.—

(1) IN GENERAL.—The Secretary is authorized to award grants to, or enter into contracts or cooperative agreements with, public or private nonprofit entities or consortia of such entities in order to establish a networked system of 15 comprehensive regional assistance centers to provide comprehensive training and technical assistance, related to administration and implementation of programs under this Act, to States, local educational agencies, schools, tribes, community-based organizations, and other recipients of funds under this Act.

(2) CONSIDERATION.—In establishing comprehensive regional assistance centers and allocating resources among the centers, the Secretary shall consider—

(A) the geographic distribution of students assisted under title I;

(B) the geographic and linguistic distribution of students of limited-English proficiency;

(C) the geographic distribution of Indian students;

(D) the special needs of students living in urban and rural areas; and

(E) the special needs of States and outlying areas in geographic isolation.

(3) SPECIAL RULE.—The Secretary shall establish 1 comprehensive regional assistance center under this section in Hawaii.

(b) SERVICE TO INDIANS AND ALASKA NATIVES.—The Secretary shall ensure that each comprehensive regional assistance center that serves a region with a significant population of Indian or Alaska Native students shall—

(1) be awarded to a consortium which includes a tribally controlled community college or other Indian organization; and

(2) assist in the development and implementation of industructional strategies, methods and materials which address the specific cultural and other needs of Indian or Alaska Native students.

(c) ACCOUNTABILITY.—To ensure the quality and effectiveness of the networked system of comprehensive regional assistance centers supported under this part, the Secretary shall—

(1) develop, in consultation with the Assistant Secretary for Elementary and Secondary Education, the Director of Bilingual Education and Minority Languages Affairs, and the Assistant Secretary for Educational Research and Improvement, a set of performance indicators that assesses whether the work of the centers assists in improving teaching and learning under this Act for all children, particularly children at risk of educational failure;

(2) conduct surveys every two years of populations to be served under this Act to determine if such populations are satisfied with the access to and quality of such services;

(3) collect, as part of the Department's reviews of programs under this Act, information about the availability and quality of services provided by the centers, and share that information with the centers; and

(4) take whatever steps are reasonable and necessary to ensure that each center performs its responsibilities in a satisfactory manner, which may include—

(A) termination of an award under this part (if the Secretary concludes that performance has been unsatisfactory) and the selection of a new center; and

(B) whatever interim arrangements the Secretary determines are necessary to ensure the satisfactory delivery of services under this part to an affected region.

(d) DURATION.—Grants, contracts or cooperative agreements under this section shall be awarded for a period of 5 years.

SEC. 10502. REQUIREMENTS OF COMPREHENSIVE REGIONAL ASSISTANCE CENTERS.

(a) IN GENERAL.—Each comprehensive regional assistance center established under section 10501(a) shall—

(1) maintain appropriate staff expertise and provide support, training, and assistance to State educational agencies, tribal divisions of education, local educational agencies, schools, and other grant recipients under this Act, in—

(A) improving the quality of instruction, curricula, assessments, and other aspects of school reform, supported with funds under title I;

(B) implementing effective schoolwide programs under section 1114;

(C) meeting the needs of children served under this Act, including children in high-poverty areas, migratory children, immigrant children, children with limited-English proficiency, neglected or delinquent children, homeless children and youth, Indian children, children with disabilities,

and, where applicable, Alaska Native children and Native Hawaiian children;

(D) implementing high-quality professional development activities for teachers, and where appropriate, administrators, pupil services personnel and other staff;

(E) improving the quality of bilingual education, including programs that emphasize English and native language proficiency and promote multicultural understanding;

(F) creating safe and drug-free environments, especially in areas experiencing high levels of drug use and violence in the community and school;

(G) implementing educational applications of technology;

(H) coordinating services and programs to meet the needs of students so that students can fully participate in the educational program of the school;

(I) expanding the involvement and participation of parents in the education of their children;

(J) reforming schools, school systems, and the governance and management of schools;

(K) evaluating programs; and

(L) meeting the special needs of students living in urban and rural areas and the special needs of local educational agencies serving urban and rural areas;

(2) ensure that technical assistance staff have sufficient training, knowledge, and expertise in how to integrate and coordinate programs under this Act with each other, as well as with other Federal, State, and local programs and reforms;

(3) provide technical assistance using the highest quality and most cost-effective strategies possible;

(4) coordinate services, work cooperatively, and regularly share information with, the regional educational laboratories, research and development centers, State literacy centers authorized under the National Literacy Act of 1991, and other entities engaged in research, development, dissemination, and technical assistance activities which are supported by the Department as part of a Federal technical assistance system, to provide a broad range of support services to schools in the region while minimizing the duplication of such services;

(5) work collaboratively with the Department's regional offices;

(6) consult with representatives of State educational agencies, local educational agencies, and populations served under this Act;

(7) provide services to States, local educational agencies, tribes, and schools in order to better implement the purposes of this part; and

(8) provide professional development services to State educational agencies and local educational agencies to increase the capacity of such entities to provide high-quality technical assistance in support of programs under this Act.

(b) PRIORITY.—Each comprehensive regional assistance center assisted under this part shall give priority to servicing—

(1) schoolwide programs under section 1114; and

(2) local educational agencies and Bureau-funded schools with the highest percentages or numbers of children in poverty.

SEC. 10503. MAINTENANCE OF SERVICE AND APPLICATION REQUIREMENTS.

(a) MAINTENANCE OF SERVICE.—The Secretary shall ensure that the comprehensive regional assistance centers funded under this part provide technical assistance services that address the needs of educationally disadvantaged students, including students in urban and rural areas, and bilingual, migrant, immigrant, and Indian students, that are at least comparable to the level of such technical assistance services provided under programs administered by the Secretary on the day preceding the date of enactment of the Improving America's Schools Act of 1994.

(b) APPLICATION REQUIREMENTS.—Each entity or consortium desiring assistance under this part shall submit an application to the Secretary at such time, in such manner and accompanied by such information, as the Secretary may require. Each such application shall—

(1) demonstrate how the comprehensive regional assistance center will provide expertise and services in the areas described in section 10502;

(2) demonstrate how such centers will work to conduct outreach to local educational agencies receiving priority under section 10502;

(3) demonstrate support from States, local educational agencies and tribes in the area to be served;

(4) demonstrate how such centers will ensure a fair distribution of services to urban and rural areas; and

(5) provide such other information as the Secretary may require.

SEC. 10504. TRANSITION.

(a) EXTENSION OF PREVIOUS CENTERS.—The Secretary shall, notwithstanding any other provision of law, use funds appropriated under section 10505 to extend or continue contracts and grants for existing comprehensive regional assistance centers assisted under this Act (as such Act was in effect on the day preceding the date of enactment of the Educational Opportunities Act), and take other necessary steps to ensure a smooth transition of services provided under this part and that such services will not be interrupted, curtailed, or substantially diminished.

(b) STAFF EXPERTISE.—Inplanning for the competition for the new comprehensive regional assistance centers under this part, the Secretary may draw on the expertise of staff from existing comprehensive regional assistance centers assisted under this Act prior to the date of enactment of the Educational Opportunities Act.

SEC. 10505. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this part, there are authorized to be appropriated $70,000,000 for fiscal year 2001 and such sums as may be necessary for each of the four succeeding fiscal years.

[Parts F through K of title X, and titles XI, XII, XIII, and XIV (20 U.S.C. 8141 et seq., 8331 et seq., 8401 et seq., 8501 et seq., 8601 et seq., 8801 et seq.) are repealed.]

* * * * * * *

IMPROVING AMERICA'S SCHOOLS ACT OF 1994

* * * * * * *

TITLE V—MISCELLANEOUS PROVISIONS

[PART A—ALBERT EINSTEIN DISTINGUISHED EDUCATOR FELLOWSHIP ACT

[SEC. 511. [142 U.S.C. 7282 note] SHORT TITLE.

[This part may be cited as the "Albert Einstein Distinguished Educator Fellowship Act of 1994".

[SEC. 512. [42 U.S.C. 7382] FINDINGS.

[The Congress finds that—

[(1) the Department of Energy has unique and extensive * * * mathematics and science capabilities that contribute to mathematics and science education programs throughout the Nation;

[(2) a need exists to increase understanding communciation, and cooperation between the Congress, the Department of Energy, other Federal agencies, and the mathematics and science education community;

[(3) elementary and secondary school mathematics and science teachers can provide practical insight to the legislative and executive branches in establishing and operating education programs; and

[(4) a pilot program that placed elementary and secondary school mathematics and science teachers in professional staff positions in the Senate and the House of Representatives has proven successful and demonstrated the value of expanding the program.

[SEC. 513. [42 U.S.C. 7382a] PURPOSE; DESIGNATION.

[(a) PURPOSE.—The purpose of this part is to establish within the Department of Energy a national fellowship program for elementary and secondary school mathematics and science teachers.

[(b) DESIGNATION.—A receipient of a fellowship under this part shall be known as an "Albert Einstein Fellow".

[SEC. 514. [42 U.S.C. 7382b] DEFINITIONS.

[As used in this part—

[(1) the term "elementary school" has the meaning provided by section 14101 of the Elementary and Secondary Education Act of 1965;

[(2) the term "local educational agency" has the meaning provided by section 14101 of the Elementary and Secondary Education Act of 1965;

[(3) the term "secondary school" has the meaning provided by section 14101 of the Elementary and Secondary Education Act of 1965; and

[(4) the term "Secretary" means the Secretary of Energy.

[SEC. 515. [42 U.S.C. 7382c] FELLOWSHIP PROGRAM.

[(a) IN GENERAL.—

[(1) ESTABLISHMENT.—The Secretary shall establish the Albert Einstein Distinguished Educator Fellowship Program (hereafter in this part referred to as the "Program") to provide 12 elementary or secondary school mathematics or science teachers with fellowships in each fiscal year in accordance with this part.

[(2) ORDER OF PRIORITY.—The Secretary may reduce the number of fellowships awarded under this part for any fiscal year in which the amount appropriated for the Program is insufficient to support 12 fellowships. If the number of fellowships awarded under this part is reduced for any fiscal year, then the Secretary shall award fellowship based on the following order of priority:

[(A) Three fellowships in the Department of Energy.

[(B) Two fellowships in the Senate.

[(C) Two fellowships in the House of Representatives.

[(D) One fellowship in each of the following entities:

[(i) The Department of Education.

[(ii) The National Institutes of Health.

[(iii) The National Science Foundation.

[(iv) The National Aeronautics and Space Administration.

[(v) The Office of Science and Technology Policy.

[(3) TERMS OF FELLOWSHIPS.—Each fellowship awareded under this part shall be awarded for a period of ten months that, to the extent practicable coincide with the academic year.

[(4) ELIGIBILITY.—To be eligible for a fellowship under this part, an elementary or secondary school mathematics or science teacher must demonstrate—

[(A) that such teacher would bring unique and valuable contributions to the Program;

[(B) that such teacher is recognized for excellence in mathematics or science education; and

[(C)(i) a sabbatical leave from teaching will be granted in order to participate in the Program; or

[(ii) the teacher will return to a teaching position comparable to the position held prior to participating in the Program.

[(b) ADMINISTRATION.—The Secretary shall—

[(1) provide for the development and administration of an application and selection process for fellowships under the Program, including a process whereby final selections of fellowship recipients are made in accordance with subsection (c);

[(2) provide for the publication of information on the Program in appropriate professional publications, including an invitation for applications from teachers listed in the directories of national and State recognition programs;

[(3) select from the pool of applicants 12 elementary and secondary school mathematics teachers and 12 elementary and secondary school science teachers;

[(4) develop a program of orientation for fellowship recipients under this part; and

[(5) not later than August 31 of each year in which fellowships are awarded, prepare and submit an annual report and evaluation of the Program to the appropriate Committees of the Senate and the House of Representatives.

[(c) SELECTION.—

[(1) IN GENERAL.—The Secretary shall arrange for the 24 semifinalists to travel to Washington, D.C., to participate in interviews in accordance with the selection process described in paragraph (2).

[(2) FINAL SELECTION.—(A) Not later than May 1 of each year preceding each year in which fellowships are to be awarded, the Secretary shall select and announce the names of the fellowship recipients.

[(B) The Secretary shall provide for the development and administration of a process to select fellowship recipients from the pool of semifinalists as follows:

[(i) The Secretary shall select three fellowship recipients who shall be assigned to the Department of Energy.

[(ii) The Majority Leader of the Senate and the Minority Leader of the Senate, or their designees, shall each select a fellowship recipient who shall be assigned to the Senate.

[(iii) The Speaker of the House of Representatives and the Minority Leader of the House of Representatives, or their designees, shall each select a fellowship recipient who shall be assigned to the House of Representatives.

[(iv) Each of the following individuals, or their designees, shall select one fellowship recipient who shall be assigned within the department, office, agency, or institute such individual administers:

[(I) The Secretary of Education.

[(II) The Director of the National Institutes of Health.

[(III) The Director of the National Science Foundation.

[(IV) The Administrator of the National Aeronautics and Space Administration.

[(V) The Director of the Office of Science and Technology Policy.

[SEC. 516. [42 U.S.C. 7382d] FELLOWSHIP AWARDS.

[(a) FELLOWSHIP RECIPIENT COMPENSATION.—Each recipient of a fellowship under this part shall be paid during the fellowship period at a rate of pay that shall not exceed the minimum annual rate payable for a position under GS–13 of the General Schedule.

[(b) LOCAL EDUCATIONAL AGENCY.—The Secretary shall seek to ensure that no local educational agency penalizes a teacher who elects to participate in the Program.

[SEC. 517. [42 U.S.C. 7382e] WASTE MANAGEMENT EDUCATION RESEARCH CONSORTIUM (WERC).

[(a) IN GENERAL.—The Secretary is authorized to establish a partnership of Department of Energy laboratories, academic institutions, and private sector industries to conduct environmentally-related education programs, including programs involving environmentally conscious manufacturing and waste management activities that have undergraduate and graduate educational training as a component.

[SEC. 518. [42 U.S.C. 7382f] AUTHORIZATION OF APPROPRIATIONS.

[(a) There are authorized to be appropriated for the Program $700,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years.

[(b) WERC PROGRAM.—There are authorized to be appropriated for the WERC program under section 517 such sums as may be necessary for fiscal year 1995 and each of the four succeeding fiscal years.]

PART A—ALBERT EINSTEIN DISTINGUISHED EDUCATOR FELLOWSHIP ACT

SEC. 511. SHORT TITLE.

This part may be cited as the "Albert Einstein Distinguished Educator Fellowship Act of 1994".

SEC. 512. PURPOSE; DESIGNATION.

(a) PURPOSE.—The purpose of this part is to establish within the Department of Energy a national fellowship program for elementary and secondary school mathematics and science teachers.

(b) DESIGNATION.—A recipient of a fellowship under this part shall be known as an "Albert Einstein Fellow".

SEC. 513. DEFINITIONS.

As used in this part—

(1) the term "elementary school" has the meaning provided by section 3 of the Elementary and Secondary Education Act of 1965;

(2) the term "local educational agency" has the meaning provided by section 3 of the Elementary and Secondary Education Act of 1965;

(3) the term "secondary school" has the meaning provided by section 3 of the Elementary and Secondary Education Act of 1965; and

(4) the term "Secretary" means the Secretary of Energy.

SEC. 514. FELLOWSHIP PROGRAM.

(a) IN GENERAL.—

(1) ESTABLISHMENT.—The Secretary shall establish the Albert Einstein Distinguished Educator Fellowship Program (hereafter in this part referred to as the "Program") to provide 12 elementary or secondary school mathematics or science teachers with fellowships in each fiscal year in accordance with this part.

(2) ORDER OF PRIORITY.—The Secretary may reduce the number of fellowships awarded under this part for any fiscal year in which the amount appropriated for the Program is insuffi-

cient to support 12 fellowships. If the number of fellowships awarded under this part is reduced for any fiscal year, then the Secretary shall award fellowships based on the following order of priority:

(A) Two fellowships in the Department of Energy.

(B) Two fellowships in the Senate.

(C) Two fellowships in the House of Representatives.

(D) One fellowship in each of the following entities:

(i) The Department of Education.

(ii) The National Institutes of Health.

(iii) The National Science Foundation.

(iv) The National Aeronautics and Space Administration.

(v) The Office of Science and Technology Policy.

(3) TERMS OF FELLOWSHIPS.—Each fellowship awarded under this part shall be awarded for a period of 10 months that, to the extent practicable, coincide with the academic year.

(4) ELIGIBILITY.—To be eligible for a fellowship under this part, an elementary or secondary school mathematics or science teacher shall demonstrate—

(A) that such teacher will bring unique and valuable contributions to the program;

(B) that such teacher is recognized for excellence in mathematics or science education; and

(C)(i) a sabbatical leave from teaching will be granted in order to participate in the Program; or

(ii) the teacher will return to a teaching position comparable to the position held prior to participating in the Program.

(b) ADMINISTRATION.—The Secretary shall—

(1) provide for the development and administration of an application and selection process for fellowships under the Program, including a process whereby final elections of fellowship recipients are made in accordance with subsection (c);

(2) provide for the publication of information on the Program in appropriate professional publications, including an invitation for applications from teachers listed in the directories of national and State recognition programs;

(3) select from the pool of applicants 12 elementary and secondary school mathematics teachers and 12 elementary and secondary school science teachers;

(4) develop a program of orientation for fellowship recipients under this part; and

(5) not later than August 31 of each year in which fellowships are awarded, prepare and submit an annual report and evaluation of the Program to the appropriate Committees of the Senate and the House of Representatives.

(c) SELECTION.—

(1) IN GENERAL.—The Secretary shall arrange for the 24 semifinalists to travel to Washington, D.C., to participate in interviews in accordance with the selection process described in paragraph (2).

(2) FINAL SELECTION.—(A) Not later than May 1 of each year preceding each year in which fellowships are to be awarded, the

Secretary shall select and announce the names of the fellowship recipients.

(B) The Secretary shall provide for the development and administration of a process to select fellowship recipients from the pool of semifinalists as follows:

(i) The Secretary shall select three fellowship recipients who shall be assigned to the Department of Energy.

(ii) The Majority Leader of the Senate and the Minority Leader of the Senate, or their designees, shall each select a fellowship recipient who shall be assigned to the Senate.

(iii) The Speaker of the House of Representatives and the Minority Leader of the House of Representatives, or their designees, shall each select a fellowship recipient who shall be assigned to the House of Representatives.

(iv) Each of the following individuals, or their designees, shall select one fellowship recipient who shall be assigned within the department, office, agency, or institute such individual administers:

(I) The Secretary of Education.

(II) The Director of the National Institutes of health.

(III) The Director of the National Science Foundation.

(IV) The Administrator of the National Aeronautics and space Administration.

(V) The Director of the Office of Science and Technology Policy.

SEC. 515. FELLOWSHIP AWARDS.

(a) FELLOWSHIP RECIPIENT COMPENSATION.—Each recipient of a fellowship under this part shall be paid during the fellowship period at a rate of pay that shall not exceed the minimum annual rate payable for a position under GS–13 of the General Schedule.

(b) LOCAL EDUCATIONAL AGENCY.—The Secretary shall seek to ensure that no local educational agency penalizes a teacher who elects to participate in the Program.

SEC. 516. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for the Program $700,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years.

* * * * * * *

School-to-Work Opportunities Act of 1994

* * * * * * *

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—* * *

* * * * * * *

SEC. 3. PURPOSES AND CONGRESSIONAL INTENT.

(a) PURPOSES.—The purposes of this Act are—

(1) * * *

* * * * * * *

(A) * * *

[(B) are integrated with the systems developed under the Goals 2000: Educate America Act and] the National Skill Standards Act of 1994; and

* * * * * * *

(14) to further [the National Education Goals set forth in title I of the Goals 2000: Educate America Act] *America's Education Goals*.

* * * * * * *

SEC. 4. DEFINITIONS.

As used in this Act:

(1) ALL ASPECTS OF AN INDUSTRY.—* * *

* * * * * * *

(3) APPROVED STATE PLAN.—The term "approved State plan" means a statewide School-to-Work Opportunities system plan that is submitted by a State under section 213, *and* is determined by the Secretaries to include the program components described in sections 102 through 104 and otherwise meet the requirements of this Act[, and is consistent with the State improvement plan for the State, if any, under the Goals 2000: Educate America Act].

* * * * * * *

TITLE I—SCHOOL-TO-WORK OPPORTUNITIES BASIC PROGRAM COMPONENTS

SEC. 101. GENERAL PROGRAM REQUIREMENTS.

A School-to-Work Opportunities program under this Act shall—

[(1) * * *

* * * * * * *

SEC. 102. SCHOOL-BASED LEARNING COMPONENT.

The school-based learning component of a School-to-Work Opportunities program shall include—

(1) * * *

* * * * * * *

(3) a program of study designed to meet the same academic content standards the State has established for all students, [including, where applicable, standards established under the Goals 2000: Educate America Act,] and to meet the requirements necessary to prepare a student for postsecondary education and the requirements necessary for a student to earn a skill certificate;

* * * * * * *

TITLE II—SCHOOL-TO-WORK OPPORTUNITIES SYSTEM DEVELOPMENT AND IMPLEMENTATION GRANTS TO STATES

Subtitle A—State Developments Grants

SEC. 201. PURPOSE.

* * * * * * *

SEC. 203. APPLICATION.

(a) IN GENERAL.—* * *

* * * * * * *

[(c) COORDINATION WITH GOALS 2000: EDUCATE AMERICA ACT.—A State seeking assistance under both this subtitle and the Goals 2000: Educate America Act may—

[(1) submit a single application containing plans that meet the requirements of such subtitle and such Act and ensure that the plans are coordinated and not duplicative; or

[(2) if such State has already submitted its application for funds under the Goals 2000: Educate America Act, submit its application under this subtitle as an amendment to the Goals 2000: Educate America Act application if such amendment meets the requirements of this subtitle and is coordinated with and not duplicative of the Goals 2000: Educate America Act application.]

[SEC. 204. APPROVAL OF APPLICATION.

[The Secretaries may approve an application submitted by a State under section 203 only if the State demonstrates in such application that the activities proposed to be undertaken by the State to develop a statewide School-to-Work Opportunities system are consistent with the State improvement plan for the State, if any, under the Goals 2000: Educate America Act.]

* * * * * * *

Subtitle B—State Implementation Grants

SEC. 211. PURPOSE.

* * * * * * *

SEC. 213 APPLICATION.

(a) IN GENERAL.—* * *

* * * * * * *

[(c) COORDINATION WITH GOALS 2000: EDUCATE AMERICA ACT.—A State seeking assistance under both this subtitle and the Goals 2000: Educate America Act may—

[(1) submit a single application containing plans that meet the requirements of such subtitle and such Act and ensure that the plans are coordinated and not duplicative; or

[(2) If such State has already submitted its application for funds under the Goals 2000: Educate America Act, submit its application under this subtitle as an amendment to the Goals 2000: Educate America Act application if such amendment meets the requirements of this subtitle and is coordinated with and not duplicative of the Goals 2000: Educate America Act application.]

* * * * * * *

[(F) the Goals 2000: Educate America Act;]

[(G)]*(F)* the National Skills Standard Act of 1994;

[(H)]*(G)* the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

[(I)]*(H)* the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

[(J)]*(I)* the Act of August 16, 1937 (commonly known as the "National Apprenticeship Act"; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.);

[(K)]*(J)* the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.); and

[(L)]*(K)* the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.);

* * * * * * *

[(8) describe how the State will adopt, develop, or assist local partnerships to adopt or develop model curricula and innovative instructional methodologies, to be used in the secondary, and where possible, the elementary grades, that integrate academic and vocational learning and promote career awareness, and that are consistent with [academic and skill standards established pursuant to the Goals 2000: Educate America Act and the National Skill Standards Act of 1994;] *standards established pursuant to the National Skill Standards Act of 1994*;

* * * * * * *

SEC. 214. REVIEW OF APPLICATION.

(a) CONSIDERATIONS.—In evaluating applications submitted under section 213, the Secretaries shall—

(1) * * *

* * * * * * *

(b) APPROVAL CRITERIA.—The Secretaries—

(1) * * *

* * * * * * *

(B) the extent to which such plan would limit administrative costs and increase amounts spent on delivery of services to students enrolled in programs under this Act; *and*

(C) that the State, where appropriate, will ensure the establishment of a partnership in at least 1 urban and 1 rural area in the State[; and].

[(D) that the State plan contained in such application is consistent with the State improvement plan for the State, if any, under the Goals 2000: Educate America Act.]

* * * * * * *

TITLE V—WAIVER OF STATUTORY AND REGULATORY REQUIREMENTS

SEC. 501. STATE AND LOCAL PARTNERSHIP REQUESTS AND RESPONSIBILITIES FOR WAIVERS.

(a) STATE REQUEST FOR WAIVER.—* * *

* * * * * * *

SEC. 502. WAIVER AUTHORITY OF SECRETARY OF EDUCATION.

(a) WAIVER AUTHORITY.—

(1) IN GENERAL.—* * *

* * * * * * *

(4) part D of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3121 et seq.)[;]*; and*

(5) title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3171 et seq.); and]

[(6)] *(5)* the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

* * * * * * *

SEC. 504. COMBINATION OF FEDERAL FUNDS FOR HIGH POVERTY SCHOOLS.

(a) IN GENERAL.—

(1) PURPOSES.—* * *

* * * * * * *

(i) the provisions of law listed in paragraphs (2) through (6)] *paragraphs (2) through (5)* of section 502(b); and

* * * * * * *

GENERAL EDUCATION PROVISIONS ACT

* * * * * * *

SINGLE STATE APPLICATION

SEC. 441. [20 U.S.C. 1232d] (a) In the case of any State which applies, contracts, or submits a plan for the participation in any applicable program in which Federal funds are made available for assistance to local educational agencies through, or under the supervision of, the State educational agency of that State, such States [shall submit (subject to the provisions of part C of title V, of the Elementary and Secondary Education Act of 1965) to the Secretary] *shall submit to the Secretary* a general application containing the assurances set forth in subsection (b). Such application may be submitted jointly for all programs covered by the application, or it may be submitted separately for each such program or for groups of programs. Each application submitted under this sec-

tion must be approved by each official, agency, board, or other entity within the State which, under State law, is primarily responsible for supervision of the activities conducted under each program covered by the application.

* * * * * * *

Education Amendments of 1978

* * * * * * *

SEC. 1101. [20 U.S.C. 240, note] (a) * * *

* * * * * * *

PART B—BUREAU OF INDIAN AFFAIRS PROGRAMS

SEC. 1121. [25 U.S.C. 2001] STANDARDS FOR THE BASIC EDUCATION OF INDIAN CHILDREN IN BUREAU OF INDIAN AFFAIRS SCHOOLS.

(a)(1) The purpose of the standards developed under this section shall be to afford Indian students being served by a Bureau funded school with the same opportunities as all other students to achieve [the National Education Goals embodied in the Goals 2000: Educate America Act] America's Education Goals. [Consistent with the provisions of this section and section 1131, the Secretary shall take such actions as are necessary to coordinate standards developed and implemented under this section with those in the State improvement plans developed and implemented pursuant to the Goals 2000: Educate America Act for the States in which each Bureau funded school operates.] In developing and reviewing such standards and coordination, the Secretary shall utilize the findings and recommendations of the panel established in section 315(b)(4) of such Act.

* * * * * * *

(b) Within 18 months of the publication of the voluntary national content standards described in section 203(a)(2) of [the Goals 2000: Educate America Act] *the Goals 2000: Educate America Act (as in effect on the date of enactment of the Educational Opportunities Act)*, the Secretary, in consultation with the Secretary of Education and Indian organizations and tribes, shall carry out or cause to be carried out by contract with an Indian organization such studies and surveys, making the fullest use possible of other existing studies, surveys, and plans, as are necessary to establish and revise standards for the basic education of Indian children attending Bureau funded schools. Such studies and surveys shall take into account factors such as academic needs, local cultural differences, type and level of language skills, geographic isolation, and appropriate teacher-student ratios for such children, and shall be directed toward the attainment of equal educational opportunity for such children.

NATIONAL ENVIRONMENTAL EDUCATION ACT

* * * * * * *

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

* * * * * * *

SEC. 2. FINDINGS AND POLICY.

(a) FINDINGS.—The Congress finds that—

(1) * * *

* * * * * * *

(5) "local educational agency" means any education agency as defined in section [14101] *3* of the Elementary and Secondary Education Act of 1965 [(20 U.S.C. 3381)] and shall include any tribal education agency;

* * * * * * *

REHABILITATION ACT OF 1973

* * * * * * *

NATIONAL INSTITUTE ON DISABILITY AND REHABILITATION RESEARCH

SEC. 202. (a)(1) * * *

* * * * * * *

(A) public and private entities, including—

(i) elementary and secondary schools (as defined in section [14101] *3* of the Elementary and Secondary Education Act of 1965; and

* * * * * * *

NONDISCRIMINATION UNDER FEDERAL GRANTS AND PROGRAMS

SEC. 504. (a) * * *

* * * * * * *

(B) a local educational agency (as defined in section [14101] *3* of the Elementary and Secondary Education Act of 1965), system of vocational education, or other school system;

* * * * * * *

OLDER AMERICANS ACT OF 1995

* * * * * * *

DECLARATION OF OBJECTIVES FOR OLDER AMERICANS

SEC. 101. * * *

* * * * * * *

SEC. 338A. APPLICATION AND SELECTION OF PROVIDERS.

(a) CONTENTS OF APPLICATION.—* * *

* * * * * * *

(1) a plan describing the project proposed by the applicant and comments on such plan from the appropriate area agency on aging and the appropriate local educational agency (as defined in section [1401] *3* of the Elementary and Secondary Education Act of 1965);

* * * * * * *

SEC. SEC. 363. DEFINITION.

As used in this part, the term "disease prevention and health promotion services" means—

(1) health risk assessments;

* * * * * * *

(B) a local educational agency, as defined in section [14101] *3* of the Elementary and Secondary Education Act of 1965; or

* * * * * * *

PART I—GENERAL HIGHER EDUCATION PROGRAMS

Higher Education Act of 1965

TITLE I—GENERAL PROVISIONS

PART A—DEFINITIONS

* * * * * * *

SEC. 103. [20 U.S.C. 1003] ADDITIONAL DEFINITIONS.

In this Act:

(1) COMBINATION OF INSTITUTIONS OF HIGHER EDUCATION.—* * *

* * * * * * *

(4) ELEMENTARY SCHOOL.—The term "elementary school" has the same meaning given that term under section [14101] *3* of the Elementary and Secondary Education Act of 1965.

(5) GIFTED AND TALENTED.—The term "gifted and talented" has the same meaning given that term under section [14101] *3* of the Elementary and Secondary Education Act of 1965.

(6) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the same meaning given that term under section [14101] *3* of the Elementary and Secondary Education Act. of 1965.

* * * * * * *

(10) SECONDARY SCHOOL.—The term "secondary school" has the same meaning given that term under section [14101] *3* of the Elementary and Secondary Education Act of 1965.

* * * * * * *

(14) STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the same meaning given that term under section [14101] *3* of the Elementary and Secondary Education Act of 1965.

* * * * * * *

GENERAL EDUCATION PROVISIONS ACT

* * * * * * *

BIENNIAL EVALUATION REPORT

SEC. 425. * * *

(1) * * *

* * * * * * *

(6) include the results of the program evaluations conducted in accordance with section [14701] *1020* of the Elementary and Secondary Education Act of 1965.

* * * * * * *

PART VI—EDUCATION OF INDIVIDUALS WITH DISABILITIES

INDIVIDUALS WITH DISABILITIES EDUCATION ACT

PART A—GENERAL PROVISIONS

* * * * * * *

SEC. 613. [20 U.S.C. 1412] LOCAL EDUCATIONAL AGENCY ELIGIBILITY.

(a) IN GENERAL.—* * *

* * * * * * *

(f) COORDINATED SERVICES SYSTEM.—

(1) IN GENERAL.—* * *

* * * * * * *

[(3) COORDINATION WITH CERTAIN PROJECTS UNDER ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—If a local educational agency is carrying out a coordinated services project under title XI of the Elementary and Secondary Education Act of 1965 and a coordinated services project under this part in the same schools, such agency shall use amounts under this subsection in accordance with the requirements of that title.]

* * * * * * *

Education for Economic Security Act

* * * * * * *

DEFINITIONS

SEC. 3. [20 U.S.C. 3902] For the purpose of this Act—

(1) * * *

* * * * * * *

(3) The term "elementary school" has the same meaning given that term under section [198(a)(7)] *3* of the Elementary and Secondary Education Act of 1965.

* * * * * * *

(7) The term "local educational agency" has the same meaning given that term under section [198(a)(10)] *3* of the Elementary and Secondary Education Act of 1965.

* * * * * * *

(12) The term "State educational agency" has the meaning given that term under section [198(a)(17)] *3* of the Elementary and Secondary Education Act of 1965.

* * * * * * *

TITLE V—ASBESTOS SCHOOL HAZARD ABATEMENT

* * * * * * *

SEC. 511. [20 U.S.C. 4020] DEFINITIONS.

For purposes of this title:

(1) The term "asbestos" means—

* * * * * * *

(4) The term "local educational agency" means—

(A) any local educational agency as defined in section [198(a)(10)] *3* of the Elementary and Secondary Education Act of 1965; and

* * * * * * *

(5) The term "nonprofit elementary or secondary school" means—

(A) any elementary or secondary school as defined in section [198(a)(7)] *3* of the Elementary and Secondary Education Act of 1965 owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and

* * * * * * *

PART II—NATIONAL EDUCATION STATISTICS

TITLE IV—NATIONAL EDUCATION STATISTICS

* * * * * * *

SEC. 402. [20 U.S.C. 9001] FINDINGS; PURPOSE; DEFINITIONS.

(a) FINDINGS.—The Congress finds that—

* * * * * * *

(c) DEFINITIONS.—For the purpose of this title and unless otherwise specified—

(1) * * *

(4) the term "local educational agency" has the same meaning given such term in section [14101] *3* of the Elementary and Secondary Education Act of 1965;

(5) the term "Secretary" means the Secretary of Education;

(6) the term "State educational agency" has the same meaning given such term in section [14101] *3* of the Elementary and Secondary Education Act of 1965; and

* * * * * * *

HIGHER EDUCATION AMENDMENTS OF 1998

* * * * * * *

[PART B OF TITLE VIII OF THE HIGHER EDUCATION AMENDMENTS OF 1998 (20 U.S.C. 1070a–ll note) is repealed.]

* * * * * * *

* * * * * * *

Sec. 117–b—U.S. Code—Title 2

* * * * * * *

§ 117b–2. Transfer of excess or surplus educationally useful equipment to public schools

(a) Authorization

* * * * * * *

(d) Definitions

For the purposes of this section:

(1) The term "public school" means a public elementary or secondary school as such terms are defined in section [8801 of Title 20] *3 of the Elementary and Secondary Education Act of 1965*.

* * * * * * *

§ 117e. Disposal of used or surplus furniture and equipment by Chief Administrative Officer of House; procedure; deposit of receipts

(1) * * *

* * * * * * *

(3)(A) * * *

(B) * * *

(i) * * *

(ii) the terms "public elementary school" and "public secondary school" have the meaning given such terms in section [8801] *3* of title 20; and

* * * * * * *

Sec. 3152(j)—U.S. Code—Title 7

* * * * * * *

§ 3152. Grants and fellowships for food and agricultural sciences education

(a) Higher education teaching programs

* * * * * * *

(j) Secondary education and 2-year post secondary education teaching programs

(1) Definitions

* * * * * * *

(B) Secondary school

The term "secondary school" has the meaning given the term in section [8801(25) of Title 20] *3 of the Elementary and Secondary Education Act of 1965*.

* * * * * * *

§ 1522. Authorization for programs for domestic resettlement of and assistance to refugees

(a) Conditions and considerations

* * * * * * *

HISTORICAL AND STATUTORY NOTES

* * * * * * *

"TITLE I—GENERAL PROVISIONS

"DEFINITIONS

"Sec. 101. As used in this Act—

"(1) The terms 'elementary school', 'local education agency', 'secondary school', 'State', and 'State educational agency' have the meanings given such terms under section [14101] *3* of the Elementary and Secondary Education Act of 1965 [section 8801 of Title 20, Education].

* * * * * * *

TITLE 10—ARMED FORCES

* * * * * * *

Sec. 2194. Education partnerships

(a) * * *

(e) In this section, the term "local educational agency" has the meaning given such term in section [14101] *3* of the Elementary and Secondary Education Act of 1965 [(20 U.S.C. 8801)]

* * * * * * *

Sec. 2642—U.S. Code—Title 15

* * * * * * *

SEC. 2642. DEFINITIONS.

For purposes of this subchapter—

(1) ACCREDITED ASBESTOS CONTRACTOR.—

* * * * * * *

(7) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" means—

(A) any local educational agency as defined in section [8801 of Title 20] *3 of the Elementary and Secondary Education Act of 1965*,

* * * * * * *

(9) NON-PROFIT ELEMENTARY OR SECONDARY SCHOOL.—The term "non-profit elementary or secondary school" means any elementary or secondary school (as defined in section [8801 of Title 20] *3 of the Elementary and Secondary Education Act of 1965*) owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which in-

ures, or may lawfully inure, to the benefit of any private shareholder or individual.

* * * * * * *

(12) SCHOOL.—The term "school" means any elementary or secondary school as defined in section [8801 of Title 20] *3 of the Elementary and Secondary Education Act of 1965*.

* * * * * * *

SEC. 2662. DEFINITIONS.

For purposes of this subchapter:

(1) The term "local educational agency" means—

(A) any local educational agency as defined in section [8801 of Title 20] *3 of the Elementary and Secondary Education Act of 1965*.

* * * * * * *

Sec. 1687—U.S. Code—Title 20

* * * * * * *

SEC. 1687. INTERPRETATION OF "PROGRAM OR ACTIVITY".

* * * * * * *

(2)(A) a college, university, or other postsecondary institution, or a public system of higher education; or

(B) a local educational agency (as defined in section [8801] *3 of the Elementary and Secondary Education Act of 1965* of this title), system of vocational education, or other school system;

* * * * * * *

SEC. 2302. DEFINITIONS.

In this chapter [20 U.S.C.A. § 2301 et seq.]:

(1) ADMINISTRATION.—

* * * * * * *

(5) CHARTER SCHOOL.—The term "charter school" has the meaning given the term in section [10306] *5410* of the Elementary and Secondary Education Act of 1965 [(20 U.S.C. 8066)].

* * * * * * *

(8) EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" has the meaning given the term in section [8801] *3 of the Elementary and Secondary Education Act of 1965* of this title.

* * * * * * *

(16) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given the term in section [14101] *3* of the Elementary and Secondary Education Act of 1965 [(20 U.S.C. 8801)].

* * * * * * *

(21) SECONDARY SCHOOL.—The term "secondary school" has the meaning given the term in section [14101] *3* of the Ele-

mentary and Secondary Education Act of 1965 [(20 U.S.C. 8801)].

* * * * * * *

SEC. 4514. DEFINITIONS.

* * * * * * *

(4) the term "secondary school" has the same meaning given that term by section [8801] *3 of the Elementary and Secondary Education Act of 1965* of this title.

* * * * * * *

Sec. 2801—U.S. Code—Title 20

* * * * * * *

SEC. 2801. DEFINITIONS.

In this chapter [29 U.S.C.A. § 2801 et seq.]:

(1) ADULT.—

* * * * * * *

(23) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given the term in section [14101] *3* of the Elementary and Secondary Education Act of 1965 [(20 U.S.C.A. § 8801)].

* * * * * * *

(40) SECONDARY SCHOOL.—The term "secondary school" has the meaning given the term in section [14101] *3* of the Elementary and Secondary Education Act of 1965 [(20 U.S.C.A. § 8801)].

* * * * * * *

SEC. 5891a. DEFINITIONS.

In this Act:

(1) LOCAL EDUCATIONAL AGENCY; STATE EDUCATIONAL AGENCY; OUTLYING AREA.—The terms "local educational agency", "State educational agency", and "outlying area" have the meanings given the terms in section [8801] *3 of the Elementary and Secondary Education Act of 1965* of this title.

* * * * * * *

UNITED STATES CODE—TITLE 20

* * * * * * *

SEC. 5891b. EDUCATION FLEXIBILITY PARTNERSHIP.

(a) EDUCATIONAL FLEXIBILITY PROGRAM.—

* * * * * * *

(b) INCLUDED PROGRAMS.—The statutory or regulatory requirements referred to in subsection (a)(1)(A) are any such requirements for programs carried out under the following provisions:

(1) * * *

* * * * * * *

(2) [Part B of title II] *Subparts 1, 2, and 3 of part A of title II* of the Elementary and Secondary Education Act of 1965.

* * * * * * *

SEC. 6212. WAIVER AUTHORITY OF SECRETARY OF EDUCATION.

(a) WAIVER AUTHORITY.—

* * * * * * *

(b) INCLUDED PROGRAMS.—The provisions subject to the waiver authority of this section are—

(1) * * *

* * * * * * *

(2) [part A of title II] *subpart 4 of part A of title II* of the Elementary and Secondary Education Act of 1965 [20 U.S.C.A. § 6621 et seq.];

* * * * * * *

Sec. 6212—U.S. Code—Title 20

* * * * * * *

School-to-Work Opportunities Act

SEC. 6212. WAIVER AUTHORITY OF SECRETARY OF EDUCATION.

(a) WAIVER AUTHORITY.—

* * * * * * *

(b) INCLUDED PROGRAMS.—The provisions subject to the waiver authority of this section are—

(1) * * *

* * * * * * *

(3) [part A of title V] *part C of title V* of the Elementary and Secondary Education Act of 1965 [20 U.S.C.A. § 7201 et seq.];

* * * * * * *

SEC. 5891b. EDUCATION FLEXIBILITY PARTNERSHIP.

(a) EDUCATIONAL FLEXIBILITY PROGRAM.—

* * * * * * *

(b) INCLUDED PROGRAMS.—

* * * * * * *

(1) * * *

* * * * * * *

(3) [Subpart 2 of part A of title III of the Elementary and Secondary Education Act of 1965 (other than section 3136 of such Act] *Subpart 2 of part A of title V of the Elementary and Secondary Education Act of 1965 (other than section 5136 of such Act)*.

* * * * * * *

(5) [Title VI] *Part A of title VI* of the Elementary and Secondary Education Act of 1965.

* * * * * * *

(d) TREATMENT OF EXISTING ED-FLEX PARTNERSHIP STATES.—

(1) IN GENERAL.—

* * * * * * *

(4) TECHNOLOGY.—In the case of a State educational agency granted waiver authority under the provisions of law described in subparagraph (A) or (B) of paragraph (2), the Secretary shall permit a State educational agency to expand, on or after April 29, 1999, the waiver authority to include programs under ⟦subpart 2 of part A of title III of the Elementary and Secondary Education Act of 1965 (other than section 3136 of such Act)⟧ *subpart 2 of part A of title V of the Elementary and Secondary Education Act of 1965 (other than section 5136 of such Act).*

* * * * * * *

Sec. 9202—U.S. Code—Title 20

* * * * * * *

SEC. 9202. DEFINITIONS.

In this subchapter [20 U.S.C.A. § 9201 et seq.]:

(1) ADULT EDUCATION.—

* * * * * * *

(13) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given the term in section ⟦14101⟧ *3* of the Elementary and Secondary Education Act of 1965 ⟦(20 U.S.C. 8801)⟧.

* * * * * * *

SEC. 1228. PROHIBITION AGAINST USE OF APPROPRIATED FUNDS FOR BUSING.

No funds appropriated for the purpose of carrying out any applicable program may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system, except for funds appropriated pursuant to title VIII of the Elementary and Secondary Education Act of 1965 [20 U.S.C.A. § 7701 et seq.], but not including any portion of such funds as are attributable to children counted under ⟦subsections (d) and (g) of section 8003⟧ *section 8003(d)* of such Act [20 U.S.C.A. § 7703(d), (g)] or residing on property described in section 8013(10) of such Act [20 U.S.C.A. § 7713(10)].

* * * * * * *

Sec. 1397E—U.S. Code—Title 26

* * * * * * *

SEC. 1397E. CREDIT TO HOLDERS OF QUALIFIED ZONE ACADEMY BONDS.

(a) ALLOWANCE OF CREDIT.— * * *

* * * * * * *

(B) ELIGIBLE LOCAL EDUCATION AGENCY.—The term "eligible local education agency" means any local educational agency as defined in section [14101] *3* of the Elementary and Secondary Education Act of 1965.

* * * * * * *

The Goals 2000: Educate America Act

* * * * * * *

[The Goals 2000: Educate America Act (20 U.S.C. 5801 et seq.) is repealed.]

* * * * * * *

TITLE 29—UNITED STATES CODE

LABOR

* * * * * * *

SEC. 2618 SPECIAL RULES CONCERNING EMPLOYEES OF LOCAL EDUCATIONAL AGENCIES.

(a) APPLICATION.—

(1) IN GENERAL.—* * *

(A) any "local educational agency" (as defined in section [1471(12)] *3 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 2891(12)] and an eligible employee of the agency; and*

* * * * * * *

Sec. 6703—U.S. Code—Title 31

* * * * * * *

SEC. 6703. STATE AND LOCAL GOVERNMENT FISCAL ASSISTANCE TRUST FUND.

(a) The Department of the Treasury has a State and Local Government Fiscal Assistance Trust Fund. The Secretary of the Treasury personally is the trustee of the Trust Fund. Amounts in the Trust fund—

[(1) except as provided in this chapter, may be used only for payments to State governments and units of general local government under this chapter; and]

* * * * * * *

Sec. 300j–21—U.S. Code—Title 42

* * * * * * *

SEC. 300J–21. DEFINITIONS.

As used in this part—

(1) DRINKING WATER COOLER.—

* * * * * * *

(3) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" means—

(A) any local educational agency as defined in section [8801 of Title 20] *3 of the Elementary and Secondary Education Act of 1965*

* * * * * * *

(6) SCHOOL.—The term "school" means any elementary school or secondary school as defined in section [8801 of Title 20] *3 of the Elementary and Secondary Education Act of 1965* and any kindergarten or day care facility.

* * * * * * *

SEC. § 2000d–4a. "PROGRAM OR ACTIVITY" AND "PROGRAM" DEFINED.

* * * * * * *

(1)(A) * * *

* * * * * * *

(2)(A) * * *

(B) a local educational agency (as defined in section [8801] *3 of the Elementary and Secondary Education Act of 1965* of Title 20), system of vocational education, or other school system;

* * * * * * *

SEC. 5119c. DEFINITIONS.

For the purposes of this subchapter—

(1) * * *

* * * * * * *

(9) the term "provider" means—

(A) a person who—

(i) is employed by or volunteers with a qualified entity (*including an individual who is employed by a school in any capacity, including as a child care provider, a teacher, or another member of school personnel*);

* * * * * * *

(B) a person who

(i) seeks to be employed by or volunteer with a qualified entity (*including an individual who seeks to be employed by a school in any capacity, including as a child care provider, a teacher, or another member of school personnel*);

* * * * * * *

SEC. 6107. DEFINITIONS.

For purposes of this chapter—

* * * * * * *

(ii) a local educational agency (as defined in section [8801] *3 of the Elementary and Secondary Education Act of 1965* of Title 20), system of vocational education, or other school system;

* * * * * * *

SEC. 9877. DEFINITIONS.

For purposes of this subchapter—

(1) * * *

* * * * * * *

(6) the term "local educational agency" has the same meaning given that term under section [8801] *3 of the Elementary and Secondary Education Act of 1965* of Title 20;

* * * * * * *

(11) the term "State educational agency" has the same meaning given that term under section [8801] *3 of the Elementary and Secondary Education Act of 1965* of Title 20.

* * * * * * *

Sec. 6921 note—U.S. Code—Title 42

* * * * * * *

SEC. 6921. IDENTIFICATION AND LISTING OF HAZARDOUS WASTE.

(a) CRITERIA FOR IDENTIFICATION OR LISTING.—

* * * * * * *

HISTORICAL AND STATUTORY NOTES

* * * * * * *

"(i) secondary schools as defined in section [198(a)(7)] *3* of the Elementary and Secondary Education Act of 1965 [section 2854(a)(7) of Title 20, Education]; and

* * * * * * *

SEC. 7382b. DEFINITIONS.

As used in this subchapter—

(1) the term "elementary school" has the meaning provided by section [8801] *3 of the Elementary and Secondary Education Act of 1965* of Title 20;

(2) the term "local educational agency" has the meaning provided by section [8801] *3 of the Elementary and Secondary Education Act of 1965* of Title 20;

(3) the term "secondary school" has the meaning provided by section [8801] *3 of the Elementary and Secondary Education Act of 1965* of Title 20; and

SEC. 7704. NATIONAL EARTHQUAKE HAZARDS REDUCTION PROGRAM.

* * * * * * *

HISTORICAL AND STATUTORY NOTES

* * * * * * *

"(c) EARTH SCIENCE TEACHING MATERIALS.—

"(1) DEFINITIONS.—In this subsection:

"(A) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given that term in section [14101] *3* of the Elementary and Secondary Education Act of 1965 [(29 U.S.C. 8801)].

* * * * * * *

* * * * * * *

SEC. 9923. NATIONAL OR REGIONAL PROGRAMS DESIGNED TO PROVIDE INSTRUCTIONAL ACTIVITIES FOR LOW-INCOME YOUTH.

(a) GENERAL AUTHORITY.—

* * * * * * *

(4) high quality instruction in a variety of sports (that shall include swimming and that may include dance and any other high quality recreational activity) provided by coaches and teachers from institutions of higher education and from elementary and secondary schools (as defined in section [14101] *3* of the Elementary and Secondary Education Act of 1965 [(20 U.S.C. 8801))]; and

* * * * * * *

STEWART B. McKINNEY HOMELESS ASSISTANCE ACT

Sec. 11431—U.S. Code—Title 42

* * * * * * *

SEC. 11431. STATEMENT OF POLICY.

It is the policy of the Congress that—

(1) * * *

* * * * * * *

(3) homelessness alone [should not be] *is not* sufficient reason to separate students from the mainstream school environment; and

* * * * * * *

SEC. 11432. GRANTS FOR STATE AND LOCAL ACTIVITIES FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

(a) GENERAL AUTHORITY.—

* * * * * * *

(c) ALLOCATION AND RESERVATIONS.—

(1) IN GENERAL.—Subject paragraph (2) and [section 11434(c)] *section 11434(d)* of this title, from the amounts appropriated for each fiscal year under section 11435 of this title, the Secretary is authorized to allot to each State an amount that bears the same ratio to the amount appropriated for such year under section 11435 of this title as the amount allocated under section 6332 of Title 20 to the State for that year bears to the total amount allocated under section 6332 of Title 20 to all States for that year, except that no State shall receive less than $100,000.

* * * * * * *

(2) RESERVATION.—

(A) The Secretary is authorized to reserve 0.1 percent of the amount appropriated for each fiscal year under section 11435 of this title to be allocated by the Secretary among the Virgin Islands, Guam, American Samoa, *and* the Com-

monwealth of the Northern Mariana Islands [, and Palau (until the effective date of the compact of Free Association with the Government of Palau)], according to their respective need for assistance under this part, as determined by the Secretary.

* * * * * * *

(3) DEFINITION.—As used in this subsection, the term "State" shall not include the Virgin Islands, Guam, American Samoa, *or* the Commonwealth of the Northern Mariana Islands[, or Palau].

(e) STATE AND LOCAL GRANTS.—

(1) IN GENERAL.—

* * * * * * *

(3) PROHIBITION ON SEGREGATING HOMELESS STUDENTS.—In providing a free public education to a homeless child or youth, no State receiving funds under this subtitle shall segregate such child or youth, either in a separate school, or in a separate program within a school, based on such child or youth's status as homeless, except as provided in section 723(a)(2)(B)(ii).

[(f) FUNCTIONS OF THE OFFICE OF COORDINATOR.—The Coordinator of Education of Homeless Children and Youth established in each State shall—

[(1) estimate the number of homeless children and youth in the State and the number of such children and youth served with assistance provided under the grants or contracts under this part;

[(2) gather, to the extent possible, reliable, valid, and comprehensive information on the nature and extent of the problems homeless children and youth have in gaining access to public preschool programs and to public elementary and secondary schools, the difficulties in identifying the special needs of such children and youth, any progress made by the State educational agency and local educational agencies in the State in addressing such problems and difficulties, and the success of the program under this part in allowing homeless children and youth to enroll in, attend, and succeed in, school;

[(3) develop and carry out the State plan described in subsection (g) of this section;

[(4) prepare and submit to the Secretary not later than October 1, 1997, and on October 1 of every third year thereafter, a report on the information gathered pursuant to paragraphs (1) and (2) and such additional information as the Secretary may require to carry out the Secretary's responsibilities under this part;

[(5) facilitate coordination between the State educational agency, the State social services agency, and other agencies providing services to homeless children and youth, including homeless children and youth who are preschool age, and families of such children and youth; and

[(6) develop relationships and coordinate with other relevant education, child development, or preschool programs and providers of services to homeless children, homeless families, and runaway and homeless youth (including domestic violence agen-

cies, shelter operators, transitional housing facilities, runaway and homeless youth centers, and transitional living programs for homeless youth), to improve the provision of comprehensive services to homeless children and youth and their families.]

(f) FUNCTIONS OF THE OFFICE OF COORDINATOR.—The Coordinator of Education of Homeless Children and Youth established in each State shall—

(1) gather reliable, valid, and comprehensive information on the nature and extent of the problems homeless children and youth have in gaining access to public preschool programs to public elementary schools and secondary schools, the difficulties in identifying the special needs of such children and youth, any progress made by the State educational agency and local educational agencies in the State in addressing such problems and difficulties, and the success of the program under this subtitle in allowing homeless children and youth to enroll in, attend, and succeed in, school;

(2) develop and carry out the State plan described in subsection (g);

(3) collect and transmit to the Secretary, at such time and in such manner as the Secretary may require, such information as the Secretary deems necessary to assess the educational needs of homeless children and youth within the State;

(4) facilitate coordination between the State educational agency, the State social services agency, and other agencies providing services to homeless children and youth, including homeless children and youth who are preschool age, and families of such children and youth; and

(5) in order to improve the provision of comprehensive education and related services to homeless children and youth and their families, coordinate and collaborate with—

(A) educators, including child development and preschool program personnel;

(B) providers of services to homeless and runaway children and youth and homeless families (including domestic violence agencies, shelter operators, transitional housing facilities, runaway and homeless youth centers, and transitional living programs for homeless youth);

(C) local educational agency liaisons for homeless children and youth; and

(D) community organizations and groups representing homeless children and youth and their families.

(g) STATE PLAN.—

(1) IN GENERAL.—

* * * * * * *

(2) COMPLIANCE.—Each plan adopted under this subsection shall also show how the State will ensure that local educational agencies in the State will comply with the requirements of [paragraphs (3) through (9)] *paragraphs (3) through (8).*

* * * * * * *

(E) address problems set forth in [the report] *the information* provided to the Secretary under subsection [(f)(4)] *(f)(3)* of this section.

[(H) contain an assurance that the State educational agency and local educational agencies in the State will adopt policies and practices to ensure that homeless children and youth are not isolated or stigmatized.]

(H) contain assurances that—

(i) the State educational agency and local educational agencies in the State will adopt policies and practices to ensure that homeless children and youth are not segregated on the basis of their status as homeless or stigmatized; and

(ii) local educational agencies serving school districts in which homeless children and youth reside or attend school will—

(I) post public notice of the educational rights of such children and youth where such children and youth receive services under this Act (such as family shelters and soup kitchens); and

(II) designate an appropriate staff person, who may also be a coordinator for other Federal programs, as a liaison for homeless children and youth.

* * * * * * *

[(3) LOCAL EDUCATIONAL AGENCY REQUIREMENTS.—

[(A) The local educational agency of each homeless child and youth to be assisted under this part shall, according to the child's or youth's best interest, either—

[(i) continue the child's or youth's education in the school of origin—

[(I) for the remainder of the academic year; or

[(II) in any case in which a family becomes homeless between academic years, for the following academic year; or

[(ii) enroll the child or youth in any school that nonhomeless students who live in the attendance area in which the child or youth is actually living are eligible to attend.

[(B) In determining the best interests of the child or youth under subparagraph (A), the local educational agency shall comply, to the extent feasible, with the request made by a parent or guardian regarding school selection.

[(C) For purposes of this paragraph, the term "school of origin" means the school that the child or youth attended when permanently housed, or the school in which the child or youth was last enrolled.

[(D) The choice regarding placement shall be made regardless of whether the child or youth lives with the homeless parents or has been temporarily placed elsewhere by the parents.]

(3) LOCAL EDUCATIONAL AGENCY REQUIREMENTS.—

(A) IN GENERAL.—Each local educational agency serving a homeless child or youth assisted under this subtitle shall, according to the child's or youth's best interest—

(i) continue the child's or youth's education in the school of origin—

(I) for the duration of their homelessness;

(II) if the child becomes permanently housed, for the remainder of the academic year; or

(III) in any case in which a family becomes homeless between academic years, for the following academic year; or

(ii) enroll the child or youth in any school that non-homeless students who live in the attendance area in which the child or youth is actually living are eligible to attend.

(B) BEST INTEREST.—In determining the best interest of the child or youth under subparagraph (A), the local educational agency shall—

(i) to the extent feasible, keep a homeless child or youth in the school of origin, except when doing so is contrary to the wishes of the child's or youth's parent or guardian; and

(ii) provide a written explanation to the homeless child's or youth's parent or guardian when the local educational agency sends such child or youth to a school other than the school of origin or a school requested by the parent or guardian.

(C) ENROLLMENT.—

(i) IN GENERAL.—The school selected in accordance with this paragraph shall immediately enroll the homeless child or youth even if the child or youth is unable to produce records normally required for enrollment, such as previous academic records, medical records, proof of residency, or other documentation.

(ii) SPECIAL RULE.—The enrolling school immediately shall contact the school last attended by the child or youth to obtain relevant academic and other records. If the child or youth needs to obtain immunizations, the enrolling school shall promptly refer the child or youth to the appropriate authorities for such immunizations.

(d) DEFINITION OF SCHOOL OF ORIGIN.—For purposes of this paragraph, the term "school of origin" means the school that the child or youth attended when permanently housed, or the school in which the child or youth was last enrolled.

(E) PLACEMENT CHOICE.—The choice regarding placement shall be made regardless of whether the child or youth lives with the homeless parent or has been temporarily placed elsewhere by the parents.

* * * * * * *

[(6) COORDINATION.—Each local educational agency serving homeless children and youth that receives assistance under this part shall coordinate with local social services agencies

and other agencies or programs providing services to such children or youth and their families, including services and programs funded under the Runaway and Homeless Youth Act [42 U.S.C.A. § 5701 et seq.].]

(6) COORDINATION.—

(A) IN GENERAL.—Each local educational agency serving homeless children and youth that receives assistance under this subtitle shall coordinate the provision of services under this subtitle with local services agencies and other agencies or programs providing services to homeless children and youth and their families, including services and programs funded under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.).

(B) HOUSING ASSISTANCE.—If applicable, each State and local educational agency that receives assistance under this subtitle shall coordinate with State and local housing agencies responsible for developing the comprehensive housing affordability strategy described in section 105 of the Cranston-Gonzales National Affordable Housing Act (42 U.S.C. 12705) to minimize educational disruption for children and youth who become homeless.

(6) COORDINATION PURPOSE.—The coordination required under subparagraphs (A) and (B) shall be designed to—

(i) ensure that homeless children and youth have access to available education and related support services; and

(ii) raise the awareness of school personnel and service providers of the effects of short-term stays in shelters and other challenges associated with homeless children and youth.

(7) Liaison.—

(A) Each local educational agency that receives assistance under this part shall designate a homelessness liasion to ensure that—

(i) homeless children and youth enroll and succeed in the schools of that agency; and

(ii) homeless families, children, and youth receive educational services for which such families, children, and youth are eligible, including Head Start and Even Start programs and preschool programs administered by the local educational agency, and referrals to health care services, dental services, mental health services, and other appropriate services.

[(B) State coordinators and local educational agencies shall inform school personnel, service providers, and advocates working with homeless families of the duties of the liaisons.]

(7) LIAISON.—

(A) IN GENERAL.—Each local liaison for homeless children and youth designated pursuant to paragraph (1)(H)(ii)(II) shall ensure that—

(i) homeless children and youth enroll, and have a full and equal opportunity to succeed, in the schools of the local educational agency;

(ii) homeless families, children, and youth receive educational services for which such families, children, and youth are eligible, including Head Start and Even Start programs and preschool programs administered by the local educational agency, and referrals to health care services, dental services, mental health services, and other appropriate services;

(iii) the parents or guardians of homeless children and youth are informed of the education and related opportunities available to their children and are provided with meaningful opportunities to participate in the education of their children; and

(iv) public notice of the educational rights of homeless children and youth is posted where such children and youth receive services under this Act (such as family shelters and soup kitchens).

(B) INFORMATION.—State coordinators in State receiving assistance under this subtitle and local educational agencies receiving assistance under this subtitle shall inform school personnel, service providers, and advocates working with homeless families of the duties of the liaisons for homeless children and youth.

(C) LOCAL AND STATE COORDINATION.—Liaisons for homeless children and youth shall, as a part of their duties, coordinate and collaborate with State coordinators and community and school personnel responsible for the provision of education and related services to homeless children and youth.

(D) DISPUTE RESOLUTION.—Unless another individual is designated by State law, the local liaison for homeless children and youth shall provide resource information and assist in resolving a dispute under this subtitle if such a dispute arises.

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[(9) COORDINATION.—Where applicable, each State and local educational agency that receives assistance under this part shall coordinate with State and local housing agencies responsible for developing the comprehensive housing affordability strategy described in section 12705 of this title to minimize educational disruption for children who become homeless.]

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SEC. 11433. LOCAL EDUCATIONAL AGENCY GRANTS FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

(a) GENERAL AUTHORITY.—

(1) IN GENERAL.—

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[(2) SERVICES.—Unless otherwise specified, services under paragraph (1) may be provided through programs on school grounds or at other facilities. Where such services are provided through programs to homeless students on school grounds, schools may provide services to other children and youth who are determined by the local educational agency to be at risk of

failing in, or dropping out of, schools, in the same setting or classroom. To the maximum extent practicable, such services shall be provided through existing programs and mechanisms that integrate homeless individuals with nonhomeless individuals.]

(2) SERVICES.—

(A) IN GENERAL.—Services provided under paragraph (1)—

(i) may be provided through programs on school grounds or at other facilities;

(ii) shall, to the maximum extent practicable, be provided through existing programs and mechanisms that integrate homeless individuals with nonhomeless individuals; and

(iii) shall be designed to expand or improve services provided as part of a school's regular academic program, but not replace that program.

(B) SERVICES ON SCHOOL GROUNDS.—If services under paragraph (1) are provided on school grounds, schools—

(i) may use funds under this subtitle to provide the same services to other children and youth who are determined by the local educational agency to be at risk of failing in, or dropping out of, schools, subject to clause (ii); and

(ii) shall not provide services in settings within a school that segregates homeless children and youth from other children and youth, except as is necessary for short periods of time—

(I) for health and safety emergencies; or

(II) to provide temporary, special, supplementary services to meet the unique needs of homeless children and youth.

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(b) APPLICATION.—A local educational agency * * *

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(1) an assessment of the educational and related needs of homeless children and youth in the school district (which may be undertaken as a part of needs assessments for other disadvantaged groups);

[(1)] *(2)* a description of the services and programs for which assistance is sought and the problems to be addressed through the provision of such services and programs;

[(2)] *(3)* an assurance that the local educational agency's combined fiscal effort per student or the aggregate expenditures of that agency and the State with respect to the provision of free public education by such agency for the fiscal year preceding the fiscal year for which the determination is made was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made;

[(3)] *(4)* an assurance that the applicant complies with, or will use requested funds to come into compliance with [para-

graphs (3) through (9) of section 1132(g)] *paragraphs (3) through (8) of section 1132(g)* of this title; and

[(4)] *(5)* description of policies and procedures that the agency will implement to ensure that activities carried out by the agency will not isolate or stigmatize homeless children and youth.

(c) AWARDS.—

[(1) IN GENERAL.—The State educational agency shall, in accordance with section 11432(g) of this title and from amounts made available to such agency under section 11435 of this title, award grants under this section to local educational agencies submitting an application under subsection (b) of this section on the basis of the need of such agencies.]

(1) IN GENERAL.—The State educational agency, in accordance with the requirements of this subtitle and from amounts made available to the State educational agency under section 726, shall award grants, on a competitive basis, to local educational agencies that submit applications under subsection (b). Such grants shall be awarded on the basis of the need of such agencies for assistance under this subtitle and the quality of the applications submitted.

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(3) QUALITY.—In determining the quality of applications under paragraph (1), the State educational agency shall consider—

(A) the local educational agency's needs assessment under subsection (b)(1) and the likelihood that the program to be assisted will meet the needs;

(B) the types, intensity, and coordination of services to be assisted under the program;

(C) the involvement of parents or guardians;

(D) the extent to which homeless children and youth will be integrated within the regular education program;

(E) the quality of the local educational agency's evaluation plan for the program;

(F) the extent to which services provided under this subtitle will be coordinated with other available services;

(G) the extent to which the local educational agency provides case management or related services to homeless children and youth who are unaccompanied by a parent or guardian; and

(H) such other measures as the State educational agency determines indicative of a high-quality program.

[(3)] *(4)* DURATION OF GRANTS.—Grants awarded under this section shall be for terms not to exceed three years.

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SEC. 11434. SECRETARIAL RESPONSIBILITIES.

(a) REVIEW OF PLANS.—In reviewing the State plans submitted by [the State educational] *State educational* agencies under section 11432(g) of this title, the Secretary shall use a peer review process and shall evaluate whether State laws, policies, and practices described in such plans adequately address the problems of

homeless children and youth relating to access to education and placement as described in such plans.

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(c) GUIDELINES.—The Secretary shall develop, issue, and publish in the Federal Register, not later than 60 days after the date of enactment of the Educational Opportunities Act, school enrollment guidelines for States with respect to homeless children and youth. The guidelines shall describe—

(1) successful ways in which a State may assist local educational agencies to enroll immediately homeless children and youth in school; and

(2) how a State can review the State's requirements regarding immunization and medical or school records and make revisions to the requirements as are appropriate and necessary in order to enroll homeless children and youth in school more quickly.

[(c)**]** *(d)* EVALUATION AND DISSEMINATION.—The Secretary shall conduct evaluation and dissemination activities of programs designed to meet the educational needs of homeless elementary and secondary school students, and may use funds appropriated under section 11435 of this title to conduct such activities.

[(d)**]** *(e)* SUBMISSION AND DISTRIBUTION.—The Secretary shall require applications for grants under this part to be submitted to the Secretary not later than the expiration of the 60-day period beginning on the date that funds are available for purposes of making such grants and shall make such grants not later than the expiration of the 120-day period beginning on such date.

[(e)**]** *(f)* DETERMINATION BY SECRETARY.—The Secretary, based on the information received from the States and information gathered by the Secretary under **[**subsection (d)**]** *subsection (e)* of this section, shall determine the extent to which State educational agencies are ensuring that each homeless child and homeless youth has access to a free appropriate public education as described in section 11431(1) of this title.

[(f) REPORTS.—The Secretary shall prepare and submit a report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate on the programs and activities authorized by this part by December 31, 1997, and every third year thereafter.**]**

(g) INFORMATION.—

(1) IN GENERAL.—From funds appropriated under section 726, the Secretary, directly or through grants, contracts, or cooperative agreements, shall periodically collect and disseminate data and information regarding—

(A) the number and location homeless children and youth;

(B) the education and related services homeless children and youth receive;

(C) the extent to which the needs of homeless children and youth are met; and

(D) such other data and information as the Secretary determines necessary and relevant to carry out this subtitle.

(2) COORDINATION.—The Secretary shall coordinate such collection and dissemination with other agencies and entities that receive assistance and administer programs under this subtitle.

(h) REPORT.—Not later than 4 years after the date of enactment of the Educational Opportunities Act, the Secretary shall prepare and submit to the President and the appropriate committees of the House of Representatives and the Senate a report on the status of the education of homeless children and youth, which shall include information regarding—

(1) the education of homeless children and youth; and

(2) the actions of the Department of Education and the effectiveness of the programs supported under this subtitle.

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SEC. 11434a. DEFINITIONS.

For the purpose of this part, unless otherwise stated—

(1) the terms "local educational agency" and "State educational agency" have the meanings given the terms in section 2 of the Elementary and Secondary Education Act of 1965;

[(1)**]** *(2)* the term "Secretary" means the Secretary of Education; and

[(2)**]** *(3)* the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

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[§ 11435. AUTHORIZATION OF APPROPRIATIONS.

[For the purpose of carrying out this part, there are authorized to be appropriated $30,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.**]**

SEC. 11435. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this subtitle, there are authorized to be appropriated $40,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

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SEC. 12511. DEFINITIONS.

For purposes of this subchapter:

(1) ADULT VOLUNTEER.—

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(8) ELEMENTARY SCHOOL.—The term "elementary school" has the same meaning given such term in section **[**8801**]** *3 of the Elementary and Secondary Education Act of 1965* of title 20.

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(14) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the same meaning given such term in section **[**8801**]** *3 of the Elementary and Secondary Education Act of 1965* of title 20.

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(22) SECONDARY SCHOOL.—The term "secondary school" has the same meaning given such term in section ⟦8801⟧ *3 of the Elementary and Secondary Education Act of 1965* of title 20.

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(28) STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the same meaning given such term in section ⟦8801⟧ *3 of the Elementary and Secondary Education Act of 1965* of title 20.

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Sec. 157 note—U.S. Code—Title 47

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SEC. 157. NEW TECHNOLOGIES AND SERVICES.

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HISTORICAL AND STATUTORY NOTES

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(2) ELEMENTARY AND SECONDARY SCHOOLS.—The term 'elementary and secondary schools' means elementary and secondary schools, as defined in ⟦paragraphs (14) and (25), respectively, of section 14101⟧ *section 3* of the Elementary and Secondary Education Act of 1965 ⟦(20 U.S.C. 8801)⟧ [section 8801(14) and (25) of Title 20, Education].

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Sec. 254h(5)(A)—U.S. Code—Title 47

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SEC. 254. UNIVERSAL SERVICE.

(a) PROCEDURES TO REVIEW UNIVERSAL SERVICE REQUIREMENTS.—

(1) Federal-State Joint Board on universal service

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(5) DEFINITIONS.—For purposes of this subsection:

(A) ELEMENTARY AND SECONDARY SCHOOLS.—The term "elementary and secondary schools" means elementary schools and secondary schools, as defined in ⟦paragraphs (14) and (25), respectively, of section 8801 of Title 20⟧ *section 3 of the Elementary and Secondary Education Act of 1965*.

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Title 49—United States Code

TRANSPORTATION

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SEC. 31136. UNITED STATES GOVERNMENT REGULATIONS.

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HISTORICAL AND STATUTORY NOTES

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IMPROVED INTERSTATE SCHOOL BUS SAFETY

Section 4024 of Pub. L. 105–178 provided that: "Not later than 6 months after the date of enactment of this Act [June 9, 1998], the Secretary shall initiate a rulemaking proceeding to determine whether or not relevant commercial motor carrier safety regulations issued under section 31136 of title 49, United States Code [this section], should apply to all interstate school transportation operations by local educational agencies (as defined in section **[**14101**]** *3* of the Elementary and Secondary Education Act of 1965) [Pub. L. 89–10, Title XIV, § 14101, as added Pub. L. 103–382, Title I, § 101, Oct. 20, 1994, 108 Stat. 3887, codified as section 8801 of Title 20, Education]."

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PUBLIC LAW 106–98—NOV. 12, 1999

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SEC. 3. PUBLIC SCHOOL PROGRAM.

(a) GRANTS.—

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(c) DEFINITIONS.—In this section:

(1) ELIGIBLE INSTITUTION.—* * *

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(5) SECONDARY SCHOOL.—The term "secondary school" has the meaning given that term under section **[**14101**]** *3* of the Elementary and Secondary Education Act of 1965 **[**(20 U.S.C. 8801)**]**.

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