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107TH CONGRESS
1ST SESSION

H. R. 340

To amend the Elementary and Secondary Education Act of 1965 to improve the quality of public education and raise student achievement by increasing investment, strengthening accountability, raising standards for teachers, improving professional development and teacher compensation, rewarding successful schools, and providing better information to parents, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 31, 2001

Mr. GEORGE MILLER of California (for himself, Mr. KILDEE, Mr. ANDREWS, Mr. BALDACCI, Mr. BONIOR, Mr. BROWN of Ohio, Mr. CONYERS, Mr. CUMMINGS, Mr. DELAHUNT, Ms. DELAURO, Mr. DINGELL, Mr. FATTAH, Mr. FILNER, Mr. FROST, Mr. GREEN of Texas, Mr. HINCHEY, Mr. HINOJOSA, Mr. HOLT, Mr. KIND, Mr. KUCINICH, Mrs. MCCARTHY of New York, Ms. MCCOLLUM, Mr. MCDERMOTT, Mr. MCGOVERN, Ms. MILLENDER-MCDONALD, Mrs. MINK of Hawaii, Mr. NADLER, Mr. OWENS, Mr. PAYNE, Ms. PELOSI, Mr. RODRIGUEZ, Mr. REYES, Mr. RUSH, Ms. SANCHEZ, Mr. SCOTT, Ms. SOLIS, Mr. STARK, Mr. TIERNEY, Mr. UDALL of New Mexico, Ms. VELÁZQUEZ, Ms. WOOLSEY, Ms. DEGETTE, Mr. KENNEDY of Rhode Island, Mr. TOWNS, Mr. ENGEL, and Mr. DEFAZIO) introduced the following bill; which was referred to the Committee on Education and the Workforce

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A BILL

To amend the Elementary and Secondary Education Act of 1965 to improve the quality of public education and raise student achievement by increasing investment, strengthening accountability, raising standards for teachers, improving professional development and teacher com-

pensation, rewarding successful schools, and providing better information to parents, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Excellence and Accountability in Education Act''.

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

Sec. 1. Short title; table of contents.
Sec. 2. References.

TITLE I—STUDENT RESULTS

PART A—BASIC PROGRAM

Sec. 101. Low-achieving children meet high standards.
Sec. 102. Purposes and intent.
Sec. 103. Authorization of appropriations.
Sec. 104. Reservation and allocation.
Sec. 105. State plans.
Sec. 106. Local educational agency plans.
Sec. 107. Eligible school attendance areas.
Sec. 108. Schoolwide programs.
Sec. 109. Targeted assistance schools.
Sec. 110. School choice.
Sec. 111. Assessment and local educational agency and school improvement.
Sec. 112. State assistance for school support and improvement.
Sec. 113. Academic achievement awards program; improving State assessments.
Sec. 114. Parental involvement changes.
Sec. 115. Qualifications for teachers and paraprofessionals.
Sec. 116. Professional development.
Sec. 117. Participation of children enrolled in private schools.
Sec. 118. Requirements; records.
Sec. 119. Coordination requirements.
Sec. 120. Amounts for grants.
Sec. 121. Basic grants to local educational agencies.
Sec. 122. Concentration grants.
Sec. 123. Targeted grants.
Sec. 124. Special allocation procedures.

PART B—EDUCATION OF MIGRATORY CHILDREN

Sec. 131. State allocations.
Sec. 132. State applications; services.
Sec. 133. Authorized activities.

Sec. 134. Coordination of migrant education activities.

PART C—NEGLECTED OR DELINQUENT YOUTH

Sec. 141. Neglected or delinquent youth.
Sec. 142. Findings.
Sec. 143. Allocation of funds.
Sec. 144. State plan and State agency applications.
Sec. 145. Use of funds.
Sec. 146. Purpose.
Sec. 147. Transition services.
Sec. 148. Programs operated by local educational agencies.
Sec. 149. Local educational agency applications.
Sec. 150. Uses of funds.
Sec. 151. Program requirements.
Sec. 152. Program evaluations.

PART D—GENERAL PROVISIONS

Sec. 161. General provisions.

PART E—COMPREHENSIVE SCHOOL REFORM

Sec. 171. Comprehensive school reform.

TITLE II—SMART CLASSROOMS

Sec. 201. Smart classrooms.
Sec. 202. Reading Excellence Act.
Sec. 203. Student loan forgiveness for teachers.

TITLE III—TECHNOLOGY FOR EDUCATION

Sec. 301. Technology for education.

TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

Sec. 401. Safe and drug-free schools and communities.

TITLE V—MAGNET SCHOOLS ASSISTANCE, PUBLIC SCHOOL CHOICE, AND NATIONAL PRIORITIES

Sec. 501. Magnet schools assistance.
Sec. 502. Women's educational equity.
Sec. 503. Fund for the improvement of education.
Sec. 504. Amendment to ESEA relating to gifted and talented children.
Sec. 505. Charter schools.
Sec. 506. Arts in education.
Sec. 507. Inexpensive book distribution program.
Sec. 508. Civic education.
Sec. 509. Allen J. Ellender fellowship program.
Sec. 510. 21st century community learning centers.
Sec. 511. Rural education achievement program.
Sec. 512. Physical education for progress.
Sec. 513. Coordinated services.
Sec. 514. Dropout prevention.
Sec. 515. Office of Dropout Prevention and Program Completion.
Sec. 516. Impact Aid amendments.

TITLE VI—INNOVATIVE EDUCATIONAL STRATEGIES

Sec. 601. Innovative educational strategies.
Sec. 602. School construction and renovation grants.

TITLE VII—EDUCATION OF LIMITED ENGLISH PROFICIENT CHILDREN AND EMERGENCY IMMIGRANT EDUCATION

Sec. 701. Programs authorized.

TITLE VIII—INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

Sec. 801. Amendments.
Sec. 802. Native Hawaiian education.
Sec. 803. Alaska native education.

TITLE IX—GENERAL PROVISIONS

Sec. 901. General provisions.

TITLE X—REPEALS; EFFECTIVE DATE

Sec. 1001. Repeals; effective date.

TITLE XI—AMENDMENTS TO OTHER ACTS

Sec. 1101. Amendments to Education Amendments of 1978.
Sec. 1102. Amendments to Tribally Controlled Schools Act of 1988.
Sec. 1103. Amendments to Stewart B. McKinney Homeless Assistance Act.

SEC. 2. REFERENCES.

Except as otherwise expressly provided—

(1) whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a title, chapter, part, subpart, section, subsection, or other provision, the reference shall be considered to be made to a title, chapter, part, subpart, section, subsection, or other provision of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.); and

(2) each reference in this Act to ''the Act'' shall be considered to be a reference to the Elementary

and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

TITLE I—STUDENT RESULTS

PART A—BASIC PROGRAM

SEC. 101. LOW-ACHIEVING CHILDREN MEET HIGH STANDARDS.

The heading for title I is amended by striking "**DISADVANTAGED**" and inserting "**LOW-ACHIEVING**".

SEC. 102. PURPOSES AND INTENT.

Section 1001 (20 U.S.C. 6301) is amended to read as follows:

"SEC. 1001. FINDINGS; RECOGNITION OF NEED; AND STATEMENT OF PURPOSE.

"(a) FINDINGS.—Congress finds the following:

"(1) Schools that enroll high concentrations of children living in poverty face the greatest challenges but effective educational strategies based on scientifically based research can succeed in educating children to high standards.

"(2) High-poverty schools are much more likely to be identified as failing to meet State standards for satisfactory progress. As a result, these schools are generally the most in need of additional resources and technical assistance to build the capac-

ity of these schools to address the many needs of their students.

"(3) The educational progress of children participating in programs under this title is closely associated with their being taught by a fully qualified staff, particularly in schools with the highest concentrations of poverty, where paraprofessionals, uncertified teachers, and teachers teaching out of field frequently provide instructional services.

"(4) States, local educational agencies, and schools should be held accountable for improving student achievement, while being given appropriate flexibility.

"(5) Programs funded under this part must demonstrate increased effectiveness in improving schools in order to ensure all children achieve to high standards.

"(b) RECOGNITION OF NEED.—The Congress recognizes the following:

"(1) 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 ne-

glected or delinquent and young children and their parents who are in need of family literacy services.

''(2) Despite decades of education reform efforts, a sizable achievement gap remains between minority and nonminority students, and between disadvantaged students and their more advantaged peers.

''(3) States, local educational agencies and schools should be held accountable for improving the academic achievement of all students, and for identifying and turning around low-performing schools.

''(4) Federal education assistance is intended not only to increase pupil achievement overall, but also more specifically and importantly, to help ensure that all pupils, especially the disadvantaged, meet challenging standards for curriculum content and pupil performance. It can only be determined if schools, local educational agencies, and States, are reaching this goal if pupil achievement results are disaggregated by at-risk categories.''.

''(c) PURPOSE AND INTENT.—The purpose and intent of this title are to ensure that all children have a fair and equal opportunity to obtain a high quality education.

SEC. 103. AUTHORIZATION OF APPROPRIATIONS.

(a) LOCAL EDUCATIONAL AGENCY GRANTS.—Subsection (a) of section 1002 (20 U.S.C. 6302(a)) is amended by striking ''$7,400,000,000 for fiscal year 1995'' and all that follows through the period and inserting $10,321,000,000 for fiscal year 2002, $12,040,000,000 for fiscal year 2003, $13,760,000,000 for fiscal year 2004, $15,481,000,000 for fiscal year 2005, and $17,200,000,000 for fiscal year 2006.''.

(b) EVEN START.—Subsection (b) of section 1002 (20 U.S.C. 6302(b)) is amended by striking ''$250,000,000 for fiscal year 2001'' and inserting ''$300,000,000 for fiscal year 2002''.

(c) EDUCATION OF MIGRATORY CHILDREN.—Subsection (c) of section 1002 (20 U.S.C. 6302(c)) is amended by striking ''$310,000,000 for fiscal year 1995'' and inserting ''$450,000,000 for fiscal year 2002''.

(d) PREVENTION AND INTERVENTION PROGRAMS FOR YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT RISK OF DROPPING OUT.—Subsection (d) of section 1002 (20 U.S.C. 6302(d)) is amended by striking ''$40,000,000 for fiscal year 1995'' and inserting ''$60,000,000 for fiscal year 2002''.

(e) CAPITAL EXPENSES.—Subsection (e) of section 1002 (20 U.S.C. 6302(e)) is amended to read as follows:

"(e) CAPITAL EXPENSES.—For the purpose of carrying out section 1120(e), there are authorized to be appropriated $10,000,000 for fiscal year 2002.".

(f) ADDITIONAL ASSISTANCE.—Subsection (f) of section 1002 is amended to read as follows:

"(f) SCHOOL IMPROVEMENT.—Each State may reserve for the purpose of carrying out its duties under section 1116 and 1117, the greater of one-half of 1 percent of the amount allocated under this part, or $200,000.".

(g) FEDERAL ACTIVITIES.—Subsection (g) of section 1002 (20 U.S.C. 6302(g)) is amended by striking "1995" each place it appears and inserting "2002".

(h) STATE ADMINISTRATION.—Section 1002 is amended by adding at the end the following:

"(h) STATE ADMINISTRATION.—

"(1) STATE RESERVATION.—Each State may reserve, from the grants it receives under parts A, C, and D, of this title, an amount equal to the greater of—

"(A) 1 percent of the amount it received under parts A, C, and D; or

"(B) $400,000 ($50,000 for each outlying area), to carry out administrative duties assigned under parts A, C, and D.

"(2) SPECIAL RULE.—The amount reserved by each State under this subsection may not exceed the amount of State funds expended by the State educational agency to administer elementary and secondary education programs in such State.

"(i) ASSISTANCE FOR LOCAL SCHOOL IMPROVEMENT.—

"(1) PROGRAM AUTHORIZED.—The Secretary shall award grants to States to provide subgrants to local educational agencies for the purpose of providing assistance for school improvement consistent with section 1116. Such grants shall be allocated among States, the Bureau of Indian Affairs, and the outlying areas, in the same proportion to the grants received by each State, the Bureau of Indian Affairs, and the outlying areas for the fiscal year under parts A, C, and D of this title. The Secretary shall expeditiously allocate a portion of such funds to States for the purpose of assisting local educational agencies and schools that were in school improvement status on the date preceding the date of the enactment of the Excellence and Accountability in Education Act.

"(2) REALLOCATIONS.—If a State does not apply for funds under this subsection, the Secretary

shall reallocate such funds to other States in the same proportion funds are allocated under paragraph (1).

"(3) STATE APPLICATIONS.—Each State educational agency that desires to receive funds under this subsection shall submit an application to the Secretary at such time, and containing such information as the Secretary shall reasonably require, except that such requirement shall be waived if a State educational agency has submitted such information as part of its State plan under this part. Each State plan shall describe how such funds will be allocated to ensure that the State educational agency and local educational agencies comply with school improvement and corrective action requirements of section 1116.

"(4) LOCAL EDUCATIONAL AGENCY GRANTS.—A grant to a local educational agency under this subsection shall be—

"(A) of sufficient size and scope to support the activities required under sections 1116 and 1117, but not less than $50,000 and not more than $500,000 to each participating school;

"(B) integrated with other funds under this Act; and

"(C) renewable for 2 additional 1-year periods if schools are making yearly progress consistent with State and local educational agency plans developed under section 1116.

"(5) PRIORITY.—The State, in awarding such grants, shall give priority to local educational agencies with the lowest achieving schools, that demonstrate the greatest need for such funds, and that demonstrate the strongest commitment to making sure such funds are used to provide adequate resources to enable such schools to meet the yearly progress goals under State and local school improvement and corrective action plans under section 1116.

"(6) ADMINISTRATIVE COSTS.—A State educational agency that receives a grant award under this subsection may reserve not more than 5 percent of such award for administration, evaluation, and technical assistance expenses.

"(7) LOCAL AWARDS.—Each local educational agency that applies for assistance under this subsection shall describe how it will provide the lowest achieving schools the resources necessary to meet yearly progress goals under State and local school improvement and corrective action plans under section 1116.

"(8) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subsection, there are authorized to be appropriated $250,000,000 for fiscal year 2002, $300,000,000 for fiscal year 2003, $350,000,000 for fiscal year 2004, $400,000,000 for fiscal year 2005, and $450,000,000 for fiscal year 2006.".

SEC. 104. RESERVATION AND ALLOCATION.

Section 1003 (20 U.S.C. 6303) is repealed.

SEC. 105. STATE PLANS.

Section 1111 (20 U.S.C. 6311) is amended to read as follows:

"SEC. 1111. 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 (including administrators of programs described in other parts of this title), other staff, and parents, that satisfies the requirements of this section and that is coordinated with other programs under this Act, the Individuals with Disabilities Education Act, the Carl D. Perkins Vo-

cational and Technical Education Act of 1998, and the Head Start Act.

"(2) CONSOLIDATED PLAN.—A State plan submitted under paragraph (1) may be submitted as part of a consolidated plan under section 10202.

"(b) STANDARDS, ASSESSMENTS, AND ACCOUNTABILITY.—

"(1) CHALLENGING STANDARDS.—(A) Each State plan shall demonstrate that the State has adopted and implemented challenging content standards and challenging student performance standards that will be used by the State, its local educational agencies, and its schools to carry out this part, except that a State shall not be required to submit such standards to the Secretary.

"(B) The standards required by subparagraph (A) shall be the same standards that the State applies to all schools and children in the State.

"(C) The State shall have such standards for elementary and secondary school children served under this part in subjects determined by the State, but including at least mathematics, reading or language arts, and science, which shall include the same knowledge, skills, and levels of performance expected of all children.

"(D) Standards under this paragraph shall include—

"(i) challenging content standards in academic subjects that—

"(I) specify what children are expected to know and be able to do;

"(II) contain coherent and rigorous content; and

"(III) encourage the teaching of advanced skills; and

"(ii) challenging student performance standards that—

"(I) are aligned with the State's content standards;

"(II) describe 2 levels of high performance, proficient and advanced, that determine how well children are mastering the material in the State content standards; and

"(III) describe a third level of performance, basic, to provide complete information about the progress of the lower performing children toward achieving to the proficient and advanced levels of performance.

"(E) For the subjects in which students will be served under this part, but for which a State is not required by subparagraphs (A), (B), and (C) to develop, and has not otherwise developed such standards, the State plan shall describe a strategy for ensuring that such students are taught the same knowledge and skills and held to the same expectations as are all children.

"(2) ADEQUATE YEARLY PROGRESS.—

"(A) IN GENERAL.—Each State plan shall demonstrate, based on assessments described under paragraph (4), what constitutes adequate yearly progress of—

"(i) any school served under this part toward enabling all children to meet the State's challenging student performance standards;

"(ii) any local educational agency that received funds under this part toward enabling all children in schools receiving assistance under this part to meet the State's challenging student performance standards; and

"(iii) the State in enabling all children in schools receiving assistance under this

part to meet the State's challenging student performance standards.

"(B) DEFINITION.—Adequate yearly progress shall be defined in a manner that—

"(i) applies the same high standards of academic performance to all students in the State;

"(ii) takes into account the progress of all students in the State and in each local educational agency and school served under section 1114 or 1115;

"(iii) uses the State challenging content and challenging student performance standards and assessments described in paragraphs (1) and (4);

"(iv) compares separately, within each State, local educational agency, and school, the performance and progress of students by gender, each major ethnic and racial 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 (except that

such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal individually identifiable information about an individual student);

''(v) compares the proportions of students at the 'basic', 'proficient', and 'advanced' levels of performance with the proportions of students at each of the 3 levels in the same grade in the previous school year;

''(vi) includes annual numerical goals for improving the performance of all groups specified in clause (iv) and narrowing gaps in performance between these groups; and

''(vii) includes a timeline for ensuring that each group of students described in clause (iv) meets or exceeds the State's proficient level of performance on each State assessment used for the purposes of section 1111 and section 1116 not later than 10 years after the date of the enact-

ment of the Excellence and Accountability in Education Act; and

"(viii) at the State's discretion, may also include other academic measures such as promotion, completion of college preparatory courses, and high school completion, except that inclusion of such other measures may not change which schools or local educational agencies would otherwise be subject to improvement or corrective action under section 1116 if the discretionary indicators were not included.

"(C) ANNUAL IMPROVEMENT FOR STATES.—For a State to make adequate yearly progress under subparagraph (A)(iii), not less than 90 percent of the local educational agencies within its jurisdiction shall meet the State's criteria for adequate yearly progress.

"(D) ANNUAL IMPROVEMENT FOR LOCAL EDUCATIONAL AGENCIES.—For a local educational agency to make adequate yearly progress under subparagraph (A)(ii), not less than 90 percent of the schools within its jurisdiction must meet the State's criteria for adequate yearly progress.

"(E) ANNUAL IMPROVEMENT FOR SCHOOLS.—For a school to make adequate yearly progress under subparagraph (A)(i), not less than 90 percent of each group of students described in subparagraph (A)(iv) who are enrolled in such school are required to take the assessments consistent with section 612(a)(17)(A) of the Individuals with Disabilities Education Act and paragraph (4)(F)(iv) on which adequate yearly progress is based. The requirement of this subparagraph must be met for such assessments to be used to determine whether a school is making adequate yearly progress.

"(F) PUBLIC NOTICE AND COMMENT.—Each State shall ensure that in developing its plan for adequate yearly progress, it diligently seeks public comment from a range of institutions and individuals in the State with an interest in improved student achievement and that the State makes and will continue to make a substantial effort to ensure that information under this part is widely known and understood by the public, parents, teachers, and school administrators throughout the State. Such efforts

shall include, at a minimum, publication of such information and explanatory text, broadly to the public through such means as the Internet, the media, and public agencies.

"(G) REVIEW.—The Secretary shall review the information from States on the adequate yearly progress of schools and local educational agencies required under subparagraphs (A) and (B) for the purpose of determining State and local compliance with section 1116.

"(H) REVISION.—The Secretary shall require States to revise their definition of adequate yearly progress, consistent with the requirements of this paragraph. Such revisions shall be submitted to the Secretary for approval not later than 1 year after the date of the enactment of the Excellence and Accountability in Education Act.

"(3) STATE AUTHORITY.—If a State educational agency provides evidence, which is satisfactory to the Secretary, that neither the State educational agency nor any other State government official, agency, or entity has sufficient authority, under State law, to adopt curriculum content and student performance standards, and assessments aligned

with such standards, which will be applicable to all students enrolled in the State's public schools, then the State educational agency may meet the requirements of this subsection by—

"(A) adopting standards and assessments that meet the requirements of this subsection, on a statewide basis, limiting their applicability to students served under this part; or

"(B) adopting and implementing policies that ensure that each local educational agency in the State which receives grants under this part will adopt curriculum content and student performance standards, and assessments aligned with such standards, which meet all of the criteria in this subsection and any regulations regarding such standards and assessments which the Secretary may publish, and which are applicable to all students served by each such local educational agency.

"(4) ASSESSMENTS.—Each State plan shall demonstrate that the State has implemented and is administering a set of high-quality, yearly student assessments that include, at a minimum, assessments in mathematics, reading or language arts, and science as the primary means of determining the

yearly performance of each local educational agency and school served under this title in enabling all children served under this part to meet the State's challenging student performance standards. Such assessments shall—

"(A) be the same assessments used to measure the performance of all children, if the State measures the performance of all children;

"(B) be criterion referenced and aligned with the State's challenging content and student performance standards and provide coherent information about student attainment of such standards;

"(C) be used for purposes for which such assessments are valid and reliable, and be consistent with relevant, nationally recognized professional and technical standards for such assessments;

"(D) measure the proficiency of students in the academic subjects in which a State has adopted challenging content and student performance standards and be administered not less than one or more times during—

"(i) grades 3 through 5;

"(ii) grades 6 through 9; and

"(iii) grades 10 through 12;

"(E) involve multiple up-to-date measures of student performance, including measures that assess higher order thinking skills and understanding;

"(F) provide for—

"(i) the participation in such assessments of all students;

"(ii) the reasonable adaptations and accommodations for students with disabilities defined under 602(3) of the Individuals with Disabilities Education Act necessary to measure the achievement of such students relative to State content and State student performance 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 such students' knowledge of, and skills in, the subject area being assessed;

"(G) include students who have attended schools in a local educational agency for a full academic year but have not attended a single

school for a full academic year, except that the performance of students who have attended more than 1 school in the local educational agency in any academic year shall be used only in determining the progress of the local educational agency;

"(H) provide individual student reports, which include assessment scores, or other information on the attainment of student performance standards; and

"(I) enable results to be 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.

"(5) SPECIAL RULE.—

"(A) IN GENERAL.—Assessment measures that do not meet the requirements of paragraph (4)(C) may be included as one of the multiple measures, if a State includes in the State plan

information regarding the State's efforts to validate such measures.

"(B) STUDENT LITERACY SKILLS.—States may measure the literacy skills of students 1 or more times during grades K–2. Such measurement shall serve only as a diagnostic tool, with its sole purpose being the improvement of reading instruction.

"(6) LANGUAGE ASSESSMENTS.—Each State plan shall identify 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, but shall not mandate a specific assessment or mode of instruction.

"(7) REQUIREMENT.—Each State plan shall describe—

"(A) how the State educational agency will ensure that each local educational agency and

school affected by the State plan to develop the capacity to comply with each of the requirements of sections 1112(c)(1)(D), 1114(c), and 1115(c) that is applicable to such agency or school;

"(B) what specific steps the State educational agency will take to assist, and provide resources to, schools and local educational agencies that receive funds under this part to ensure that all students enrolled in such schools and local educational agencies reach, at a minimum, the proficient level of performance;

"(C) the actions the State will take to ensure that critical education services and resources are available in local educational agencies that receive funds under this part to the extent that such services are available in local educational agencies that do not receive funds under this part;

"(D) whether services in local educational agencies that receive funds under this part are of comparable quality to the services in local educational agencies that do not receive funds under this part;

"(E) at a minimum—

"(i) how the State will ensure, not later than December 1, 2004, that students from families with incomes below the poverty line and minority students receive instruction from fully qualified teachers at the same rate as other students;

"(ii) how the State will ensure, not later than December 1, 2004, that students from families with incomes below the poverty line and minority students have the same access to challenging curricula and rigorous courses, including advance placement courses, as do other students;

"(iii) how the State will ensure, not later than December 1, 2004, that the quality and availability of instructional materials and instructional resources including technology in local educational agencies receiving funds under this part, is comparable to such quality and availability in local educational agencies not receiving funds under this part; and

"(F) the measures that the State educational agency will use annually to measure

and publicly report progress regarding subparagraph (E).

"(8) EXCLUSION FROM ASSESSMENTS.—

"(A) IN GENERAL.—Local educational agencies receiving funds under this part shall compile information and report, by individual school, on students who do not participate in assessments required under paragraph (4). Such report, which shall be distributed widely to the public, shall include—

"(i) a list of each reason that students did not participate in any such assessment; and

"(ii) the number from each group of students described in paragraph (2)(B)(iv) who did not participate on any such assessment for each reason.

"(B) PROTECTION.—Reports required under subparagraph (A) shall not report information in a case in which it would reveal individually identifiable information.

"(c) OTHER PROVISIONS TO SUPPORT TEACHING AND LEARNING.—Each State plan shall contain assurances that—

"(1) 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 technical assistance under section 1117; and

"(2)(A) where educational service agencies exist, the State educational agency will consider providing professional development and technical assistance through such agencies; and

"(B) where educational service agencies do not exist, the State educational agency will consider providing professional development and technical assistance through other cooperative agreements such as through a consortium of local educational agencies;

"(3) the State educational agency will notify local educational agencies and the public of the content and student performance standards and assessments developed under this section, and of the authority to operate schoolwide programs, and will fulfill the State educational agency's responsibilities regarding local educational agency improvement and

school improvement under section 1116, including such corrective actions as are necessary;

"(4) the State educational agency will provide the least restrictive and burdensome regulations for local educational agencies and individual schools participating in a program assisted under this part;

"(5) if applicable, the State educational agency will inform the Secretary and the public of how and which Federal laws hinder the ability of States—

"(A) to improve overall student achievement; and

"(B) to close achievement gaps between groups of students described in subsection (b)(2)(A)(iv);

"(6) the State educational agency will encourage schools to consolidate funds from other Federal, State, and local sources for schoolwide reform in schoolwide programs under section 1114;

"(7) the State educational agency will modify or eliminate State fiscal and accounting barriers so that schools can easily consolidate funds from other Federal, State, and local sources for schoolwide programs under section 1114;

"(8) the State educational agency has involved the committee of practitioners established under sec-

tion 1603(b) in developing the plan and monitoring its implementation; and

"(9) the State educational agency will inform local educational agencies of the local educational agency's authority to seek waivers under title X and, if the State is an Ed-Flex Partnership State, waivers under the Education Flexibility Partnership Act of 1999 (30 U.S.C. 589a et seq.).

"(d) PEER REVIEW AND SECRETARIAL APPROVAL.—

"(1) SECRETARIAL DUTIES.—The Secretary shall—

"(A) establish a peer review process to assist in the review of State plans;

"(B) approve a State plan after its submission unless the Secretary determines that the plan does not meet the requirements of this section;

"(C) if the Secretary determines that the State plan does not meet the requirements of subsection (a), (b), or (c), immediately notify the State of such determination and the reasons for such determination;

"(D) not decline to approve a State's plan before—

"(i) offering the State an opportunity to revise its plan;

"(ii) providing technical assistance in order to assist the State to meet the requirements under subsections (a), (b), and (c); and

"(iii) providing a hearing;

"(E) have the authority to disapprove a State plan for not meeting the requirements of this part, but shall not have the authority to require a State, as a condition of approval of the State plan, to include in, or delete from, such plan one or more specific elements of the State's content standards or to use specific assessment instruments or items; and

"(2) STATE REVISIONS.—States shall revise their plans if necessary to satisfy the requirements of this section. Revised plans shall be submitted to the Secretary for approval not later than 1 year after the date of the enactment of the Excellence and Accountability in Education Act.

"(e) DURATION OF THE PLAN.—

"(1) IN GENERAL.—Each State plan shall—

"(A) be submitted for the first year for which this part is in effect after the date of the

enactment of the Excellence and Accountability in Education Act;

"(B) remain in effect for the duration of the State's participation under this part; and

"(C) be periodically reviewed and revised by the State, as necessary, to reflect changes in the State's strategies and programs under this part.

"(2) ADDITIONAL INFORMATION.—If the State makes significant changes in its plan, such as the adoption of new State content standards and State student performance standards, new assessments, or a new definition of adequate yearly progress, the State shall submit such information to the Secretary.

"(f) 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) PENALTIES.—

"(1) IN GENERAL.—If a State fails to demonstrate that it has in place challenging content

standards and student performance standards and assessments, and a system for measuring and monitoring adequate yearly progress which includes the disaggregation of data by groups, as described in subsection (b)(2)(A)(iv), the State shall be ineligible to receive any administrative funds under section 1002(h) that exceed the amount received by the State for such purpose in the previous year.

"(2) ADDITIONAL FUNDS.—Based on the extent to which the requirements of paragraph (1) are not met, additional administrative funds shall be withheld in such amount as the Secretary determines appropriate, except that for each additional year that the State fails to comply with such requirements, the Secretary shall withhold not less than one-fifth of the amount the State receives for administrative expenses under section 1002(h).

"(3) WAIVER.—Notwithstanding title X of this Act and the Education Flexibility Partnership Act of 1999 or any other provision of law, a waiver shall not be granted except that a State may request a 1-time, 1-year waiver to meet the requirements of this section.

"(h) SCHOOL REPORT CARDS; PARENTAL INFORMATION.—

"(1) IN GENERAL.—

"(A) ANNUAL REPORT.—Not later than the beginning of the 2002–2003 school year, a State that receives assistance under this Act shall prepare and publicly disseminate an annual report on all schools that receive funds under this part. States and local educational agencies may issue report cards under this section only for local educational agencies and schools receiving funds under this part, except that if a State or local educational agency issues a report card for all students, the State or local educational agency may include the information under this section as part of such report card.

"(B) IMPLEMENTATION.—The State shall ensure the dissemination of this information at all levels. Such information shall be—

"(i) concise; and

"(ii) presented in a format and manner that parents can understand, and which, to the extent practicable, shall be in a language the parents can understand.

"(2) CONTENT OF ANNUAL STATE REPORTS.—

"(A) REQUIRED INFORMATION.—The State shall, at a minimum, include in the annual State reports information for the State on each local educational agency and school regarding—

"(i) student performance on statewide assessments for the current and preceding years in at least mathematics, reading or language arts, and science, including—

"(I) a comparison of the proportions of students who performed at 'basic', 'proficient', and 'advanced' levels in each subject area, for each grade level at which assessments are required under this part, with proportions in each of the same 3 categories at the same grade levels in the previous school year; and

"(II) a statement of the percentage of students not tested and a listing of categories of the reasons why they were not tested;

"(ii) retention in grade, completion of advanced placement courses, and 4-year graduation rates;

"(iii) the professional qualifications of teachers in the aggregate, including the percentage of course sections in core academic subjects taught by teachers with emergency or provisional credentials, and the percentage of class sections not taught by fully qualified teachers; and

"(iv) the professional qualifications of paraprofessionals, the number of paraprofessionals in the aggregate and the ratio of paraprofessionals to teachers in the classroom.

"(B) STUDENT DATA.—Student data in each report shall contain disaggregated results for the following categories:

"(i) gender;

"(ii) racial and ethnic group;

"(iii) migrant status;

"(iv) students with disabilities, as compared to students who are not disabled;

"(v) economically disadvantaged students, as compared to students who are not economically disadvantaged; and

"(vi) students with limited English proficiency, as compared to students who are proficient in English.

"(C) OPTIONAL INFORMATION.—A State may include in its report any other information it determines appropriate to reflect school quality and school achievement, including information on average class size by grade level, and information on school safety, such as the incidence of school violence and drug and alcohol abuse, and the incidence of student suspensions and expulsions.

"(3) CONTENT OF LOCAL EDUCATIONAL AGENCIES REPORTS.—

"(A) MINIMUM REQUIREMENTS.—The State shall ensure that each local educational agency collects appropriate data and publishes and publicly disseminates an annual report for each of its schools which includes, at a minimum—

"(i) the information described in paragraphs (2)(A) and (2)(B) for each local educational agency and school—

"(I) in the case of a local educational agency—

"(aa) the number and percentage of schools identified for school improvement, including schools identified under section 1116(b) of this Act;

"(bb) information that shows how students in its schools perform on the statewide assessment compared to students in the State as a whole;

"(II) in the case of a school—

"(aa) whether it has been identified for school improvement; and

"(bb) information that shows how its students performed on the statewide assessment compared to students in the local educational agency and the State as a whole.

"(B) OTHER INFORMATION.—A local educational agency may include in its annual reports any other appropriate information whether or not such information is included in the annual State report.

"(4) DISSEMINATION AND ACCESSIBILITY OF REPORTS.—

"(A) STATE REPORTS.—State annual reports under paragraph (2) shall be disseminated to all schools and local educational agencies in the State, and made broadly available to the public through means such as posting on the Internet, distribution to the media, and distribution through public agencies.

"(B) LOCAL EDUCATIONAL AGENCY REPORTS.—Local educational agency reports under paragraph (3) shall be disseminated to all schools in the school district and to all parents of students attending these schools and made broadly available to the public through means such as posting on the Internet, distribution to the media, and distribution through public agencies.

"(5) PARENT'S RIGHT-TO-KNOW.—

"(A) QUALIFICATIONS.—A local educational agency that receives funds under this part shall provide, upon request, in an understandable and uniform format, to any parent of a student attending any school receiving funds under this part, information regarding the pro-

fessional qualifications of the student's classroom teachers, including, at a minimum, the following:

"(i) Whether the teacher has met State qualification and licensing criteria for the grade levels and subject areas in which the teacher provides instruction.

"(ii) Whether the teacher is teaching under emergency or other provisional status through which State qualification or licensing criteria have been waived.

"(iii) The baccalaureate degree major of the teacher and any other graduate certification or degree held by the teacher, and the field of discipline of the certification or degree.

"(iv) Whether the child is provided services by paraprofessionals and the qualifications of such paraprofessional.

"(B) ADDITIONAL INFORMATION.—In addition to the information which parents may request under subparagraph (A), and the information provided in subsection (c), a school which receives funds under this part shall provide to each individual parent or guardian—

"(i) information on the level of performance of the individual student for whom they are the parent or guardian in each of the State assessments as required under this part; and

"(ii) timely notice that the student for whom they are the parent or guardian has been assigned or has been taught for 2 or more consecutive weeks by a substitute teacher or by a teacher not fully qualified.

"(C) NOTIFICATION.—A local educational agency shall notify parents of students attending any school receiving funds under this part, on an annual basis, of their ability to request information under this paragraph and initially not later than 1 year after the date of the enactment of the Excellence and Accountability in Education Act. A local educational agency shall provide such notification to parents in a format, and to the extent practicable, in a language they can understand.

"(6) PLAN CONTENT.—A State shall include in its plan under subsection (b) an assurance that it has in effect a policy that meets the requirements of this section.

"(i) PRIVACY.—Information collected under this section shall be collected and disseminated in a manner that protects the privacy of individuals.

"(j) SPECIAL RULE ON SCIENCE STANDARDS AND ASSESSMENTS.—Notwithstanding subsections (b) and (h), no State shall be required to meet the requirements under this title relating to science standards or assessments until the beginning of the 2006–2007 school year.".

SEC. 106. LOCAL EDUCATIONAL AGENCY PLANS.

(a) PLANS REQUIRED.—

(1) Paragraph (1) of section 1112(a) (20 U.S.C. 6312(a)(1)) is amended by striking "the Goals 2000: Educate America Act" and all that follows and inserting the following: "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) Paragraph (2) of section 1112(a) is amended by striking "14304" and inserting "10204".

(b) PLAN PROVISIONS.—Subsection (b) of section 1112 (20 U.S.C. 6312(b)) is amended—

(1) by striking "Each" in the matter preceding paragraph (1) and inserting "In order to help low-achieving children achieve to high standards, each";

(2) in paragraph (1)—

(A) by striking ''part'' each place it appears and inserting ''title'';

(B) in subparagraph (B), by inserting ''low-achieving'' before ''children'';

(C) by striking ''and'' at the end of subparagraph (B);

(D) by inserting ''and'' at the end of subparagraph (C); and

(E) by adding at the end the following new subparagraph:

''(D) determine the literacy levels of first graders and their need for interventions, and a description of how the local educational agency will ensure that any such assessments—

''(i) are developmentally appropriate; and

''(ii) use multiple measures to provide information about the variety of skills that scientifically based research has identified as leading to early acquisition of reading skills.'';

(3) in paragraph (4)(B), by striking ''under part C or who were formerly eligible for services under part C in the 2-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'' and inserting ''under part C, neglected or delinquent youth, Indian children served under title IX,'';

(4) in paragraph (7), by striking ''eligible homeless children'' and inserting ''homeless children'';

(5) by striking the period at the end of paragraph (9) and inserting ''; and''; and

(6) by adding at the end the following new paragraphs:

''(10) a description of the actions the local educational agency will take to assist its low-performing schools, including schools identified under section 1116 as in need of improvement;

''(11) a description of how the agency will promote the use of extended learning time, such as an extended school year and before and after school and summer programs; and

''(12) a description of the criteria established by the local educational agency pursuant to section 1119(b)(1).''.

(c) ASSURANCES.—Subsection (c) of section 1112 (20 U.S.C. 6312(c)) is amended to read as follows:

"(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 and the ability of such schools to consolidate funds from Federal, State, and local sources;

"(B) provide technical assistance and support to schoolwide programs;

"(C) 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 undertake activities pursuant to section 1115 so that each school can make adequate yearly progress toward meeting the State student performance standards;

"(D) fulfill such agency's school improvement responsibilities under section 1116, including taking corrective actions under section 1116(b)(9);

"(E) 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;

"(F) take into account the experience of model programs for the educationally disadvantaged, and the findings of relevant scientifically based research indicating that services may be most effective if focused on students in the earliest grades at schools that receive funds under this part;

"(G) in the case of a local educational agency that 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;

"(H) comply with the requirements of section 1119 regarding the qualifications of teachers and paraprofessionals;

"(I) inform eligible schools of the local educational agency's authority to obtain waivers on the school's behalf under title X of this Act, and if the State is an Ed-Flex Partnership

State, waivers under the Education Flexibility Partnership Act of 1999;

"(J) 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; and

"(K) ensure that by not later than December 1, 2004, students from families with incomes below the poverty line and minority students are not taught by teachers who are not fully qualified at a greater rate than other students.

"(2) SPECIAL RULE.—In carrying out subparagraph (G) of paragraph (1) the Secretary—

"(A) 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) upon publication, shall disseminate to local educational agencies the Head Start performance standards as in effect under section

641A(a) of the Head Start Act, and such agencies affected by such subparagraph shall plan for the implementation of such subparagraph (taking into consideration existing State and local laws, and local teacher contracts), including pursuing the availability of other Federal, State, and local funding sources to assist in compliance with such subparagraph.''.

(d) PLAN DEVELOPMENT AND DURATION.—Section 1112 is amended by striking subsection (d) and inserting the following:

''(d) PLAN DEVELOPMENT AND DURATION.—

''(1) CONSULTATION.—Each local educational agency plan shall be developed in consultation with teachers, administrators (including administrators of programs described in other parts of this title), and other appropriate school personnel, and with parents of children in schools served under this part.

''(2) DURATION.—Each such plan shall be submitted for the first year for which this part is in effect following the date of the enactment of the Excellence and Accountability in Education Act and shall remain in effect for the duration of the agency's participation under this part.

"(3) REVIEW.—Each such local educational agency shall periodically review, and as necessary, revise its plan.".

(e) STATE APPROVAL.—Section 1112 (20 U.S.C. 6312(e)) is amended by striking subsection (e) and inserting the following:

"(e) STATE APPROVAL.—

"(1) IN GENERAL.—Each local educational agency plan shall be filed according to a schedule established by the State educational agency.

"(2) APPROVAL.—The State educational agency shall approve a local educational agency's plan only if the State educational agency determines that the local educational agency's plan—

"(A) will enable schools served under this part to substantially help children served under this part meet the standards expected of all children described in section 1111(b)(1); and

"(B) will meet the requirements of this section.".

SEC. 107. ELIGIBLE SCHOOL ATTENDANCE AREAS.

Section 1113(c) (20 U.S.C. 6313(c)) is amended by adding at the end the following:

"(4) ALLOCATION FOR EQUITABLE SERVICE TO PRIVATE SCHOOL STUDENTS.—

"(A) CALCULATION.—A local educational agency shall have the final authority, consistent with section 1120 to calculate the number of private school children, ages 5 through 17, who are low-income by—

"(i) using the same measure of low-income used to count public school children;

"(ii) 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 not available; or

"(iii) 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 attendance area.

"(B) COMPLAINT PROCESS.—Any dispute regarding low-income data on private school students shall be subject to the complaint process authorized in section 10405.

"(5) SCHOOL IMPROVEMENT RESERVATION.—A local educational agency shall reserve such funds as

are necessary under this part to meet such agency's school improvement responsibilities under section 1116, including taking corrective actions under section 1116(b)(9).''.

SEC. 108. SCHOOLWIDE PROGRAMS.

Section 1114 (20 U.S.C. 6314) is amended to read as follows:

''SEC. 1114. SCHOOLWIDE PROGRAMS.

''(a) PURPOSE.—The purpose of a schoolwide program under this section is—

''(1) to enable a local educational agency to consolidate funds under this part with other Federal, State, and local funds, to upgrade the entire educational program in a high poverty school; and

''(2) to help ensure that all children in such a school meet challenging State standards for student performance, particularly those children who are most at risk of not meeting those standards.

''(b) USE OF FUNDS FOR SCHOOLWIDE PROGRAMS.—

''(1) IN GENERAL.—A local educational agency may consolidate funds under this part, together with other Federal, State, and local funds, in order to upgrade the entire educational program of a school that serves an eligible school attendance area in

which not less than 50 percent of the children are from low-income families, or not less than 50 percent of the children enrolled in the school are from such families.

"(2) STATE ASSURANCES.—A local educational agency may start new schoolwide programs under this section only after the State educational agency provides written information to each local educational agency in the State that demonstrates that such State educational agency has established the statewide system of support and improvement required by subsections (c)(1) and (e) of section 1117.

"(3) IDENTIFICATION OF STUDENTS NOT REQUIRED.—(A) No school participating in a schoolwide program shall be required to identify particular children under this part as eligible to participate in a schoolwide program or to provide supplemental services to such children.

"(B) A school participating in a schoolwide program shall use funds available to carry out this section only to supplement the amount of funds that would, in the absence of funds under this part, be made available from non-Federal sources for the school, including funds needed to provide services

that are required by law for children with disabilities and children with limited English proficiency.

"(4) EXEMPTION FROM STATUTORY AND REGULATORY REQUIREMENTS.—(A) Except as provided in subsection (c), 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 non-competitive formula grant program administered by the Secretary (other than formula or discretionary grant programs under the Individuals with Disabilities Education Act, except as provided in section 613(a)(2)(D) of such Act), or any discretionary grant program administered by the Secretary, to support schoolwide programs if the intent and purposes of such other programs are met.

"(B) A school that chooses to use funds from such other programs shall not be relieved of the requirements relating to health, safety, civil rights, student and parental participation and involvement, services to private school children, maintenance of effort, uses of Federal funds to supplement, not supplant non-Federal funds, or the distribution of funds to State or local educational agencies that apply to the receipt of funds from such programs.

"(C)(i) A school that consolidates funds from different Federal programs under this section 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 it maintains records that demonstrate that the schoolwide program, considered as a whole addresses the intent and purposes of each of the Federal programs that were consolidated to support the schoolwide program.

"(5) PROFESSIONAL DEVELOPMENT.—Each school receiving funds under this part for any fiscal year shall devote sufficient resources to effectively carry out the activities described in subsection (c)(1)(E) in accordance with section 1119A for such fiscal year, except that a school may enter into a consortium with another school to carry out such activities.

"(c) COMPONENTS OF A SCHOOLWIDE PROGRAM.—

"(1) IN GENERAL.—A schoolwide program shall include the following components:

"(A) A comprehensive needs assessment of the entire school (including taking into account the needs of migratory children as defined in section 1309(2)) that is based on information

which includes the performance of children in relation to the State content standards and the State student performance standards described in section 1111(b)(1).

"(B) Schoolwide reform strategies that—

"(i) provide opportunities for all children to meet the State's proficient and advanced levels of student performance described in section 1111(b)(1)(D);

"(ii) use effective methods and instructional strategies that are based upon scientifically based research that—

"(I) strengthen the core academic program in the school;

"(II) increase the amount and quality of learning time, such as providing an extended school year and before- and after-school and summer programs and opportunities, and help provide an enriched and accelerated curriculum; and

"(III) include strategies for meeting the educational needs of historically underserved populations, including girls and women;

"(iii)(I) address the needs of all children in the school, but particularly the needs of low-achieving children and those at risk of not meeting the State student performance standards who are members of the target population of any program that is included in the schoolwide program, which may include incorporation of gender-equitable methods and practices;

"(II) address how the school will determine if such needs have been met; and

"(iv) are consistent with, and are designed to implement, the State and local improvement plans, if any.

"(D) Instruction by fully qualified (as defined in section 10001) teachers.

"(E) In accordance with section 1119A, high quality and ongoing professional development for teachers and paraprofessionals, and, where appropriate, pupil services personnel, parents, principals, and other staff to enable all children in the school to meet the State's student performance standards.

"(F) Strategies to increase parental involvement in accordance with section 1118, such as family literary services.

"(G) Plans for assisting preschool children in the transition from early childhood programs, such as Head Start, Even Start, or a State-run preschool program, to local elementary school programs.

"(H) Measures to assist teachers in the use of State content and performance standards and the data yielded by assessments described in section 1111(b)(4) and other assessments in order to provide information on, and to improve, the performance of individual students and the overall instructional program.

"(I) Activities to ensure that students who experience difficulty mastering the proficient or advanced levels of performance standards required by section 1111(b) shall be provided with effective, timely additional assistance which shall include measures to ensure that students' difficulties are identified on a timely basis and to provide sufficient information on which to base effective assistance.

"(2) PLAN.—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 on the day before the date of the enactment of the Excellence and Accountability in Education Act), a comprehensive plan for reforming the total instructional program in the school that—

"(A) incorporates the components described in paragraph (1);

"(B) describes how the school will use resources under this part and from other sources to implement those components;

"(C) includes a list of State and local educational agency programs and other Federal programs under subsection (b)(4) that will be consolidated 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 a child who participates in the assessments required by section 1111(b)(4) and in a format and, to the extent practicable, in a language that they can understand; and

"(E) provides for the collection of data on the achievement and assessment results of stu-

dents disaggregated by gender, major ethnic or racial groups, limited English proficiency status, migrant students, by children with disabilities as compared to other students, and by economically disadvantaged students as compared to students who are not economically disadvantaged, except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal individually identifiable information about an individual student.

''(3) PLAN DEVELOPMENT.—The comprehensive plan shall be—

''(A) developed during a 1-year period, unless—

''(i) the local educational agency determines that less time is needed to develop and implement the schoolwide program; or

''(ii) the school operated a schoolwide program on the day preceding the date of the enactment of the Excellence and Accountability in Education Act, in which case such school may continue to operate

such program, but shall develop amendments to its existing plan during the first year of assistance under such Act to reflect the provisions of this section;

''(B) developed with the involvement of the community to be served and individuals who will carry out such plan, including teachers, principals, administrators (including administrators of programs described in other parts of this title), if appropriate pupil services personnel, school staff and parents, and, if the plan relates to a secondary school, students from such school;

''(C) in effect for the duration of the school's participation under this part and reviewed and revised, as necessary, by the school;

''(D) available to the local educational agency, parents, and the public, and the information contained in such plan shall be provided in a format, and to the extent practicable, in a language that they can understand; and

''(E) if appropriate, developed in coordination with programs under the Reading Excellence Act, the Carl D. Perkins Vocational and

Technical Education Act of 1998, the Head Start Act, and part B of this title.

''(d) ACCOUNTABILITY.—A schoolwide program under this section shall be subject to the school improvement provisions of section 1116.

''(e) PREKINDERGARTEN PROGRAM.—A school that is eligible for a schoolwide program under this section may use funds made available under this title to establish or enhance prekindergarten programs for 3-, 4-, and 5-year-old children, such as Even Start programs.''.

SEC. 109. TARGETED ASSISTANCE SCHOOLS.

(a) FULLY QUALIFIED TEACHER.—Subsection (c)(1)(F) of section 1115 (20 U.S.C. 6315(c)(1)(F)) is amended by striking ''highly qualified staff;'' and inserting ''fully qualified teachers (as defined in section 11001);''.

(b) INTEGRATION OF PROFESSIONAL DEVELOPMENT.—Subsection (d) of section 1115 (20 U.S.C. 6515(d)) is amended to read as follows:

''(d) INTEGRATION OF PROFESSIONAL DEVELOPMENT.—To promote the integration of staff supported with funds under this part, public school personnel who are paid with funds received under this part may participate in general professional development and school planning activities.''.

SEC. 110. SCHOOL CHOICE.

Subsection (b) of section 1115A (20 U.S.C. 6316(b)) is amended by striking paragraphs (7) through (10) and inserting the following:

"(7) parents of eligible students in the local educational agency will be given prompt notice of the existence of the public school choice program and its availability to them, and a clear explanation of how the program will operate;

"(8) the program will include charter schools and any other public school and shall not include a school that is or has been identified as a school in school improvement or is or has been in corrective action for the past 2 consecutive years;

"(9) transportation services or the costs of transportation may be provided by the local educational agency with funds under this part; and

"(10) such local educational agency will comply with the other requirements of this part.".

SEC. 111. ASSESSMENT AND LOCAL EDUCATIONAL AGENCY AND SCHOOL IMPROVEMENT.

(a) LOCAL REVIEW.—Section 1116(a) (20 U.S.C. 6317(a)) is amended—

(1) in paragraph (2), by striking "1111(b)(2)(A)(i)" and inserting "1111(b)(2)(B)";

(2) in paragraph (3), by striking ''individual school performance profiles'' and inserting ''school reports'';

(3) in paragraph (3), by striking ''and'' after the semicolon;

(4) in paragraph (4), by striking the period at the end and inserting ''; and''; and

(5) by adding at the end the following:

''(5) review the effectiveness of the actions and activities the schools are carrying out under this part with respect to parental involvement assisted under this Act.''.

(b) SCHOOL IMPROVEMENT.—Section 1116 (20 U.S.C. 6317) is amended by striking subsection (b) and by redesignating subsections (c) and (d) as subsections (b) and (c), respectively, and amending them to read as follows:

''(b) SCHOOL IMPROVEMENT.—

''(1) IN GENERAL.—A local educational agency shall identify for school improvement any school served under this part that—

''(A) for 2 consecutive years failed to make adequate yearly progress as defined in the State's plan under section 1111(b)(2); or

"(B) was in school improvement status under this section on the day preceding the date of the enactment of the Excellence and Accountability in Education Act.

"(2) TRANSITION.—The 2-year period described in paragraph (1)(A) shall include any continuous period of time immediately preceding the date of the enactment of the Excellence and Accountability in Education 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.

"(3) TARGETED ASSISTANCE SCHOOLS.—To determine if a school that is conducting a targeted assistance program under section 1115 should be identified as in need of improvement under this subsection, a local educational agency may choose to review the progress of only those students in such school who are served under this part.

"(4) OPPORTUNITY TO REVIEW AND PRESENT EVIDENCE.—

"(A) IN GENERAL.—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 the proposed identification is based.

"(B) SUPPORTING EVIDENCE.—If the school principal believes that the proposed identification is in error for statistical or other substantive reasons, the principal may provide supporting evidence to the local educational agency, which such agency shall consider before making a final determination.

"(5) NOTIFICATION TO PARENTS.—A local educational agency shall, in an easily understandable format, provide in writing to parents of each student in a school identified for school improvement—

"(A) an explanation of what the school improvement identification means and how the school compares in terms of academic performance to other schools in the local educational agency and State;

"(B) the reasons for such identification;

"(C) the data on which such identification is based;

"(D) an explanation of what the school is doing to address the problem of low achievement;

"(E) an explanation of how parents can become involved in upgrading the quality of the school;

"(F) an explanation of the right of parents, pursuant to paragraph (6), to transfer their child to another public school, including a public charter school, that is not in school improvement, and how such transfer shall operate; and

"(G) notification to parents in a format and, to the extent practicable, in a language they can understand.

"(6) PUBLIC SCHOOL CHOICE OPTION.—

"(A) SCHOOLS IDENTIFIED FOR IMPROVEMENT.—After the date of the enactment of the Excellence and Accountability in Education Act, a local educational agency shall provide all students enrolled in a school identified for school improvement with an option to transfer to any other public school within the local educational agency or any public school consistent with subparagraph (C), including a public charter school that has not been identified for school improvement, unless such option to transfer is prohibited by State law, or local law, which includes

school board-approved local educational agency policy.

"(B) CAPACITY.—If a local educational agency described in subparagraph (A) demonstrates to the satisfaction of the State educational agency that such local educational agency lacks the capacity to provide all students with the option to transfer described in subparagraph (A), and after giving notice to the parents of children affected that it is not possible, consistent with State and local law, to accommodate the transfer request of every student, the local educational agency shall permit as many students as possible (who shall be selected by the local educational agency on an equitable basis) to transfer to a public school that has not been identified for school improvement under section 1116(b).

"(C) COOPERATIVE AGREEMENT.—If all public schools in the local educational agency to which a child may transfer to, are identified for school improvement, the agency shall, to the extent practicable, establish a cooperative agreement with other local educational agencies in the area for the transfer.

"(D) TRANSPORTATION.—The local educational agency in which the schools have been identified for improvement may use up to 10 percent of the funds received under this part to provide transportation to students whose parents choose to transfer their child or children to a different school.

"(E) WAIVER.—A local educational agency using funds received under this part for transportation consistent with subparagraph (D) may request to waiver of the limit of the use of such funds described in subparagraph (D) from the Secretary.

"(F) CONTINUE OPTION.—Once a school is no longer identified for school improvement, the local educational agency may continue to provide public school choice as an option to students in such school for a period of not less than 2 years.

"(7) SCHOOL PLAN.—

"(A) IN GENERAL.—Each school identified under paragraph (1) for school improvement shall, not later than 3 months after being so identified, develop or revise a school plan, in consultation with parents, school staff, the local

educational agency, and other outside experts for approval by the local educational agency. Such plan shall—

"(i) incorporate scientifically based research strategies that strengthen the core academic program in the school;

"(ii) adopt policies that have the greatest likelihood of improving the performance of participating children in meeting the State's student performance standards;

"(iii) address the professional development needs of staff, particularly teachers and principals;

"(iv) establish specific goals and objectives the school will undertake for making adequate yearly progress which include specific numerical performance goals and targets for each of the groups of students identified in the disaggregated data pursuant to section 1111(b)(2), consistent with section 1111(b)(2)(B);

"(v) identify how the school will provide written notification to parents, in a format and to the extent practicable in a language such parents can understand; and

"(vi) specify the responsibilities of the local educational agency and the school under the plan.

"(B) CONDITIONAL APPROVAL.—A local educational agency may condition approval of a school plan on inclusion of one or more of the corrective actions specified in paragraph (9).

"(C) IMPLEMENTATION.—A school shall implement its plan or revised plan expeditiously, but not later than the beginning of the school year after which the school has been identified for improvement.

"(D) REVIEW.—The local educational agency shall promptly review the plan, work with the school as necessary, and approve the plan if it meets the requirements of this section.

"(8) TECHNICAL ASSISTANCE.—

"(A) IN GENERAL.—For each school identified for school improvement under paragraph (1), the local educational agency shall provide technical assistance as the school develops and implements its plan.

"(B) SPECIFIC TECHNICAL ASSISTANCE.—Such technical assistance—

"(i) shall include effective methods and instructional strategies that are based upon scientifically based research that strengthens the core academic program in the school and addresses the specific elements of student performance problems in the school;

"(ii) 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 (as such center was in existence prior to the date of the enactment of Excellence and Accountability in Education Act), or other entities with experience in helping schools improve achievement.

"(C) TECHNICAL ASSISTANCE.—Technical assistance provided under this section by the local educational agency or an entity authorized by such agency shall be based upon scientifically based research.

"(9) 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) IN GENERAL.—After providing technical assistance under paragraph (8) and subject to subparagraph (F), the local educational agency—

"(i) may take corrective action at any time with respect to a school that has been identified under paragraph (1);

"(ii) shall take corrective action with respect to any school that fails to make adequate yearly progress, as defined by the State, after the end of the second year following its identification under paragraph (1); and

"(iii) shall continue to provide technical assistance while instituting any corrective action under clause (i) or (ii).

"(B) DEFINITION.—As used in this paragraph, the term 'corrective action' means action, consistent with State and local law, that—

"(i) substantially and directly responds to the consistent academic failure that caused the local educational agency to

take such action and to any underlying staffing, curricular, or other problems in the school; and

"(ii) is designed to substantially increase the likelihood that students will perform at the proficient and advanced performance levels.

"(C) CERTAIN SCHOOLS.—In the case of a school described in subparagraph (A)(ii), the local educational agency shall take not less than 1 of the following corrective actions:

"(i) Withhold funds from the school.

"(ii) Decrease decisionmaking authority at the school level.

"(iii) Make alternative governance arrangements, including reopening the school as a public charter school.

"(iv) Reconstitute the school by requiring each person employed at the school to reapply for future employment at the same school or for any position in the local educational agency.

"(v) Authorize students to transfer to other higher performing public schools served by the local educational agency, in-

cluding public charter schools, and provide such students transportation (or the costs of transportation) to such schools in conjunction with not less than 1 additional action described under this subparagraph.

"(vi) Institute and fully implement a new curriculum, including appropriate professional development for all relevant staff, that is based upon scientifically based research and offers substantial promise of improving educational achievement for low-performing students.

"(D) IMPLEMENTATION DELAY.—A local educational agency may delay, for a period not to exceed 1 year, implementation of corrective action only if the failure to make adequate yearly progress was justified due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the local educational agency or school.

"(E) PUBLICATION.—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 they can

understand, any corrective action it takes under this paragraph through such means as the Internet, the media, and public agencies.

"(F) REVIEW.—(i) Before taking corrective action with respect to any school under this paragraph, a local educational agency shall provide the school an opportunity to review the school level data, including assessment data, on which the proposed determination is made.

"(ii) If the school believes that the proposed determination is in error for statistical or other substantive reasons, it may provide supporting evidence to the local educational agency, which shall consider such evidence before making a final determination.

"(10) STATE EDUCATIONAL AGENCY RESPONSIBILITIES.—If a State educational agency determines that a local educational agency failed to carry out its responsibilities under this section, it shall take such action as it finds necessary, consistent with this section, to improve the affected schools and to ensure that the local educational agency carries out its responsibilities under this section.

"(c) 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 yearly progress as defined in section 1111(b)(2) toward meeting the State's student performance standards; and

"(B) publicize and disseminate to local educational agencies, teachers and other staff, parents, students, and the community the results of the State review consistent with section 1111, including statistically sound disaggregated results, as required by section 1111(b)(2).

"(2) IDENTIFICATION OF LOCAL EDUCATIONAL AGENCY FOR IMPROVEMENT.—A State educational agency shall identify for improvement any local educational agency that—

"(A) for 2 consecutive years failed to make adequate yearly progress as defined in the State's plan under section 1111(b)(2); or

"(B) was in improvement status under this section as this section was in effect on the day

preceding the date of the enactment of the Excellence and Accountability in Education Act.

"(3) TRANSITION.—The 2-year period described in paragraph (2)(A) shall include any continuous period of time immediately preceding the date of the enactment of the Excellence and Accountability in Education Act, during which a local educational agency 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.

"(4) TARGETED ASSISTANCE SCHOOLS.—For purposes of targeted assistance schools in a local educational agency, a State educational agency may choose to review the progress of only the students in such schools who are served under this part.

"(5) OPPORTUNITY TO REVIEW AND PRESENT EVIDENCE.—

"(A) REVIEW.—Before identifying a local educational agency for improvement under paragraph (2), a State educational agency shall provide the local educational agency with an opportunity to review the local educational agency data, including assessment data, on which that proposed identification is based.

"(B) SUPPORTING EVIDENCE.—If the local educational agency believes that the proposed identification is in error for statistical or other substantive reasons, it may provide supporting evidence to the State educational agency, which such agency shall consider before making a final determination.

"(6) NOTIFICATION TO PARENTS.—The State educational agency shall promptly notify parents in a format, and to the extent practicable in a language they can understand, of each student enrolled in a school in a local educational agency identified for improvement, of the reasons for such agency's identification and how parents can participate in upgrading the quality of the local educational agency.

"(7) LOCAL EDUCATIONAL AGENCY REVISIONS.—

"(A) PLAN.—Each local educational agency identified under paragraph (2) shall, not later than 3 months after being so identified, develop or revise a local educational agency plan, in consultation with parents, school staff, and others. Such plan shall—

"(i) incorporate scientifically based research strategies that strengthen the core academic program in the local educational agency;

"(ii) identify specific goals and objectives the local educational agency will undertake to make adequate yearly progress and which—

"(I) have the greatest likelihood of improving the performance of participating children in meeting the State's student performance standards;

"(II) address the professional development needs of staff; and

"(III) include specific numerical performance goals and targets for each of the groups of students identified in the disaggregated data pursuant to section 1111(b)(2) consistent with section 1111(b)(2)(B);

"(iii) identify how the local educational agency will provide written notification to parents in a format, and to the extent practicable in a language, that they can understand, pursuant to paragraph (6); and

"(iv) specify the responsibilities of the State educational agency and the local educational agency under the plan.

"(B) IMPLEMENTATION.—The local educational agency shall implement its plan or revised plan expe-

ditiously, but not later than the beginning of the school year after which the school has been identified for improvement.

"(8) STATE EDUCATIONAL AGENCY RESPONSIBILITY.—

"(A) IN GENERAL.—For each local educational agency identified under paragraph (2), the State educational agency shall provide technical or other assistance, if requested, as authorized under section 1117, to better enable the local educational agency—

"(i) to develop and implement its revised plan as approved by the State educational agency consistent with the requirements of this section; and

"(ii) to work with schools needing improvement.

"(B) TECHNICAL ASSISTANCE.—Technical assistance provided under this section by the State educational agency or an entity authorized by such agency shall be based upon scientifically based research.

"(9) CORRECTIVE ACTION.—In order to help students served under this part meet challenging State standards, each State educational agency shall

implement a system of corrective action in accordance with the following:

"(A) IN GENERAL.—After providing technical assistance under paragraph (8) and subject to subparagraph (D), the State educational agency—

"(i) may take corrective action at any time with respect to a local educational agency that has been identified under paragraph (2);

"(ii) shall take corrective action with respect to any local educational agency that fails to make adequate yearly progress, as defined by the State, after the end of the second year following its identification under paragraph (2); and

"(iii) shall continue to provide technical assistance while instituting any corrective action under clause (i) or (ii).

"(B) DEFINITION.—As used in this paragraph, the term 'corrective action' means action, consistent with State law, that—

"(i) substantially and directly responds to the consistent academic failure that caused the State educational agency

to take such action and to any underlying staffing, curricular, or other problems in the school; and

"(ii) is designed to meet the goal of having all students served under this part perform at the proficient and advanced performance levels.

"(C) CERTAIN LOCAL EDUCATIONAL AGENCIES.—In the case of a local educational agency described in this paragraph, the State educational agency shall take not less than 1 of the following corrective actions:

"(i) Withhold funds from the local educational agency.

"(ii) Reconstitute school district personnel.

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

"(iv) Appoint, through the State educational agency, a receiver or trustee to administer the affairs of the local educational

agency in place of the superintendent and school board.

"(v) Abolish or restructure the local educational agency.

"(vi) Authorize students to transfer from a school operated by a local educational agency to a higher performing public school operated by another local educational agency, or to a public charter school and provide such students transportation (or the costs of transportation to such schools, in conjunction with not less than 1 additional action described under this paragraph.

"(D) HEARING.—Prior to implementing any corrective action, the State educational agency shall provide due process and a hearing to the affected local educational agency, if State law provides for such process and hearing.

"(E) PUBLICATION.—The State educational agency shall publish, and disseminate to parents and the public any corrective action it takes under this paragraph through such means as the Internet, the media, and public agencies.

"(F) DELAY.—A local educational agency may delay, for a period not to exceed 1 year, implementation of corrective action if the failure to make adequate yearly progress was justified due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the local educational agency or school.".

SEC. 112. STATE ASSISTANCE FOR SCHOOL SUPPORT AND IMPROVEMENT.

Section 1117 (20 U.S.C. 6318) is amended to read as follows:

"SEC. 1117. STATE ASSISTANCE FOR SCHOOL SUPPORT AND IMPROVEMENT.

"(a) SYSTEM FOR SUPPORT.—Each State educational agency shall establish a statewide system of intensive and sustained support and improvement for local educational agencies and schools receiving funds under this part, in order to increase the opportunity for all students in those agencies and schools to meet the State's content standards and student performance standards.

"(b) PRIORITIES.—In carrying out this section, a State educational agency shall—

"(1) first, provide support and assistance to local educational agencies subject to corrective action under section 1116 and assist schools, in accordance with section 1116(b)(10), for which a local educational agency has failed to carry out its responsibilities under paragraph (8) or (9) of section 1116(b);

"(2) second, provide support and assistance to other local educational agencies identified as in need of improvement under section 1116; and

"(3) third, provide support and assistance to other local educational agencies and schools participating under this part that need that support and assistance in order to achieve the purpose of this part.

"(c) APPROACHES.—In order to achieve the purpose described in subsection (a), each such system shall provide technical assistance and support through such approaches as—

"(1) school support teams, composed of individuals who are knowledgeable about scientifically based research and practice on teaching and learning, particularly about strategies for improving educational results for low-achieving children; and

"(2) the designation and use of "Distinguished Educators", chosen from schools served under this part that have been especially successful in improving academic achievement.

"(d) FUNDS.—Each State educational agency shall use funds reserved under section 1002(f) and authorized under section 1002(i) for such purpose.

"(e) ALTERNATIVES.—The State may devise additional approaches to providing the assistance described in paragraphs (1) and (2) of subsection (c), such as providing assistance through institutions of higher education and educational service agencies or other local consortia, and the State may seek approval from the Secretary to use funds made available under section 1002(h) for such approaches as part of the State plan.".

SEC. 113. ACADEMIC ACHIEVEMENT AWARDS PROGRAM; IMPROVING STATE ASSESSMENTS.

Subpart 1 of part A of title I is amended by inserting after section 1117 the following:

"SEC. 1117A. ACADEMIC ACHIEVEMENT AWARDS PROGRAM.

"(a) ESTABLISHMENT OF ACADEMIC ACHIEVEMENT AWARDS PROGRAM.—

"(1) IN GENERAL.—Each State receiving a grant under this part shall establish a program for making academic achievement awards to recognize

and financially reward schools served under this part that have—

"(A) significantly closed the achievement gap between the groups of students defined in section 1111(b)(2); or

"(B) exceeded their adequate yearly progress goals, consistent with section 1111(b)(2), for 2 or more consecutive years.

"(2) AWARDS TO TEACHERS.—A State program under paragraph (1) shall also recognize and provide financial awards to teachers teaching in a school described in such paragraph whose students consistently make significant gains in academic achievement in the areas in which the teacher provides instruction over multiple academic years.

"(b) FUNDING.—

"(1) RESERVATION OF FUNDS BY STATE.—For the purpose of carrying out this section, each State receiving a grant under this part shall reserve, from the amount (if any) by which the funds received by the State under this part for a fiscal year exceed the amount received by the State under this part for the preceding fiscal year, not more than 25 percent of such excess amount.

"(2) USE WITHIN 3 YEARS.—Notwithstanding any other provision of law, the amount reserved under paragraph (1) by a State for each fiscal year shall remain available to the State until expended for a period not exceeding 3 years.

"(3) SPECIAL ALLOCATION RULE FOR SCHOOLS IN HIGH-POVERTY AREAS.—

"(A) IN GENERAL.—Each State receiving a grant under this part shall distribute at least 85 percent of the amount reserved under paragraph (1) for each fiscal year to schools described in subparagraph (B), or to teachers teaching in such schools.

"(B) SCHOOLS DESCRIBED.—A school described in subparagraph (A) is a school whose student population is in the highest quartile of schools statewide in terms of the percentage of children eligible for free and reduced priced lunches under the Richard B. Russell National School Lunch Act.

"SEC. 1117B. GRANTS FOR THE IMPROVEMENT OF STATE ASSESSMENT SYSTEMS.

"(a) PURPOSE.—The purpose of this section is to enable States to improve the quality and fairness of State assessments systems and to ensure that they accurately

measure how well all children are achieving challenging State student performance standards.

"(b) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants, in an amount not less than $500,000, to State educational agencies with final assessments systems that have been reviewed by the Secretary and approved as having deemed to be in full compliance with section 1111(b)(4).

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, $100,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 4 succeeding fiscal years, to carry out this section.

"(d) APPLICATION.—In order to receive a grant under this section for any fiscal year, a State educational agency shall submit, at such time and containing such information as the Secretary may require, an application to the Secretary for approval.

"(e) AUTHORIZED USES OF FUNDS.—States having an approved application under subsection (d) may use grant funds for the purpose of—

"(1) assuring the continued validity and reliability of State assessments;

"(2) refining the assessments to ensure their continued alignment with the State's content standards;

"(3) providing for multiple measures to increase the reliability and validity of student and school classifications that have high stakes consequences;

"(4) strengthening the capacity of local educational agencies and schools to provide all students the opportunity to increase educational achievement and to ensure fairness and equitable treatment in testing;

"(5) expanding the range of accommodations available to limited English proficient students and students with disabilities to improve rates of inclusion and to include instructional material development and modified assessment practices that are culturally and ability appropriate, respectively;

"(6) improving the alignment of curricula and instruction materials with the State content standards and State performance standards;

"(7) enhancing opportunities for professional development for teachers that include—

"(A) improving the capability of teachers to be proficient in sound classroom assessment and knowledgeable in State content and performance standards and assessments; and

"(B) improving the capability of teachers to provide high quality instruction within the content areas;

"(8) providing for the collection of performance data for children in grades K–2—

"(A) for early diagnosis of children's needs;

"(B) to evaluate program effectiveness;

"(C) to guide curriculum and instruction; or

"(D) to provide information that can be used to measure school and local educational agency progress;

"(9) expanding the range of valid and reliable assessments to other academic subjects such as science, history, geography, foreign languages, the arts, civic and government, and economics; and

"(10) improving the dissemination of information on student achievement and school performance to parents and the community.".

SEC. 114. PARENTAL INVOLVEMENT CHANGES.

(a) LOCAL EDUCATIONAL AGENCY POLICY.—Subsection (a) of section 1118 (20 U.S.C. 6319(a)) is amended—

(1) in paragraph (1), by striking ''programs, activities, and procedures'' and inserting ''activities and procedures''.

(2) in paragraph (2) by striking subparagraphs (E) and (F) and inserting the following:

''(E) conduct, with the involvement of parents, an annual evaluation of the content and effectiveness of the parental involvement policy in improving the academic quality of the schools served under this part;

''(F) involve parents in efforts to improve academics in schools served under this part; and

''(G) promote consumer friendly environments at the local educational agency and schools served under this part.'';

(3) in paragraph (3) by adding at the end the following new subparagraph:

''(C) Not less than 90 percent of the funds reserved under subparagraph (A) shall be distributed to schools served under this part.''.

(b) NOTICE.—Paragraph (1) of section 1118(b) (20 U.S.C. 6319(b)(1)) is amended by inserting after the first sentence the following: ''Parents shall be notified of the

policy in a format, and to the extent practicable, in a language that they can understand.''.

(c) PARENTAL INVOLVEMENT.—Paragraph (4) of section 1118(c) (20 U.S.C. 6319(c)(4)) is amended—

(1) in subparagraph (B), by striking ''performance profiles required under section 1116(a)(3)'' and inserting ''school reports required under section 1111'';

(2) by redesignating subparagraphs (D) and (E) as subparagraphs (F) and (G), respectively;

(3) by inserting after subparagraph (C) the following new subparagraphs:

''(D) notice of the schools' identification as a school in school improvement under section 1116(b), if applicable, and a clear explanation of what such identification means;

''(E) notice of the corrective action that has been taken against the school under section 1116(b)(9) and 1116(c)(9), if applicable, and a clear explanation of what such action means;''; and

(4) in subparagraph (G) (as so redesignated), by striking ''subparagraph (D)'' and inserting ''subparagraph (F)''.

(d) BUILDING CAPACITY FOR INVOLVEMENT.—Subsection (e) of section 1118 (20 U.S.C 6319(e)) is amended to read as follows:

"(e) BUILDING CAPACITY FOR INVOLVEMENT.—To ensure effective involvement of parents and to support a partnership among the school, parents, and the community to improve student achievement, each school and local educational agency—

"(1) shall provide assistance to participating parents in such areas as understanding 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;

"(2) shall provide materials and training, such as—

"(A) coordinating necessary literacy training from other sources to help parents work with their children to improve their children's achievement; and

"(B) training to help parents to work with their children to improve their children's achievement;

"(3) shall educate teachers, pupil services personnel, principals and other staff, with the assistance of parents, in the value and utility of contributions of parents, and in how to reach out to, communicate with, and work with parents as equal partners, implement and coordinate parent programs, and build ties between home and school;

"(4) shall coordinate and integrate parent involvement programs and activities with Head Start, Even Start, the Home Instruction Programs for Preschool Youngsters, the Parents as Teachers Program, and public preschool programs and other programs, to the extent feasible and appropriate;

"(5) shall conduct other activities, as appropriate and feasible, such as parent resource centers and opportunities for parents to learn how to become full partners in the education of their children;

"(6) shall ensure, to the extent possible, that information related to school and parent programs, meetings, and other activities is sent to the homes of participating children in the language used in such homes;

"(7) shall provide such other reasonable support for parental involvement activities under this section as parents may request;

"(8) shall expand the use of electronic communications among teachers, students, and parents, such as through the use of websites and e-mail communications;

"(9) may involve parents in the development of training for teachers, principals, and other educators to improve the effectiveness of such training in improving instruction and services to the children of such parents in a format, and to the extent practicable, in a language the parent can understand;

"(10) may provide necessary literacy training from funds received under this part if the local educational agency has exhausted all other reasonably available sources of funding for such activities;

"(11) may pay reasonable and necessary expenses associated with local parental involvement activities, including transportation and child care costs, to enable parents to participate in school-related meetings and training sessions;

"(12) may train and support parents to enhance the involvement of other parents;

"(13) may arrange meetings at a variety of times, such as in the mornings and evenings, in order to maximize the opportunities for parents to participate in school related activities;

"(14) may arrange for teachers or other educators, who work directly with participating children, to conduct in-home conferences with parents who are unable to attend such conferences at school;

"(15) may adopt and implement model approaches to improving parental involvement, such as Even Start;

"(16) may establish a district-wide parent advisory council to advise on all matters related to parental involvement in programs supported under this part; and

"(17) may develop appropriate roles for community-based organizations and businesses in parent involvement activities, including providing information about opportunities for organizations and businesses to work with parents and schools, and encouraging the formation of partnerships between elementary, middle, and secondary schools and local businesses that include a role for parents.".

(e) ACCESSIBILITY.—Subsection (f) of section 1118 (20 U.S.C. 6319(f)) is amended to read as follows:

"(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 disabilities and parents of migratory children, including providing information and school reports required under section 1111 in a format, and to the extent practicable, in a language such parents understand.".

SEC. 115. QUALIFICATIONS FOR TEACHERS AND PARAPROFESSIONALS.

Section 1119 (20 U.S.C. 6301) is amended to read as follows:

"SEC. 1119. QUALIFICATIONS FOR TEACHERS AND PARAPROFESSIONALS.

"(a) TEACHERS.—

"(1) IN GENERAL.—Each local educational agency receiving assistance under this part shall ensure that all teachers hired on or after the effective date of the Excellence and Accountability in Education Act and teaching in a program supported with funds under this part are fully qualified.

"(2) PLAN.—Each State receiving assistance under this part shall develop and submit to the Secretary, not later than 1 year after the date of the

enactment of the Excellence and Accountability in Education Act, a plan to ensure that all teachers teaching within the State are fully qualified not later than December 31, 2005. Such plan shall include an assurance that the State will require each local educational agency and school receiving funds under this part publicly to report their annual progress on the agency's and the school's performance in increasing the percentage of classes in core academic areas taught by fully qualified teachers.

''(b) NEW PARAPROFESSIONALS.—

''(1) IN GENERAL.—Each local educational agency receiving assistance under this part shall ensure that all paraprofessionals hired 1 year or more after the effective date of the Excellence and Accountability in Education Act and working in a program supported with funds under this part shall—

''(A) have completed at least 2 years of study at an institution of higher education;

''(B) have obtained an associate's (or higher) degree; or

''(C) have met a rigorous standard of quality that demonstrates, through a formal State or local assessment—

"(i) knowledge of, and the ability to assist in instructing reading, writing, and math; or

"(ii) knowledge of, and the ability to assist in instructing reading readiness, writing readiness, and math readiness, as appropriate.

"(2) CLARIFICATION.—For purposes of paragraph (1)(C), the receipt of a high school diploma (or its recognized equivalent) shall be necessary but not by itself sufficient to satisfy the requirements of such paragraph.

"(3) CERTIFICATION.—The requirement of paragraph (1)(C) may be included as part of a State of local educational agency certification program for paraprofessionals.

"(c) EXISTING PARAPROFESSIONALS.—Each local educational agency receiving assistance under this part shall ensure that all paraprofessionals hired before the date that is 1 year after the effective date of the Excellence and Accountability in Education Act and working in a program supported with funds under this part shall, not later than 3 years after such effective date, satisfy the requirements of subsection (b).

"(d) EXCEPTIONS FOR TRANSLATION AND PARENTAL INVOLVEMENT ACTIVITIES.—Subsections (b) and (c) shall not apply to a paraprofessional—

"(A) who is proficient in English and a language other than English and who provides services primarily to enhance the participation of children in programs under this part by acting as a translator; or

"(B) whose duties consist solely of conducting parental involvement activities consistent with section 1118.

"(e) GENERAL REQUIREMENT FOR ALL PARAPROFESSIONALS.—Each local educational agency receiving assistance under this part shall ensure that all paraprofessionals working in a program supported with funds under this part, regardless of the paraprofessional's hiring date, possess a high school diploma or its recognized equivalent.

"(f) DUTIES OF PARAPROFESSIONALS.—

"(1) IN GENERAL.—Each local educational agency receiving assistance under this part shall ensure that a paraprofessional working in a program supported with funds under this part is not assigned a duty inconsistent with this subsection.

"(2) RESPONSIBILITIES PARAPROFESSIONALS MAY BE ASSIGNED.—A paraprofessional described in paragraph (1) may only be assigned—

"(A) to provide one-on-one tutoring for eligible students, if the tutoring is scheduled at a time when a student would not otherwise receive instruction from a teacher;

"(B) to assist with classroom management, such as organizing instructional and other materials;

"(C) to provide assistance in a computer laboratory;

"(D) to conduct parental involvement activities;

"(E) to provide support in a library or media center;

"(F) to act as a translator; or

"(G) to provide supplementary instructional services to students;

"(3) ADDITIONAL LIMITATIONS.—A paraprofessional described in paragraph (1)—

"(A) may not provide any instructional service to a student unless the paraprofessional is working under the direct supervision of a fully qualified teacher; and

"(B) may not provide instructional services to students in the area of reading, writing, or math unless the paraprofessional has demonstrated, through a State or local assessment, the ability effectively to carry out reading, writing, or math instruction.

"(g) USE OF FUNDS.—

"(1) PROFESSIONAL DEVELOPMENT.—A local educational agency receiving funds under this part may use such funds to support ongoing training and professional development to assist teachers and paraprofessionals in satisfying the requirements of this section.

"(2) LIMITATION ON USE OF FUNDS FOR PARAPROFESSIONALS.—

"(A) IN GENERAL.—Beginning on and after the effective date of the Excellence and Accountability in Education Act, a local educational agency may not use funds received under this part to fund any paraprofessional hired after such date unless the hiring is to fill a vacancy created by the departure of another paraprofessional funded under this part and such new paraprofessional satisfies the requirements of subsection (b) or (c).

"(B) EXCEPTION.—Subparagraph (A) shall not apply for a fiscal year to a local educational agency that can demonstrate to the State that all teachers under the jurisdiction of the agency are fully qualified.

"(h) VERIFICATION OF COMPLIANCE.—

"(1) IN GENERAL.—In verifying compliance with this section, each local educational agency at a minimum shall require that the principal of each school operating a program under section 1114 or 1115 annually attest in writing as to whether such school is in compliance with the requirements of this section.

"(2) AVAILABILITY OF INFORMATION.—Copies of attestations under paragraph (1)—

"(A) shall be sent to the Secretary and maintained at each school operating a program under section 1114 or 1115 and at the main office of the local educational agency; and

"(B) shall be available to any member of the general public upon request.".

SEC. 116. PROFESSIONAL DEVELOPMENT.

Subpart 1 of part A of title I (20 U.S.C. 6311 et seq.) is amended by inserting after section 1119 the following:

"SEC. 1119A. PROFESSIONAL DEVELOPMENT.

"(a) PURPOSE.—The purpose of this section is to assist each local educational agency receiving assistance under this part in increasing the academic achievement of eligible children (as defined in section 1115(b)(1)(B)) through improved teacher quality.

"(b) PROFESSIONAL DEVELOPMENT ACTIVITIES.—

"(1) REQUIRED ACTIVITIES.—Professional development activities under this section shall—

"(A) support professional development activities that give teachers, principals, and administrators the knowledge and skills to provide students with the opportunity to meet challenging State or local content standards and student performance standards;

"(B) support the recruiting, hiring, and training of fully qualified teachers, including teachers fully qualified through State and local alternative routes;

"(C) advance teacher understanding of effective instructional strategies based on scientifically based research for improving student achievement, at a minimum, in reading or language arts and mathematics;

"(D) be directly related to the curriculum and content areas in which the teacher provides instruction;

"(E) be designed to enhance the ability of a teacher to understand and use the State's standards for the subject area in which the teacher provides instruction;

"(F) be tied to scientifically based research demonstrating the effectiveness of such professional development activities or programs in increasing student achievement or substantially increasing the knowledge and teaching skills of teachers;

"(G) 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 classroom, except that this paragraph 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 their needs, their students' needs, and the needs of the local educational agency;

"(H) be developed with extensive participation of teachers, principals, parents, and administrators of schools to be served under this part;

"(I) to the extent appropriate, provide training for teachers in the use of technology so that technology and its applications are effectively used in the classroom to improve teaching and learning in the curriculum and academic content areas in which the teachers provide instruction;

"(J) as a whole, be regularly evaluated for their impact on increased teacher effectiveness and improved student achievement, with the findings of such evaluations used to improve the quality of professional development; and

"(K) include strategies for identifying and eliminating gender and racial bias in instructional materials, methods, and practices.

"(2) OPTIONAL ACTIVITIES.—Such professional development activities may include—

"(A) instruction in the use of data and assessments to inform and instruct classroom practice;

"(B) instruction in ways that teachers, principals, pupil services personnel, and school

administrators may work more effectively with parents;

"(C) the forming of partnerships with institutions of higher education to establish school-based teacher training programs that provide prospective teachers and novice teachers with an opportunity to work under the guidance of experienced teachers and college faculty, but only if each such institution of higher education meets the reporting requirements of section 207 of the Higher Education Act of 1965 (20 U.S.C. 1027) and its teacher preparation program has not been identified by their State as low-performing under such Act;

"(D) the creation of career ladder programs for paraprofessionals (assisting teachers under this part) to obtain the education necessary for such paraprofessionals to become licensed and certified teachers;

"(E) instruction in ways to teach special needs children;

"(F) instruction in the ways that teachers, principals, and guidance counselors can work with parents and students from groups, such as females and minorities which are under rep-

resented in careers in mathematics, science, engineering, and technology, to encourage and maintain the interest of such students in these careers;

"(G) joint professional development activities involving programs under this part, Head Start, Even Start, or State-run preschool program personnel;

"(H) instruction in experiential-based teaching methods such as service or applied learning;

"(I) mentoring programs focusing on changing teacher behaviors and practices to help novice teachers, including teachers who are members of a minority group, develop and gain confidence in their skills, to increase the likelihood that they will continue in the teaching profession, and generally to improve the quality of their teaching; and

"(J) instruction in gender-equitable methods, techniques, and practices.

"(c) PROGRAM PARTICIPATION.—Each local educational agency receiving assistance under this part may design professional development programs so that—

"(1) all school staff in schools participating in a schoolwide program under section 1114 can participate in professional development activities; and

"(2) all school staff in targeted assistance schools may participate in professional development activities if such participation will result in better addressing the needs of students served under this part.

"(d) PARENTAL PARTICIPATION.—Parents may participate in professional development activities under this part if the school determines that parental participation is appropriate.

"(e) CONSORTIA.—In carrying out such professional development programs, local educational agencies may provide services through consortia arrangements with other local educational agencies, educational service agencies or other local consortia, institutions of higher education, or other public or private institutions or organizations, but only if each such institution of higher education meets the reporting requirements of section 207 of the Higher Education Act of 1965 (20 U.S.C. 1027) and its teacher preparation program has not been identified by their State as low-performing under such Act.

"(f) CONSOLIDATION OF FUNDS.—Funds provided under this part that are used for professional development

purposes may be consolidated with funds provided under title II of this Act and other sources.

"(g) SPECIAL RULE.—No State educational agency shall require a school or a local educational agency to expend a specific amount of funds for professional development activities under this part, except that this paragraph shall not apply with respect to requirements under section 1116(c)(9).".

SEC. 117. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

(a) GENERAL REQUIREMENT.—Subsection (a) of section 1120 (20 U.S.C. 6321(a)) is amended to read as follows:

"(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 these students participate, on an equitable basis, in services and activities developed pursuant to sections 1118 and 1119A.

"(2) SECULAR, NEUTRAL, NONIDEOLOGICAL.—Such educational services or other benefits, including materials and equipment, shall be secular, neutral, and nonideological.

"(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, which the local educational agency may determine each year or every 2 years.

"(5) PROVISION OF SERVICES.—The local educational agency shall provide services under this sec-

tion directly or through contracts with public and private agencies, organizations, and institutions.''.

(b) CONSULTATION.—Subsection (b) of section 1120 (20 U.S.C. 6321(b)) is amended to read as follows:

''(b) CONSULTATION.—

''(1) IN GENERAL.—To ensure timely and meaningful consultation, a local educational agency shall consult with appropriate private school officials during the design and development of such agency's programs under this part, on issues such as—

''(A) how the children's needs will be identified;

''(B) what services will be offered;

''(C) how, where, and by whom the services will be provided;

''(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 the amount of funds generated by low-income private school children in each participating attendance area;

''(F) the method or sources of data that are used under subsection (a)(4) and section

1113(c)(4) to determine the number of children from low-income families in participating school attendance areas who attend private schools; and

"(G) how and when the agency will make decisions about the delivery of services to such children, including a thorough consideration and analysis of the views of the private school officials on the provision of contract services through potential third party providers.

If the local educational agency disagrees with the views of the private school officials on the provision of services, through a contract, 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 use a contractor.

"(2) TIMING.—Such consultation shall include meetings of agency and private school officials and shall occur before the local educational agency makes any decision that affects the opportunities of eligible private school children to participate in programs under this part. Such meetings shall continue throughout implementation and assessment of services provided under this section.

"(3) DISCUSSION.—Such consultation shall include a discussion of service delivery mechanisms a local educational agency can use to provide equitable services to eligible private school children.

"(4) DOCUMENTATION.—Each local educational agency shall provide to the State educational agency, and maintain in its records, a written affirmation signed by officials of each participating private school that the consultation required by this section has occurred.

"(5) COMPLIANCE.—Private school officials shall have the right to appeal to the State as to whether the consultation provided for in this section was meaningful and timely, and that due consideration was given to the views of private school officials. If the private school wishes to appeal, the basis of the claim of noncompliance with this section by the local educational agencies shall be provided to the State, and the local educational agency shall forward the documentation provided in subsection (b)(3) to the State.".

(c) STANDARDS FOR BYPASS.—Subsection (d) of section 1120 (20 U.S.C. 6321(d)) is amended to read as follows:

"(d) STANDARDS FOR A BYPASS.—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) waive the requirements of this section for such local educational agency;

"(2) arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section and sections 10405 and 10406; and

"(3) in making the determination, consider one or more factors, including the quality, size, scope, and location of the program and the opportunity of eligible children to participate.".

(d) CAPITAL EXPENSES.—Effective September 30, 2002, subsection (e) of section 1120 (20 U.S.C. 6321(e)) is hereby repealed.

SEC. 118. REQUIREMENTS; RECORDS.

(a) REQUIREMENTS.—Section 1120A(c)(2) (20 U.S.C. 6322(c)(2)) is amended to read as follows:

"(2) CRITERIA FOR MEETING COMPARABILITY REQUIREMENT.—

"(A) APPROVAL.—To meet the requirement of paragraph (1), a local educational agency shall obtain the State educational agency's approval of a comprehensive, 3-year plan to ensure comparability in the use of State and local funds and educational services among its schools receiving funds under this part and its other schools with respect to:

"(i) the rates at which class sections are taught by experienced and fully qualified teachers, including such rates for low-income and minority students;

"(ii) curriculum, in terms of both the range of courses offered, and the opportunity to participate in rigorous courses including advanced placement (AP) courses, including such rates for low-income and minority students; and

"(iii) the quality and availability of instructional materials and instructional resources including technology."

"(B) EXCLUSION.—A local educational agency need not include unpredictable changes

in student enrollment or personnel assignments that occur after the beginning of a school year in determining comparability of services under this subsection.

"(C) REQUIREMENTS.—Notwithstanding subparagraph (A), a local educational agency may continue to meet the requirement of paragraph (1) by complying with subparagraph (A) as such subparagraph was in effect on the day preceding the date of the enactment of the Excellence and Accountability in Education Act, except that each local educational agency shall be required to comply with subparagraph (A), as amended by such Act not later than July 1, 2004.".

(b) RECORDS.—Section 1120A(c)(3)(B) is amended by striking "biennially" and inserting "annually".

SEC. 119. COORDINATION REQUIREMENTS.

Section 1120B (20 U.S.C. 6323 et seq.) is amended—

(1) in subsection (a), by striking "to the extent feasible" and all that follows through the period and inserting "with local Head Start agencies, and if feasible, other early childhood development programs.";

(2) in subsection (b)—

(A) in paragraph (3) by striking ''and'' after the semicolon;

(B) in paragraph (4) by striking the period and inserting ''; and''; and

(C) by adding at the end, the following:

''(5) linking the educational services provided in such local educational agency with the services provided in local Head Start agencies.''.

SEC. 120. AMOUNTS FOR GRANTS.

Section 1122 (20 U.S.C. 6332 et seq.) is amended to read as follows:

''SEC. 1122. AMOUNTS FOR BASIC GRANTS, CONCENTRATION GRANTS, AND TARGETED GRANTS.

''(a) ALLOCATION FORMULA.—Of the amount authorized to be appropriated to carry out this part for each of fiscal years 2002 through 2006 (referred to in this subsection as the current fiscal year)—

''(1) an amount equal to the amount appropriated to carry out section 1124 for fiscal year 2001 plus 42.5 percent of the amount, if any, by which the amount appropriated under section 1002(a) for the current fiscal year exceeds the amount appropriated under such section for fiscal

year 2001 shall be allocated in accordance with section 1124;

"(2) an amount equal to the amount appropriated to carry out section 1124A for fiscal year 2001 plus 7.5 percent of the amount, if any, by which the amount appropriated under section 1002(a) for the current fiscal year exceeds the amount appropriated under such section for fiscal year 2001 shall be allocated in accordance with section 1124A; and

"(3) an amount equal to 50 percent of the amount, if any, by which the amount appropriated under section 1002(a) for the current fiscal year exceeds the amount appropriated under such section for fiscal year 2001 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 edu-

cational 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) AMOUNTS FOR SECTIONS 1124 AND 1125.—For each fiscal year, the amount made available to each local educational agency under each of sections 1124 and 1125 shall be—

"(A) not less than 95 percent of the amount made available in 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, in the local educational agency;

"(B) not less than 90 percent of the amount made available in the preceding fiscal year if the percentage described in subparagraph (A) is between 15 percent and 30 percent; and

"(C) not less than 85 percent of the amount made available in the preceding fiscal year if the percentage described in subparagraph (A) is below 15 percent.

"(2) AMOUNT FOR SECTION 1124A.—The amount made available to each local educational agency under section 1124A shall be not less than 85 percent of the amount made available in the preceding fiscal year.

"(3) PAYMENTS.—If sufficient funds are appropriated, the amounts described in paragraph (2) shall be paid to all local educational agencies that received grants under section 1124A for the preceding fiscal year, regardless of whether the local educational agency meets the minimum eligibility criteria for that fiscal year provided in section 1124A(a)(1)(A) except that a local educational agency that does not meet such minimum eligibility criteria for 4 consecutive years shall no longer be eligible to receive a hold harmless amount referred to in paragraph (2).

"(4) POPULATION DATA.—In any fiscal year for which the Secretary calculates grants on the basis of population data for counties, the Secretary shall apply the hold harmless 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, 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 subsection.

''(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 were reduced.

''(e) DEFINITION.—Except as provided in section 1124(a)(5), for the purposes of this section and sections 1124, 1124A, and 1125, the term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.''.

SEC. 121. BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES.

Section 1124 (20 U.S.C. 6333 et seq.) is amended to read as follows:

"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 or 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 sub-

section (c) for local educational agencies, unless the Secretary 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 2 Secretaries 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) For any fiscal year in which this paragraph applies, the Secretary shall calculate grants under this section for each local educational agency.

"(ii) The amount of a grant under this section for each large local educational agency shall be the amount determined under clause (i).

"(iii) For small local educational agencies, the State educational agency may either—

"(I) distribute grants under this section in amounts determined by the Secretary under clause (i); or

"(II) 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 agencies.

"(iv) An alternative method under clause (iii)(II) 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 eligibility criteria of subsection (b).

"(v) If a small local educational agency is dissatisfied with the determination of its grant by the State educational agency under clause (iii)(II), it may appeal that determination to the Secretary, who shall respond not later than 45 days after receipt of such appeal.

"(vi) As used in this subparagraph—

"(I) the term 'large local educational agency' means a local educational agency serving an area with a total population of 20,000 or more; and

"(II) the term 'small local educational agency' means a local educational agency serving an area with a total population of less than 20,000.

"(3) ALLOCATIONS TO COUNTIES.—

"(A) CALCULATION.—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 suballocate county amounts to local educational agencies, in accordance with regulations issued by the Secretary.

"(B) DIRECT ALLOCATIONS.—In any State in which a large number of local educational agencies overlap county boundaries, or for which the State believes it has data that would better target funds than allocating them 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) ASSURANCES.—If the Secretary approves the State educational agency's application under subparagraph (B), the State educational agency shall provide the Secretary an assurance that such allocations shall be made—

"(i) using precisely the same factors for determining a grant as are used under this part; 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 it shall establish a procedure through which a local educational agency that is dissatisfied with its determinations under subparagraph (B) may appeal directly to the Secretary for a final determination.

"(4) PUERTO RICO.—

"(A) IN GENERAL.—For each fiscal year, the grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section shall be the amount determined by multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

"(i) 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; and

"(ii) 32 percent of the average per pupil expenditure in the United States.

"(B) MINIMUM PERCENTAGE.—The percentage in subparagraph (A)(i) shall not be less than—

"(i) for fiscal year 2002, 77.5 percent;

"(ii) for fiscal year 2003, 80.0 percent;

"(iii) for fiscal year 2004, 82.5 percent; and

"(iv) for fiscal year 2005 and succeeding fiscal years, 85.0 percent.

"(C) LIMITATION.—If the application of subparagraph (B) would result in any of the 50 States or the District of Columbia receiving less under this part than it received under this part for the preceding fiscal year, the percentage in subparagraph (A) shall be the greater of the percentage in subparagraph (A)(i) or the percentage used for the preceding fiscal year.

"(5) DEFINITION.—For purposes of this subsection, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Northern Mariana Islands.

"(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 both—

"(1) 10 or more; and

"(2) more than 2 percent of the total school-age population in the agency's jurisdiction.

"(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 (determined under paragraph (4) for either 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 (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; and

"(C) 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).

"(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 local educational agencies or counties, 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, they 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 the purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclu-

sive, 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 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 de-

termination 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 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.

"(d) STATE MINIMUM.—Notwithstanding section 1122, the aggregate amount allotted for all local edu-

cational 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 with funds available under this section for that year.".

SEC. 122. CONCENTRATION GRANTS.

Section 1124A (20 U.S.C. 6334 et seq.) is amended to read as follows:

"SEC. 1124A. 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, and the Commonwealth of the Northern Mariana Islands, which 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) in the agency exceeds either—

"(i) 6,500; or

"(ii) 15 percent of the total number of children aged 5 through 17 in the agency.

"(B) Notwithstanding 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 that 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) LOCAL ALLOCATIONS.—(A) Grant amounts under this section shall be determined in accordance with section 1124(a)(2) and (3).

"(B) 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 its allocation under this section to make grants to local educational agencies that meet the criteria of paragraph (1)(A)(i) or (ii) but that are in ineligible counties that do not meet these criteria.

"(b) 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. 123. TARGETED GRANTS.

Section 1125 (20 U.S.C. 6335 et seq.) is amended to read as follows:

"SEC. 1125. 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. For each fiscal year for which the Secretary uses county population data to calculate grants, 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 paragraph 1124(a)(1)(B).

"(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)(4).

"(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 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 than 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, 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.

"(B) PUERTO RICO.—Notwithstanding subparagraph (A), the weighted child count 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) 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 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 15.233 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 15.233 percent, but not more than 22.706 percent, of such population, multiplied by 1.75;

"(III) the number of such children constituting more than 22.706 percent, but not more than 32.213

percent, of such population, multiplied by 2.5;

"(IV) the number of such children constituting more than 32.213 percent, but not more than 41.452 percent, of such population, multiplied by 3.25; and

"(V) the number of such children constituting more than 41.452 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 710, inclusive, of the agency's total population aged 5 to 17, inclusive, multiplied by 1.0;

"(II) the number of such children between 710 and 2,384, inclusive, in such population, multiplied by 1.5;

"(III) the number of such children between 2,384 and 9,645, inclusive, in such population, multiplied by 2.0;

"(IV) the number of such children between 9,645 and 54,600, inclusive, in such population, multiplied by 2.5; and

"(V) the number of such children in excess of 54,600 in such population, multiplied by 3.0.

"(B) PUERTO RICO.—Notwithstanding subparagraph (A), the weighted child count 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) CALCULATION OF GRANT AMOUNTS.—Grants under this section shall be calculated in accordance with 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 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. 124. SPECIAL ALLOCATION PROCEDURES.

Section 1126 (20 U.S.C. 6337 et seq.) is amended to read as follows:

"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 children as described in subparagraph (B) of section 1124(c)(1), 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 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.".

PART B—EDUCATION OF MIGRATORY CHILDREN

SEC. 131. STATE ALLOCATIONS.

Section 1303 (20 U.S.C. 6393) is amended—

(1) by amending subsection (b) to read as follows:

''(b) ALLOCATION TO PUERTO RICO.—

''(1) FISCAL YEAR 2002.—For fiscal year 2002, the grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section shall be the amount determined by multiplying the number of children counted under subsection (a)(1)(A) for the Commonwealth of Puerto Rico by the product of—

''(A) 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; and

''(B) 32 percent of the average per pupil expenditure in the United States.

''(2) SUBSEQUENT FISCAL YEARS.—For each fiscal year after fiscal year 2002, the grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section shall be the amount determined by multiplying the number of children counted under subsection (a)(2)(B)(i)(I) and (a)(2)(B)(i)(II) for the Commonwealth of Puerto

Rico during the previous fiscal year, by the product of—

"(A) 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; and

"(B) 32 percent of the average per pupil expenditure in the United States.

"(3) MINIMUM ALLOCATION.—

"(A) FISCAL YEAR 2002.—For fiscal year 2002, the percentage in paragraph (1)(A) shall not be less than 77.5 percent.

"(B) SUBSEQUENT FISCAL YEARS.—The percentage in paragraph (2)(A) shall not be less than—

"(i) for fiscal year 2003, 80.0 percent;

"(ii) for fiscal year 2004, 82.5 percent; and

"(iii) for fiscal year 2005 and succeeding fiscal years, 85.0 percent.

"(4) SPECIAL RULE.—If the application of paragraph (3) would result in any of the 50 States or the District of Columbia receiving less under this part than it received under this part for the preceding fiscal year, the percentage in paragraph (1)

or (2), respectively, shall be the greater of the percentage in paragraph (1)(A) or (2)(A) the percentage used for the preceding fiscal year.''; and

(2) by striking subsections (d) and (e).

SEC. 132. STATE APPLICATIONS; SERVICES.

(a) PROGRAM INFORMATION.—Section 1304(b) (20 U.S.C. 6394(b)) is amended—

(1) in paragraph (1), by striking ''addressed through'' and all that follows through the semicolon at the end and inserting the following:

''addressed through—

''(A) the full range of services that are available for migratory children from appropriate local, State, and Federal educational programs;

''(B) joint planning among local, State, and Federal educational programs serving migrant children, including programs under title VII;

''(C) the integration of services available under this part with services provided by those other programs; and

''(D) measurable program goals and outcomes;'';

(2) in paragraph (5), by striking ''the requirements of paragraph (1); and'' and inserting ''the numbers and needs of migratory children, the requirements of subsection (d), and the availability of funds from other Federal, State, and local programs;'';

(3) in paragraph (6), by striking the period at the end and inserting ''; and''; and

(4) by adding at the end the following:

''(7) a description of how the State will encourage programs and projects assisted under this part to offer family literacy services if the program or project serves a substantial number of migratory children who have parents who do not have a high school diploma or its recognized equivalent or who have low levels of literacy.''.

(b) ASSURANCES.—Section 1304(c) (20 U.S.C. 6394(c)) is amended—

(1) in paragraph (1), by striking ''1306(b)(1);'' and inserting ''1306(a);'';

(2) in paragraph (3)—

(A) by striking ''appropriate'';

(B) by striking ''out, to the extent feasible,'' and inserting ''out''; and

(C) by striking ''1118;'' and inserting ''1118, unless extraordinary circumstances make implementation consistent with such section impractical;''; and

(3) in paragraph (7), by striking ''section 1303(e)'' and inserting ''paragraphs (1)(A) and (2)(B)(i) of section 1303(a)''.

SEC. 133. AUTHORIZED ACTIVITIES.

Section 1306 (20 U.S.C. 6396) is amended to read as follows:

''SEC. 1306. AUTHORIZED ACTIVITIES.

''(a) IN GENERAL.—

''(1) FLEXIBILITY.—Each State educational agency, through its local educational agencies, shall have the flexibility to determine the activities to be provided with funds made available under this part, except that such funds shall first be used to meet the identified needs of migratory children that result from their migratory lifestyle, and to permit these children to participate effectively in school.

''(2) UNADDRESSED NEEDS.—Funds provided under this part shall be used to address the needs of migratory children that are not addressed by services available from other Federal or non-Federal programs, except that migratory children who are el-

igible to receive services under part A of this title may receive those services through funds provided under that part, or through funds under this part that remain after the agency addresses the needs described in paragraph (1).

''(b) CONSTRUCTION.—Nothing in this part shall be construed to prohibit a local educational agency from serving migratory children simultaneously with students with similar educational needs in the same educational settings, where appropriate.

''(c) SPECIAL RULE.—Notwithstanding section 1114, a school that receives funds under this part shall continue to address the identified needs described in subsection (a)(1).''.

SEC. 134. COORDINATION OF MIGRANT EDUCATION ACTIVITIES.

(a) DURATION.—Section 1308(a)(2) (20 U.S.C. 6398(a)(2)) is amended by striking ''subpart'' and inserting ''subsection''.

(b) STUDENT RECORDS.—Section 1308(b) (20 U.S.C. 6398(b)) is amended to read as follows:

''(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 Excellence in Education 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 Excellence in Education 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 for such year.

"(2) REPORT TO CONGRESS.—(A) Not later than April 30, 2003, 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.—Section 1308(c) (20 U.S.C. 6398(c)) is amended by striking ''$6,000,000'' and inserting ''$10,000,000''.

(d) INCENTIVE GRANTS.—Section 1308(d) (20 U.S.C. 6398(d)) is amended to read as follows:

''(d) INCENTIVE GRANTS.—From the amounts made available to carry out this section for any fiscal year, the Secretary may reserve not more than $3,000,000 to award grants of not more than $250,000 on a competitive basis to State educational agencies that propose a consortium arrangement with another State or other appropriate entity that the Secretary determines, pursuant to criteria that the Secretary shall establish, will improve the delivery of services to migratory children whose education is interrupted.''.

PART C—NEGLECTED OR DELINQUENT YOUTH

SEC. 141. NEGLECTED OR DELINQUENT YOUTH.

The heading for part D of title I is amended to read as follows:

''PART D—PREVENTION AND INTERVENTION PROGRAMS FOR NEGLECTED OR DELINQUENT CHILDREN AND YOUTH''.

SEC. 142. FINDINGS.

Section 1401(a) is amended by striking paragraphs (6) through (9) and inserting the following:

"(6) Youth returning from correctional facilities need to be involved in programs that provide them with high level skills and other support to help them stay in school and complete their education.

"(7) Pregnant and parenting teenagers are a high at-risk group for dropping out of school and should be targeted by dropout prevention programs.".

SEC. 143. ALLOCATION OF FUNDS.

Section 1412(b) is amended to read as follows:

"(b) SUBGRANTS TO STATE AGENCIES IN PUERTO RICO.—

"(1) IN GENERAL.—For each fiscal year, the amount of the subgrant for which a State agency in the Commonwealth of Puerto Rico shall be eligible to receive under this part shall be the amount determined by multiplying the number of children counted under subparagraph (a)(1)(A) for the Commonwealth of Puerto Rico by the product of—

"(A) 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; and

"(B) 32 percent of the average per pupil expenditure in the United States.

"(2) MINIMUM ALLOCATION.—The percentage in paragraph (1)(A) shall not be less than—

"(A) for fiscal year 2002, 77.5 percent;

"(B) for fiscal year 2003, 80.0 percent;

"(C) for fiscal year 2004, 82.5 percent; and

"(D) for fiscal year 2005 and for each succeeding fiscal year, 85.0 percent.

"(3) SPECIAL RULE.—If the application of paragraph (2) would result in any of the 50 States or the District of Columbia receiving less under this part than it received under this part for the preceding fiscal year, the percentage in paragraph (1) shall be the greater of the percentage in paragraph (1)(A) or the percentage used for the preceding fiscal year.".

SEC. 144. STATE PLAN AND STATE AGENCY APPLICATIONS.

Section 1414 is amended to read as follows:

"SEC. 1414. 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 educational needs of neglected

and delinquent youth, for assisting in their transition from institutions to locally operated programs, and which is integrated with other programs under this Act or other Acts, as appropriate, consistent with section 11206.

"(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 and technical 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 10501 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 10401;

"(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 and technical education programs, State and local dropout prevention programs, and special education programs;

"(9) describes how States will encourage correctional facilities receiving funds under this subpart to coordinate with local educational agencies or alternative education programs attended by incarcerated youth prior to their incarceration to ensure that student assessments and appropriate academic records are shared jointly between the correctional facility and the local educational agency or alternative education program;

"(10) describes how appropriate professional development will be provided to teachers and other staff;

"(11) 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;

"(12) describes how the agency will, endeavor to coordinate with businesses for training and mentoring for participating youth;

"(13) 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;

"(14) 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;

"(15) 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;

"(16) 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;

"(17) 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;

"(18) describes any additional services provided to youth, such as career counseling, distance learning, and assistance in securing student loans and grants; and

"(19) provides assurances 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. 145. USE OF FUNDS.

Section 1415(a) is amended—

(1) in paragraph (1)(B), by inserting ''and vocational and technical training'' after ''secondary school completion''; and

(2) in paragraph (2)(B)—

(A) in clause (i), by inserting ''and'' after the semicolon;

(B) in clause (ii), by striking ''; and'' and inserting a period; and

(C) by striking clause (iii).

SEC. 146. PURPOSE.

Section 1421 is amended by striking paragraph (3) and inserting the following:

''(3) operate programs for youth returning from correctional facilities in local schools which may also serve youth at risk of dropping out of school.''.

SEC. 147. TRANSITION SERVICES.

Section 1418(a) is amended by striking ''10 percent'' and inserting ''15 percent''.

SEC. 148. PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES.

Section 1422 is amended—

(1) in subsection (a), by striking ''retained'';

(2) by amending subsection (b) to read as follows:

"(b) SPECIAL RULE.—A local educational agency which includes a correctional facility that operates a school is not required to operate a program of support for children returning from such school to a school not operated by a correctional agency but served by such local educational agency if more than 30 percent of the youth attending the school operated by the correctional facility will reside outside the boundaries of the local educational agency after leaving such facility."; and

(3) by adding at the end of section 1422 the following:

"(d) TRANSITIONAL AND ACADEMIC SERVICES.—Transitional and supportive programs operated in local educational agencies under this subpart shall be designed primarily to meet the transitional and academic needs of students returning to local educational agencies or alternative education programs from correctional facilities. Services to students at risk of dropping out of school shall not have a negative impact on meeting the transitional and academic needs of the students returning from correctional facilities.".

SEC. 149. LOCAL EDUCATIONAL AGENCY APPLICATIONS.

Section 1423 is amended by striking paragraphs (4) through (9) and inserting the following:

"(4) a description of the program operated by participating schools for children returning from correctional facilities and the types of services that such schools will provide such youth and other at-risk youth;

"(5) a description of the youth returning from correctional facilities and, as appropriate, other at-risk youth expected to be served by the program and how the school will coordinate existing educational programs to meet the unique educational needs of such youth;

"(6) as appropriate, a description of how schools will coordinate with existing social, health and other services to meet the needs of students returning from correctional facilities, 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,

curriculum-based youth entrepreneurship education and mentoring services for participating students;

"(8) as appropriate, a description of how programs will involve parents in efforts to improve the educational achievement of their children, prevent the involvement of their children in delinquent activities, and encourage their children to remain in school and complete their education;

"(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 and technical education programs serving this at-risk population of youth;".

SEC. 150. USES OF FUNDS.

Section 1424 is amended by striking paragraphs (1) through (3) and inserting the following:

"(1) programs that serve youth returning from correctional facilities to local schools to assist in the transition of such youth to the school environment and help them remain in school in order to complete their education;

"(2) providing assistance to other youth at risk of dropping out of school, including pregnant and parenting teenagers;

"(3) the coordination of social, health, and other services, including day care, for participating youth if the provision of such services will improve the likelihood that such youth will complete their education;

"(4) special programs to meet the unique academic needs of participating youth, including vocational and technical education, special education, career counseling, curriculum-based youth entrepreneurship education, and assistance in securing student loans or grants for postsecondary education; and

"(5) programs providing mentoring and peer mediation.".

SEC. 151. PROGRAM REQUIREMENTS.

Section 1425 is amended—

(1) in paragraph (1), by striking "where feasible, ensure educational programs" and inserting the following: "to the extent practicable, ensure that educational programs";

(2) in paragraph (3), by striking ''where feasible,'' and inserting the following: ''to the extent practicable,'';

(3) in paragraph (8), by striking ''where feasible,'' and inserting the following: ''to the extent practicable,'';

(4) in paragraph (9), by inserting ''and technical'' after ''vocational''; and

(5) by amending paragraph (11) to read as follows:

''(11) if appropriate, work with local businesses to develop training, curriculum-based youth entrepreneurship education, and mentoring programs for youth.''.

SEC. 152. PROGRAM EVALUATIONS.

Section 1431(a) is amended by striking ''sex, and if feasible,'' and inserting ''gender,''.

PART D—GENERAL PROVISIONS

SEC. 161. GENERAL PROVISIONS.

Title I is amended—

(1) by redesignating part F as part G; and

(2) by redesignating sections 1601 through 1604 as sections 1701 through 1704, respectively.

PART E—COMPREHENSIVE SCHOOL REFORM

SEC. 171. COMPREHENSIVE SCHOOL REFORM.

Title I is amended by inserting after Part E the following:

"PART F—COMPREHENSIVE SCHOOL REFORM

"SEC. 1601. COMPREHENSIVE SCHOOL REFORM.

''(a) FINDINGS AND PURPOSE.—

''(1) FINDINGS.—Congress finds the following:

''(A) A number of schools across the country have shown impressive gains in student performance through the use of comprehensive models for schoolwide change that incorporate virtually all aspects of school operations.

''(B) No single comprehensive school reform model may be suitable for every school, however, schools should be encouraged to examine successful, externally developed comprehensive school reform approaches as they undertake comprehensive school reform.

''(C) Comprehensive school reform is an important means by which children are assisted in meeting challenging State student performance standards.

''(2) PURPOSE.—The purpose of this section is to provide financial incentives for schools to develop comprehensive school reforms, based upon scientif-

ically based research and effective practices that include an emphasis on basic academics and parental involvement so that all children can meet challenging State content and performance standards.

"(b) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized to provide grants to State educational agencies to provide subgrants to local educational agencies to carry out the purpose described in subsection (a)(2).

"(2) ALLOCATION.—

"(A) RESERVATION.—Of the amount appropriated under this section, the Secretary may reserve—

"(i) not more than 1 percent for 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; and

"(ii) not more than 1 percent to conduct national evaluation activities described under subsection (e).

"(B) IN GENERAL.—Of the amount of funds remaining after the reservation under subparagraph (A), the Secretary shall allocate

to each State for a fiscal year, an amount that bears the same ratio to the amount appropriated 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 allocated under section 1124 to all States for that year.

"(C) REALLOCATION.—If a State does not apply for funds under this section, the Secretary shall reallocate such funds to other States that do apply in proportion to the amount allocated to such States under subparagraph (B).

"(c) STATE AWARDS.—

"(1) STATE APPLICATION.—

"(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 other information as the Secretary may reasonably require.

"(B) CONTENTS.—Each State application shall also describe—

"(i) 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;

"(ii) how the agency will ensure that only comprehensive school reforms that are based on scientifically based research receive funds under this section;

"(iii) how the agency will disseminate materials regarding information on comprehensive school reforms that are based on scientifically based research;

"(iv) how the agency will evaluate the implementation of such reforms and measure the extent to which the reforms resulted in increased student academic performance; and

"(v) how the agency will provide, upon request, technical assistance to the local educational agency in evaluating, developing, and implementing comprehensive school reform.

"(2) USES OF FUNDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (E), a State educational agency that receives an award under this section shall

use such funds to provide competitive grants to local educational agencies receiving funds under part A.

"(B) GRANT REQUIREMENTS.—A grant to a local educational agency shall be—

"(i) 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;

"(ii) in an amount not less than $50,000 to each participating school; and

"(iii) renewable for 2 additional 1-year periods after the initial 1-year grant is made if schools are making substantial progress in the implementation of their reforms.

"(C) PRIORITY.—The State, in awarding grants under this paragraph, shall give priority to local educational agencies that—

"(i) plan to use the funds in schools identified as being in need of improvement or corrective action under section 1116(b); and

"(ii) 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 making subgrant awards under this part, the State educational agency shall take into account the equitable distribution of awards to different geographic regions within the State, including urban and rural areas, and to schools serving elementary and secondary students.

"(E) ADMINISTRATIVE COSTS.—A State educational agency that receives a grant award under this section may reserve not more than 5 percent of such award for administrative, evaluation, and technical assistance expenses.

"(F) SUPPLEMENT.—Funds made available under this section shall be used to supplement, not supplant, any other Federal, State, or local funds that would otherwise be available to carry out this section.

"(3) REPORTING.—Each State educational agency that receives an award under this section

shall provide to the Secretary such information as the Secretary may require, including the names of local educational agencies and schools selected to receive subgrant awards under this section, the amount of such award, and a description of the comprehensive school reform model selected and in use.

"(d) LOCAL AWARDS.—

"(1) IN GENERAL.—Each local educational agency that applies for a subgrant under this section shall—

"(A) identify which schools eligible for funds under part A plan to implement a comprehensive school reform program, including the projected costs of such a program;

"(B) describe the scientifically based comprehensive school reforms that such schools will implement;

"(C) describe how the agency will provide technical assistance and support for the effective implementation of the scientifically based school reforms selected by such schools; and

"(D) describe how the agency will evaluate the implementation of such reforms and measure the results achieved in improving student academic performance.

"(2) COMPONENTS OF THE PROGRAM.—A local educational agency that receives a subgrant award under this section shall provide such funds to schools that implement a comprehensive school reform program that—

"(A) employs innovative strategies and proven methods for student learning, teaching, and school management that are based on scientifically based research and effective practices and have been replicated successfully in schools with diverse characteristics;

"(B) integrates 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, professional development into a comprehensive reform plan for schoolwide change designed to enable all students to meet challenging State content and challenging student performance standards and addresses needs identified through a school needs assessment;

"(C) provides high-quality and continuous teacher and staff professional development;

"(D) includes measurable goals for student performance and benchmarks for meeting such goals;

"(E) is supported by teachers, principals, administrators, and other professional staff;

"(F) provides for the meaningful involvement of parents and the local community in planning and implementing school improvement activities;

"(G) uses high quality external technical support and assistance from an entity, which may be an institution of higher education, with experience and expertise in schoolwide reform and improvement;

"(H) includes a plan for the evaluation of the implementation of school reforms and the student results achieved; and

"(I) identifies how other resources, including Federal, State, local, and private resources, available to the school will be used to coordinate services to support and sustain the school reform effort.

"(3) 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 Department of Education, but may develop its own comprehensive school reform programs for schoolwide change that comply with paragraph (2).

"(e) EVALUATION AND REPORT.—

"(1) IN GENERAL.—The Secretary shall develop a plan for a national evaluation of the programs developed pursuant to this section.

"(2) EVALUATION.—In carrying out paragraph (1), the Secretary shall evaluate the implementation and results achieved by schools after 3 years of implementing comprehensive school reforms, and assess the effectiveness of comprehensive school reforms in schools with diverse characteristics.

"(3) REPORTS.—Prior to the completion of a national evaluation, the Secretary shall submit an interim report outlining first year implementation activities to the Committees on Education and the Workforce and Appropriations of the House of Representatives and the Committees on Health, Education, Labor, and Pensions and Appropriations of the Senate.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to carry out this section $300,000,000 for

fiscal year 2002 and such sums as may be necessary for each of the 4 succeeding fiscal years.''.

TITLE II—SMART CLASSROOMS

SEC. 201. SMART CLASSROOMS.

(a) IN GENERAL.—Title II (20 U.S.C. 6601 et seq.) is amended—

(1) by striking the heading for title II and inserting the following:

"TITLE II—SMART CLASSROOMS";

(2) by striking sections 2001 through 2003;

(3) by striking parts A, B, D and E;

(3) by redesignating part C as part D; and

(4) by inserting after the title heading the following:

"PART A—QUALIFIED TEACHERS IN EVERY CLASSROOM

"Subpart 1—Purpose; Authorization of Appropriations

"SEC. 2001. PURPOSE.

''The purpose of this part is to support the improvement of classroom instruction, so that all students are able to achieve to challenging State content and student performance standards in the core academic subjects, by providing assistance to State and local educational agencies

in their efforts to recruit and retain a fully qualified instructional staff by—

"(1) supporting States and local educational agencies in continuing the task of developing challenging content and student performance standards and aligned assessments, revising curricula and teacher certification requirements, and using challenging content and student performance standards to improve teaching and learning;

"(2) assisting high-poverty local educational agencies and low-performing local educational agencies that have the greatest difficulty in recruiting and retaining fully qualified teachers;

"(3) supporting States and local educational agencies in recruiting and retaining teachers in subject areas in which the State has determined there to be a shortage of teachers;

"(4) ensuring that all instructional staff have the subject matter knowledge and teaching skills necessary to teach effectively in all subjects in which they provide instruction;

"(5) providing assistance to new teachers during their first 3 years in the classroom; and

"(6) ensuring that teachers, principals, administrators, and other school staff have access to pro-

fessional development that is aligned with challenging State content and student performance standards in the core academic subjects.

"SEC. 2002. AUTHORIZATION OF APPROPRIATIONS.

"(a) SUBPART 2.—For the purpose of carrying out subpart 2, there are authorized to be appropriated $2,745,000,000 for fiscal year 2002, $2,816,000,000 for fiscal year 2003, $2,889,000,000 for fiscal year 2004, $2,959,000,000 for fiscal year 2005, and $3,027,000,000 for fiscal year 2006.

"(b) SUBPART 3.—For the purpose of carrying out subpart 3, there are authorized to be appropriated $40,000,000 for fiscal year 2002 and such sums as may be necessary for each of fiscal years 2003 through 2006.

"Subpart 2—State and Local Activities

"SEC. 2011. ALLOCATIONS TO STATES.

"(a) IN GENERAL.—In the case of each State that in accordance with section 2013 submits to the Secretary an application for a fiscal year, and has that application approved under section 2013(c), 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 allocation determined for the State under subsection (b) or (c).

"(b) RESERVATION OF FUNDS.—From the amount made available to carry out this subpart for any fiscal year, the Secretary shall reserve—

"(1) one-half of 1 percent to provide assistance to the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be distributed among these outlying areas on the basis of their relative need, as determined by the Secretary in accordance with the purpose of this part; and

"(2) one-half of 1 percent for the Secretary of the Interior for activities under this subpart for teachers, principals, administrators, and other school staff in schools operated or funded by the Bureau of Indian Affairs.

"(c) STATE ALLOCATIONS.—

"(1) IN GENERAL.—After reserving funds under subsection (b), the Secretary shall allocate the remaining amount made available to carry out this subpart for any fiscal year among the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico as follows:

"(A) 50 percent of such amount shall be allocated among such States on the basis of their relative populations of individuals aged 5

through 17, as determined by the Secretary on the basis of the most recent satisfactory data.

"(B) 50 percent of such amount shall be allocated among such States in proportion to the number of children, aged 5 to 17, who reside within the State from families with incomes below the poverty line applicable to a family of the size involved for the most recent fiscal year for which satisfactory data are available, compared to the number of such individuals who reside in all such States for that fiscal year.

"(2) MINIMUM ALLOCATION.—No State receiving an allocation under paragraph (1) may receive less than one-quarter of 1 percent of the total amount made available to carry out this subpart for any fiscal year and not reserved under subsection (b).

"SEC. 2012. WITHIN-STATE ALLOCATIONS.

"(a) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.—

"(1) IN GENERAL.—Each State receiving a grant under this subpart shall expend at least 92 percent of the amount of the funds provided under

the grant for the purpose of making subgrants to local educational agencies as follows:

"(A) subject to paragraph (2), 80 percent of such amount shall be allocated as follows:

"(i) 60 percent shall be allocated among local educational agencies having an approved application under section 2017 in proportion to the number of children, aged 5 to 17, who reside within the jurisdiction served by the agency from families with incomes below the poverty line applicable to a family of the size involved for the most recent fiscal year for which satisfactory data are available, compared to the number of such children who reside in all such jurisdictions for that fiscal year.

"(ii) 40 percent shall be allocated among local educational agencies having an approved application under section 2017 on the basis of their relative populations of children aged 5 to 17, as determined by the Secretary on the basis of the most recent satisfactory data.

"(B) 20 percent of such amount shall be used to provide additional funds to local edu-

cational agencies, and partnerships described in section 2016(b)(1), having an approved application under section 2018 in accordance with such section.

"(2) MINIMUM AMOUNT.—Notwithstanding paragraph (1)(A), a local educational agency may not receive an allocation under such paragraph for any fiscal year that is less than its allocation for fiscal year 2001 under section 2203(1) of this Act (as in effect on the day before the date of the enactment of the Excellence and Accountability in Education Act). If the amount available for allocations under paragraph (1)(A) is insufficient to satisfy the preceding sentence, each allocation under such paragraph shall be ratably reduced.

"(b) SUBGRANTS TO PARTNERSHIPS.—Each State receiving a grant under this subpart shall expend at least 2 percent of the amount of the funds provided under the grant for the purpose of making subgrants to partnerships under section 2016.

"(c) STATE-LEVEL ACTIVITIES.—Each State receiving a grant under this part may expend not more than 6 percent of the amount of the funds provided under the grant for one or more of the State-level activities described in section 2015.

"(d) ADMINISTRATION AND EVALUATIONS.—Subject to section 2023, each State receiving a grant under this subpart or part C shall expend not more than ⅙ of its allocation under subsection (c) for—

"(1) its costs of administering this subpart and part C;

"(2) evaluations of the effectiveness of activities under this subpart and part C, including effectiveness as measured using the indicators of program performance described in section 2401; and

"(3) reports required under section 2201(e).

"SEC. 2013. STATE APPLICATION.

"(a) APPLICATIONS REQUIRED.—

"(1) IN GENERAL.—Each State desiring to receive its allocation under this subpart shall submit, through its State educational agency, an application to the Secretary at such time, in such form, and containing such information as the Secretary reasonably may require.

"(2) CONSULTATION.—The State educational agency shall develop the State application—

"(A) in consultation with the State agency for higher education, community-based and other nonprofit organizations of demonstrated

effectiveness in professional development, and institutions of higher education; and

"(B) with the extensive participation of teachers, teacher educators, school administrators, and content specialists.

"(b) CONTENTS.—Each such application shall include the following:

"(1) A description of how the State educational agency will use all funds received under this subpart to implement State plans or policies that support comprehensive standards-based education reform through the following strategies:

"(A) Supporting the alignment of curricula and assessments with challenging State content and student performance standards.

"(B) Supporting local educational agencies in their efforts to recruit and retain fully qualified teachers, with special consideration given to recruiting highly qualified teachers from minority and other historically underrepresented groups, including bilingual teachers.

"(C) Ensuring that teachers employed by local educational agencies are proficient in content knowledge and teaching skills in all subjects in which they provide instruction.

"(D) Providing professional development, aligned with State content and student performance standards, in core academic subjects.

"(2) An assurance that teacher aides or other paraprofessionals who are not fully qualified teachers provide instruction to students only under the direct and immediate supervision of a fully qualified teacher, and have received the professional development necessary to perform their duties.

"(3) A description of the process the State educational agency will use to make competitive awards to local educational agencies under section 2018, including a description of—

"(A) the State's criteria for classifying local educational agencies as among those having the greatest need for services provided under this subpart and its justification for those criteria;

"(B) the State's strategies for ensuring that local educational agencies that have historically had little success in competing for funds are provided a reasonable opportunity to compete for subgrants;

"(C) the State's criteria for determining the amounts that it will award to recipients and

the criteria for providing noncompetitive renewals of subgrants;

"(D) the technical assistance that the State educational agency will provide, under section 2018(e)(2), to local educational agencies that it identifies as having the greatest need for services and that fail to receive an award under section 2018; and

"(E) how the State will give special priority to local educational agencies seeking to fulfill school improvement requirements under section 1116.

"(4) A description of how the State educational agency will ensure that all recipients of funds under this subpart will report on their level of performance based on the program performance indicators described in section 2401.

"(5) A list of any additional indicators of program performance, beyond those described in section 2401, on which the State educational agency and the State agency for higher education will require recipients to report.

"(6) A set of specific, numerical, annual goals for each of the performance indicators required under section 2401 and for any additional indicators

that the State elects to use for measuring the progress of the State and local educational agencies receiving funds under this subpart.

"(7) A description of how the State will coordinate professional development activities authorized under this subpart with professional development activities provided under other Federal, State, and local programs, including those authorized under this Act and (where applicable) the Individuals with Disabilities Education Act and the Carl D. Perkins Vocational and Technical Education Act. The application shall also describe the comprehensive strategy that the State will take as part of such coordination effort, to ensure that teachers are trained in the utilization of technology so that technology and its applications are effectively used in the classroom to improve teaching and learning in all curriculum and content areas, as appropriate.

"(c) APPROVAL.—The Secretary shall, using a peer-review process, approve a State application if it meets the requirements of this section and holds reasonable promise of achieving the purpose described in section 2002.

"SEC. 2014. STATE ACCOUNTABILITY.

"(a) ANNUAL REPORTS.—Each State educational agency that receives funds under this subpart and part

C shall, beginning in fiscal year 2003, annually compile, publish, submit to the Secretary, and distribute to the public, a report including the following information:

"(1) The percentage of teachers teaching in the State who have not met State qualifications and licensing criteria for all grade levels and subject areas in which they provide instruction.

"(2) The percentage of teachers teaching in the State under emergency or other provisional status through which State qualifications or licensing criteria have been waived.

"(3) The percentage of teachers teaching in the State who do not hold a postsecondary degree with a major in all subject areas in which they provide instruction.

"(4) The average class size.

"(5) The percentage of teachers with certification from the National Board for Professional Teaching Standards.

"(6) Information on the progress of recipients of subgrants under this subpart, measured based on the program performance indicators described in section 2041 and any additional indicators included in the State's application.

"(7) Such other information as the Secretary may reasonably require.

"(b) DISAGGREGATED DATA.—Data collected for the purpose of carrying out this section shall be disaggregated by State, local educational agency, and school.

"(c) COORDINATION.—The report required under this section shall be coordinated with reporting requirements under title I and other titles of this Act and shall not be duplicative of such reporting requirements.

"SEC. 2015. STATE-LEVEL ACTIVITIES.

"Each State shall use funds it reserves under section 2012(c) to carry out activities described in its approved application that promote high-quality classroom instruction, such as—

"(1) supporting the continued improvement of State content and student performance standards and assessments aligned with those standards;

"(2) providing technical assistance and other services to increase the capacity of local educational agencies and schools to develop and implement systemic local improvement plans, implement State and local assessments, and develop curricula consistent with State content and performance standards;

"(3) supporting the development and implementation, at the local educational agency and school-

building level, of improved systems for recruiting, selecting, hiring, mentoring, supporting, evaluating, and rewarding principals and fully qualified teachers;

''(4) redesigning and strengthening professional licensure systems for educators;

''(5) developing performance-based assessment systems for full teacher licensure;

''(6) establishing, expanding, or improving rigorous alternative routes to State certification or licensure that lead to certification within 2 years and require applicants to meet the same standards and pass the same tests as other applicants;

''(7) developing or strengthening assessments to test the content knowledge and teaching skills of new teachers;

''(8) developing and implementing professional development opportunities for teachers, principals, administrators, and other school staff based on State content and student performance standards;

''(9) operating a teacher academy that establishes and demonstrates models for local educational agencies to improve teaching and learning through activities such as—

"(A) using master teachers to mentor and train student teachers; and

"(B) providing ongoing professional development opportunities and support for teachers;

"(10) providing professional development programs that enable teachers to effectively communicate with parents in the education process to support classroom instruction and work effectively with parent volunteers;

"(11) executing policies and practices that will ensure that low-income and minority students are not taught by emergency certified or unqualified teachers at rates higher than other students; and

"(12) increasing the portability of teacher pensions and reciprocity of teaching credentials across State lines.

"SEC. 2016. SUBGRANTS TO PARTNERSHIPS.

"(a) ADMINISTRATION.—From the funds made available to it under section 2012(b) for any fiscal year, a State agency for higher education may use not more than 5 percent for its expenses in administering this section, including conducting evaluations and reporting under subsection (g).

"(b) SUBGRANTS TO PARTNERSHIPS.—

"(1) IN GENERAL.—

"(A) PARTNERSHIPS.—For the purpose of providing professional development to elementary and secondary school teachers in a local educational agency that is both a high-poverty local educational agency and a low-performing local educational agency, a State agency for higher education, subject to subsection (a) and in conjunction with the State educational agency, shall use the funds made available to it under section 2012(b) for any fiscal year to make subgrants to partnerships consisting of—

"(i) one or more institutions of higher education (including historically Black colleges and universities and Hispanic-serving institutions), or nonprofit organizations of demonstrated effectiveness in providing professional development in the core academic subjects; and

"(ii) a local educational agency that is both a high-poverty local educational agency and a low-performing local educational agency, or more than 1 such agency.

"(B) REQUIREMENT FOR INSTITUTIONS OF HIGHER EDUCATION.—Participating institutions of higher education shall meet the criteria

under sections 203 and 207 of the Higher Education Act of 1965.

"(2) SIZE, DURATION, AND PEER REVIEW.—Each subgrant under this section shall be—

"(A) of sufficient size and duration to carry out the purpose of this subpart effectively; and

"(B) awarded, using a peer-review process, on a competitive basis.

"(3) PRIORITY.—In making subgrants under this section, a State agency for higher education shall give a priority to projects that focus on induction programs for new teachers, particularly those who teach in schools identified for school improvement under section 1116.

"(4) OTHER FACTORS.—In making subgrants under this section, a State agency for higher education shall consider—

"(A) the need for the proposed professional development activities in the jurisdiction of the local educational agency; and

"(B) the quality of the proposed program and its likelihood of success in improving classroom instruction and student academic achievement.

"(c) PARTNERSHIP AGREEMENTS.—No institution of higher education or nonprofit organization may receive a subgrant under this section unless it enters into a written agreement with at least 1 local educational agency that is both a high-poverty local educational agency and a low-performing local educational agency to provide professional development to elementary and secondary school teachers in the schools of that agency in the core academic subjects. Each such agreement shall identify specific goals for how the professional development that the subgrantee provides will enhance the ability of those teachers to prepare all students, including females, minorities, students with disabilities, students with limited English proficiency, and economically disadvantaged students, to achieve to challenging State content and student performance standards in all subjects in which those teachers provide instruction.

"(d) COORDINATION.—Any professional development activities carried out under this section by a partnership shall be coordinated with activities carried out under title II of the Higher Education Act of 1965 (20 U.S.C. 1021 et seq.), if any member of the partnership is participating in programs funded under that title.

"(e) JOINT EFFORTS WITHIN INSTITUTIONS OF HIGHER EDUCATION.—In the case of a partnership that

includes an institution of higher education, each activity assisted under this section shall involve the joint effort of the institution's school or department of education and the schools or departments responsible for the specific disciplines in which the professional development will be provided.

"(f) USES OF FUNDS.—A recipient of funds under this section shall use those funds for—

"(1) research-based programs to assist new teachers during their first 3 years in the classroom, which may include—

"(A) mentoring and coaching by appropriately trained and certified teachers;

"(B) team teaching with experienced teachers;

"(C) observation by, and consultation with, experienced teachers;

"(D) assignment of fewer course preparations; and

"(E) provision of additional time for preparation;

"(2) professional development in the core academic subjects, aligned with State content and student performance standards, for teams of teachers from a school or local educational agency and, where

appropriate, principals, administrators, and other school staff; and

"(3) providing technical assistance to school and local educational agency staff for planning, implementing, and evaluating professional development.

"(g) ANNUAL REPORTS.—

"(1) IN GENERAL.—Beginning with fiscal year 2003, each subgrantee under this section shall submit an annual report to the State agency for higher education, by a date set by that agency, on its progress, as measured using the indicators of partnership performance described in section 2041.

"(2) CONTENT.—Each such report—

"(A) shall include a copy of each written agreement required by subsection (c); and

"(B) shall describe how the partners have collaborated to achieve the specific goals set out in the agreement, and the results of that collaboration.

"(3) COPY.—The State agency for higher education shall provide the State educational agency with a copy of each subgrantee's annual report.

"(h) SPECIAL RULE.—No single participant in a partnership receiving a subgrant under this section may

retain more than 50 percent of the funds made available to the partnership under this section.

"SEC. 2017. LOCAL APPLICATIONS FOR FORMULA SUBGRANTS.

"(a) APPLICATION REQUIRED.—Each local educational agency desiring to receive its allocation from funds made available under section 2012(a)(1)(A) for any fiscal year shall submit an application to the State educational agency at such time, in such form, and containing such information as the State educational agency reasonably may require. Each such application shall include an agency-wide plan for raising student achievement against State standards through each of the following strategies:

"(1) Supporting the alignment of curricula, assessments, classroom instructional strategies, and professional development with challenging State content and student performance standards.

"(2) Carrying out activities to recruit fully qualified teachers, particularly in subject areas and in schools in which there is a shortage of such teachers with special consideration given to recruiting fully qualified teachers from minority and other historically underrepresented groups, including bilingual teachers.

"(3) Ensuring that teachers employed by the local educational agency are proficient in teaching skills and in the content knowledge necessary to effectively teach the content called for by State and local standards in all subjects in which they provide instruction and are prepared to integrate technology into the classroom.

"(4) Targeting funds to schools within the jurisdiction of the local educational agency that—

"(A) have the highest percentage of classes in core academic subjects taught by teachers who are not fully qualified;

"(B) have the largest average class size; or

"(C) are identified for school improvement under section 1116(b).

"(5) Carrying out activities to assist new teachers during their first 3 years in the classroom.

"(6) Providing professional development in core academic subjects.

"(b) ADDITIONAL CONTENTS.—Each such application shall also—

"(1) identify specific, measurable goals for achieving the purpose described in section 2002 that, at a minimum, reflect the performance indicators described in section 2041;

"(2) describe how the local educational agency will use funds received under this subpart to help implement the plan described in subsection (a);

"(3) include an assurance that the local educational agency will collect data that measure progress toward the indicators of program performance described in section 2041;

"(4) describe how the local educational agency will address the needs of high-poverty, low-performing schools within its jurisdiction;

"(5) describe how the local educational agency will address the needs of teachers of students with limited English proficiency and other students with special needs; and

"(6) describe how the local educational agency will coordinate funds under this subpart with the professional development activities funded through other State and Federal programs.

"(c) APPROVAL.—Notwithstanding section 2012(a)(1)(A), a State educational agency shall approve a local educational agency's application under this section only if the application satisfies the requirements of this section and the State educational agency determines that the application holds reasonable promise of achieving the purpose described in section 2002.

"(d) CONSOLIDATED APPLICATION.—Local educational agencies may consolidate applications under this section and section 2018.

"SEC. 2018. LOCAL APPLICATIONS FOR COMPETITIVE SUBGRANTS.

"(a) IN GENERAL.—Each State educational agency shall use the funds described in section 2012(a)(1)(B) for competitive grants to local educational agencies, and partnerships described in section 2016(b)(1), that focus primarily on those agencies and partnerships with the greatest need for—

"(1) activities related to the development, and effective implementation, of curricula aligned with state content and student performance standards; and

"(2) professional development activities that are aligned with those standards.

"(b) SELECTION PROCESS.—

"(1) IN GENERAL.—The State educational agency shall award subgrants under this section through a peer-review process that includes reviewers who are knowledgeable in the academic content areas.

"(2) PUBLIC AVAILABILITY.—The State educational agency—

"(A) shall provide local educational agencies and the general public with a list of the selection criteria that the State educational agency will use in making subgrants under this section; and

"(B) at the completion of the awards process, make public a complete list of applicants and of the applicants that received awards.

"(c) DEMONSTRATION OF NEED.—The State educational agency shall identify the applicants with the greatest need for services, based on the following objective data supplied by the applicant:

"(1) The number or percentage of children who fail to meet State performance standards on assessments used for part A of title I.

"(2) The number or percentage of schools identified for school improvement under section 1116(b).

"(3) The number or percentage of teachers employed who have not received full State certification or licensure.

"(4) The number or percentage of secondary school teachers who do not have an academic major in a subject area directly related to the area in which they provide instruction.

"(5) The number or percentage of students living in poverty.

"(6) The number or percentage of students who have limited English proficiency.

"(7) The applicant's fiscal capacity to fund programs described in section 2019 without Federal assistance.

"(d) SELECTION OF SUBGRANTEES.—The State educational agency shall make awards to applicants based on—

"(1) the quality of the applicant's proposal and the likelihood of its success in improving classroom instruction and student academic achievement;

"(2) the demonstrated need of the applicant under subsection (c); and

"(3) the applicant's need for professional development in mathematics and science.

"(e) OPPORTUNITY TO COMPETE.—

"(1) STRATEGIES.—To ensure that local educational agencies that have the greatest need are provided a reasonable opportunity to compete for an award, State educational agencies shall adopt at least 1 of the following strategies:

"(A) Holding more than 1 competition for funds for a fiscal year and, before each such

competition, providing technical assistance in developing a high-quality application to local educational agencies that have demonstrated the greatest need but were unsuccessful in the previous grant competition.

"(B) Holding a competition restricted to local educational agencies that it has identified under subsection (c) as having the greatest need for services.

"(C) Requiring recipients seeking a renewal of a subgrant under this section to form a partnership with an applicant that applied for, but failed to receive, such a subgrant.

"(D) Providing a competitive priority to those local educational agencies the State educational agency has identified under subsection (c) as having the greatest need for services.

"(2) TECHNICAL ASSISTANCE.—At a minimum, a State educational agency shall, after the completion of an award cycle and before the start of the next cycle, provide technical assistance in developing a high-quality application for future competitions to any local educational agency identified under subsection (c) as having the greatest need for services that did not receive a subgrant.

"(f) SCOPE OF PROJECTS.—The State educational agency shall award a subgrant under this section only for projects that are of sufficient size, scope, and quality to achieve the purpose of this part.

"SEC. 2019. USES OF FUNDS.

"(a) PRIORITY FOR PROFESSIONAL DEVELOPMENT IN MATHEMATICS AND SCIENCE AND FULLY QUALIFIED TEACHERS.—

"(1) APPROPRIATION EQUAL TO OR LESS THAN $300,000,000.—Except as provided in section 2020(d), in any fiscal year for which the amount appropriated for this subpart is $300,000,000 or less, each local educational agency shall ensure that all funds received by the agency under this subpart are used for professional development in mathematics and science.

"(2) APPROPRIATION GREATER THAN $300,000,000.—Except as provided in section 2020(d), in any fiscal year for which the amount appropriated for this subpart is greater than $300,000,000, each local educational agency shall ensure that the amount of funds under this subpart that the agency uses for professional development in mathematics and science is at least as much as the amount that

would have been made available to the agency if the amount appropriated had been $300,000,000.

"(3) INTERDISCIPLINARY ACTIVITIES.—In meeting the requirement under paragraph (1) or (2), a local educational agency may use funds under this subpart for activities that focus on more than 1 core academic subject if those activities focus predominantly on improving instruction in mathematics or science.

"(4) INCREASING THE PERCENTAGE OF FULLY QUALIFIED TEACHERS.—Each local educational agency receiving an allocation under this subpart shall use funds in excess of the allocation it received under this subpart (or in the case of fiscal year 2002, under part B, as such part was in effect before the date of the enactment of the Excellence and Accountability in Education Act) for the preceding fiscal year to increase its percentage of fully qualified teachers. Such use shall be consistent with the plan and reporting requirements established by the State under section 1119(a)(2) to ensure that all teachers are fully qualified by December 31, 2005.

"(b) OTHER PROFESSIONAL DEVELOPMENT ACTIVITIES.—Each local educational agency shall ensure that funds under this subpart that the agency uses for profes-

sional development, in areas other than mathematics or science, are used to provide professional development activities in one or more of the other core academic subjects.

"(c) OTHER USES OF FUNDS.—Subject to subsection (a), a local educational agency that receives funds under this subpart may use those funds for activities to raise student achievement against challenging State standards, in accordance with its plan described in section 2017(a), which may include the following:

"(1) Activities to recruit fully qualified teachers, including teachers from historically underrepresented groups, such as the provision of signing bonuses and other financial incentives.

"(2) Providing the necessary education and training, including paying (for programs that meet the criteria under section 203(b)(2)(A)(i) of the Higher Education Act of 1965 (20 U.S.C. 1023(b)(2)(A)(i))) the costs of college tuition and other student fees to assist current teachers or other school personnel who are not fully qualified teachers to become fully qualified, except that, to receive funds under this paragraph, an individual must be within 2 years of completing an undergraduate degree and must agree to teach in a high-poverty, low-performing school for a period of at least 3 years.

"(3) Programs to assist new teachers during their first 3 years in the classroom, such as—

"(A) mentoring and coaching by trained mentor teachers;

"(B) team teaching with experienced teachers;

"(C) observation by, and consultation with, experienced teachers;

"(D) assignment of fewer course preparations; and

"(E) provision of additional time for preparation.

"(4) Provision of professional development aligned with State content and student performance standards.

"(5) Provision of professional development programs that enable teachers to effectively communicate with parents and involve parents in the educational process to support classroom instruction and to work effectively with parent volunteers.

"(6) Participation by teams of teachers in summer institutes and summer immersion activities that focus on preparing teachers to bring all students to high standards in one or more of the core academic subjects.

"(7) Subsidizing fees for teachers who participate in the assessment process of the National Board for Professional Teaching Standards.

"(8) Teacher participation in working groups, task forces, or committees, charged with adapting and implementing high standards for all students, including district-wide and school-based teams of teachers charged with aligning curricula and lesson plans with State content and student performance standards and assessments.

"(9) Programs to implement peer-assistance peer-review processes for teachers, principals, administrators, and other school staff.

"(10) Establishment and maintenance of local professional networks that provide a forum for interaction among teachers and that allow for the exchange of information on advances in content and pedagogy.

"(11) Development of incentives to encourage teachers employed by the agency, and other qualified individuals, to obtain proficiency in content knowledge in a core academic subject area identified by the agency as having a shortage of qualified teachers.

"(12) Development and acquisition of curricular materials and other instructional aids, if they are not normally provided by the local educational agency or the State as part of the regular instructional program, that will advance local reform efforts to raise student achievement against State content and student performance standards.

"(13) Providing increased opportunities for minorities, individuals with disabilities, and other individuals underrepresented in the teaching profession.

"SEC. 2020. LOCAL ACCOUNTABILITY.

"(a) ANNUAL REPORTS.—Each local educational agency that receives funds under this subpart shall, beginning in fiscal year 2003, annually compile, publish, and submit to the State educational agency a report on its activities under this subpart, at such time, in such form, and containing such information as the State educational agency may reasonably require.

"(b) CONTENTS.—Each report shall include the following information:

"(1) The percentage of classes taught in the jurisdiction of the agency by teachers who have not met State qualifications and licensing criteria for the grade levels of, and subject matter taught in, such classes.

"(2) The percentage of teachers teaching in the jurisdiction of the agency under emergency or other provisional status through which State qualifications or licensing criteria have been waived.

"(3) The percentage of teachers teaching in the jurisdiction of the agency who do not hold a postsecondary degree with a major in the subject areas in which they provide instruction.

"(4) The average class size.

"(5) Information on the progress of schools and teachers under this subpart, measured based on the program performance indicators described in section 2041 and any additional indicators included in the local educational agency's application.

"(6) The percentage of classes taught in the jurisdiction of the agency, disaggregated by school, and by unqualified teachers.

"(7) Such other information as the State educational agency may reasonably require.

"(c) DISAGGREGATED DATA.—Data collected for the purpose of carrying out this section shall be disaggregated by local educational agency and school.

"(d) FUNDING.—A local educational agency may reserve up to 5 percent of the amount it receives under section 2012(a)(1)(A) to carry out this section.

"(e) COORDINATION.—The report required under this section shall be coordinated with reporting requirements under title I and other titles of this Act and shall not be duplicative of such reporting requirements.

"SEC. 2021. TECHNICAL ASSISTANCE.

"The State educational agency shall provide technical assistance to local educational agencies receiving a subgrant under this subpart that fail for 2 consecutive years to meet their goals, as measured using the performance indicators described in section 2041.

"SEC. 2022. CORRECTIVE ACTION.

"The State educational agency shall take corrective action, against any local educational agency that does not make sufficient effort to comply with this subpart within the time specified. In a case in which a State fails to take corrective action, the Secretary shall withhold funds from such State up to an amount equal to that described in section 2012(d).

"SEC. 2023. MAINTENANCE OF EFFORT.

"No funds may be provided to a local educational agency for a fiscal year under this subpart unless the State educational agency is satisfied that the local educational agency will spend, from other sources, at least as much for activities described in this subpart as the av-

erage amount it spent from other sources for those activities over the previous 3 fiscal years.

"SEC. 2024. EQUIPMENT AND TEXTBOOKS.

"A local educational agency may not use subgrant funds under this subpart for equipment, computer hardware, textbooks, telecommunications fees, or other items, that would otherwise be provided by the local educational agency, the State, or a private school whose students receive services under this part.

"SEC. 2025. SUPPLEMENT, NOT SUPPLANT.

"A local educational agency that receives funds under this subpart shall use those funds only to supplement the amount of funds or resources that would, in the absence of those Federal funds, be made available from non-Federal sources for the purposes of the program authorized under this subpart, and not to supplant those non-Federal funds or resources.

"Subpart 3—National Activities for the Improvement of Teaching and School Leadership

"SEC. 2031. ACTIVITIES OF NATIONAL SIGNIFICANCE.

"(a) IN GENERAL.—The Secretary may 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 pub-

lic and private nonprofit agencies, organizations, and institutions to carry out subsection (b).

"(b) ACTIVITIES.—The Secretary—

"(1) may support activities of national significance that are not supported through other sources and that the Secretary determines will contribute to the improvement of teaching and school leadership in the Nation's schools, such as—

"(A) supporting collaborative efforts by States, or consortia of States, to review and benchmark the quality, rigor, and alignment of State standards and assessments;

"(B) supporting collaborative efforts by States, or consortia of States, to develop performance-based systems for assessing content knowledge and teaching skills prior to full teacher licensure;

"(C) efforts to increase the portability of teacher pensions and reciprocity of teaching credentials across State lines; and

"(D) research, evaluation, and dissemination activities related to effective strategies for increasing the portability of teachers' credited years of experience across State and local educational agency lines;

"(2) may support activities of national significance that the Secretary determines will contribute to the recruitment and retention of fully qualified teachers and principals in high-poverty local educational agencies and low-performing local educational agencies, such as—

"(A) providing States with assistance in the development of alternative certification programs that lead to certification within 2 years and require applicants to meet the same standards and pass the same tests as other applicants;

"(B) the development and implementation of a national teacher recruitment clearinghouse and job bank, which shall be coordinated and, to the extent feasible, integrated with the America's Job Bank administered by the Secretary of Labor—

"(i) to disseminate information and resources nationwide on entering the teaching profession to persons interested in becoming teachers;

"(ii) to serve as a national resource center for effective practices in teacher recruitment and retention;

"(iii) to link prospective teachers to local educational agencies and training resources with particular attention to high-poverty local educational agencies and low-performing local educational agencies with critical teacher shortages; and

"(iv) to provide information and technical assistance to prospective teachers about certification and other State and local requirements related to teaching; and

"(C) the development and implementation, or expansion, of programs that recruit talented individuals to become principals, including such programs that employ alternative routes to State certification, and that prepare both new and experienced principals to serve as instructional leaders, which may include the creation and operation of a national center for the preparation and support of principals as leaders of school reform; and

"(3) shall support the National Board for Professional Teaching Standards.

"SEC. 2032. EISENHOWER NATIONAL CLEARINGHOUSE FOR MATHEMATICS AND SCIENCE EDUCATION.

"(a) ESTABLISHMENT OF CLEARINGHOUSE.—The Secretary shall award a competitive grant or contract to establish the Eisenhower National Clearinghouse for Mathematics and Science Education (in this section referred to as the 'Clearinghouse').

"(b) AUTHORIZED ACTIVITIES.—

"(1) APPLICATION AND AWARD BASIS.—

"(A) IN GENERAL.—Each entity desiring to establish and operate the Clearinghouse shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(B) PEER REVIEW.—The Secretary shall establish a peer review process to make recommendations on the recipient of the award for the Clearinghouse.

"(C) MERIT.—The Secretary shall make the award for the Clearinghouse on the basis of merit.

"(2) DURATION.—The Secretary shall award the grant or contract for the Clearinghouse for a period of 5 years.

"(3) ACTIVITIES.—The award recipient shall use the award funds to—

"(A) maintain a permanent collection of such mathematics and science education instructional materials and programs for elementary and secondary schools as the Secretary finds appropriate, with a priority for such materials and programs that have been identified as promising or exemplary, through a systematic approach such as the use of expert panels required under the Educational Research, Development, Dissemination, and Improvement Act of 1994;

"(B) disseminate the materials and programs described in paragraph (1) to the public, State educational agencies, local educational agencies, and schools (particularly high-poverty, low-performing schools), including through the maintenance of an interactive national electronic information management and retrieval system accessible through the Worldwide Web and other advanced communications technologies;

"(C) coordinate with other databases containing mathematics and science curriculum and instructional materials, including Federal,

non-Federal, and, where feasible, international databases;

"(D) support the development and dissemination of model professional development materials in mathematics and science education;

"(E) contribute materials or information, as appropriate, to other national repositories or networks; and

"(F) gather qualitative and evaluative data on submissions to the Clearinghouse, and disseminate that data widely, including through the use of electronic dissemination networks.

"(4) SUBMISSION TO CLEARINGHOUSE.—Each Federal agency or department that develops mathematics or science education instructional materials or programs, including the National Science Foundation and the Department, shall submit copies of that material and those programs to the Clearinghouse.

"(5) STEERING COMMITTEE.—The Secretary may appoint a steering committee to recommend policies and activities for the Clearinghouse.

"(6) APPLICATION OF COPYRIGHT LAWS.—

"(A) IN GENERAL.—Nothing in this section shall be construed to allow the use or copy-

ing, in any medium, 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.

''(B) COMPLIANCE.—In carrying out this section, the Clearinghouse shall ensure compliance with title 17 of the United States Code.

"PART B—TRANSITION OF CAREER-CHANGING PROFESSIONALS TO TEACHING; TROOPS TO TEACHERS

"SEC. 2101. FINDINGS.

''The Congress finds as follows:

''(1) School districts will need to hire more than 2,000,000 teachers during the first decade of the 21st century.

''(2) The need for teachers in the areas of math, science, foreign languages, special education, and bilingual education, and for teachers able to teach in high-poverty school districts, will be particularly high. To meet this need, talented Americans of all ages should be recruited to become successful, qualified teachers.

''(3) Nearly 13 percent of teachers of academic subjects have neither an undergraduate major nor

minor in their main assignment fields. This problem is most acute in high-poverty local educational agencies, where the out-of-field teaching percentage is 22 percent.

"(4) The Third International Math and Science Study (TIMSS) ranked United States high school seniors last among 16 countries in physics and next to last in math. It is also evident, mainly from the TIMSS data, that based on academic scores, a stronger emphasis needs to be placed on the academic preparation of our children in math and science.

"(5) One-fourth of high-poverty local educational agencies find it very difficult to fill bilingual teaching positions, and nearly half of public school teachers have students in their classrooms for whom English is a second language.

"(6) Many career-changing professionals with strong content-area skills are interested in a teaching career, but they need assistance in getting the appropriate pedagogical training and classroom experience.

"(7) The teacher placement program known as the 'troops-to-teachers program', which was established by the Secretary of Defense and the Secretary

of Transportation under section 1151 of title 10, United States Code, has been highly successful in securing high-quality teachers for teaching positions in high-poverty local educational agencies.

"SEC. 2102. PURPOSE.

"The purpose of this part is to address the need of local educational agencies that are high-poverty local educational agencies or low-performing local educational agencies for fully qualified teachers in particular subject areas, such as mathematics, science, foreign languages, bilingual education, and special education, by—

"(1) continuing and enhancing the troops-to-teachers program for recruiting and supporting the placement of former members of the Armed Forces as teachers in such local educational agencies; and

"(2) recruiting, preparing, placing, and supporting career-changing professionals who have knowledge and experience that will help them become such teachers.

"SEC. 2103. CONTINUATION AND SUPPORT FOR TROOPS-TO-TEACHERS PROGRAM.

"(a) CONTINUATION.—The Secretary may enter into a written agreement with the Secretary of Defense and the Secretary of Transportation, or take such other steps as the Secretary determines are appropriate, to ensure ef-

fective continuation of the troops-to-teachers program, notwithstanding the duration of the program specified in section 1151(c)(1)(A) of title 10, United States Code.

"(b) SUPPORT.—Before providing any assistance under section 2104 for a fiscal year, the Secretary shall first—

"(1) consult with the Secretary of Defense and the Secretary of Transportation regarding the appropriate amount of funding needed to continue and enhance the troops-to-teachers program; and

"(2) upon agreement, transfer that amount to the Secretary of Defense to carry out the troops-to-teachers program.

"SEC. 2104. TRANSITION OF CAREER-CHANGING PROFESSIONALS TO TEACHING.

"(a) AUTHORITY TO SUPPORT TRANSITION PROGRAMS.—The Secretary may use funds appropriated pursuant to the authorization of appropriations in section 2108 to award grants to, and enter into contracts or cooperative agreements with, institutions of higher education, including historically Black colleges and universities and Hispanic-serving institutions, and public and private nonprofit agencies or organizations to recruit, prepare, place, and support career-changing professionals as teachers in local educational agencies that are high-poverty local edu-

cational agencies or low-performing local educational agencies.

"(b) APPLICATION.—Each entity described in subsection (a) that desires assistance under subsection (a) shall submit an application to the Secretary containing such information as the Secretary may require, including—

"(1) a description of the target group of career-changing professionals upon which the applicant will focus in carrying out its program under this part, including a description of the characteristics of that target group that shows how the knowledge and experience of its members are relevant to meeting the purpose of this part;

"(2) a description of how the applicant will identify and recruit career-changing professional for its program under this part;

"(3) a description of the training that career-changing professionals will receive in the program and how that training will relate to their certification as teachers;

"(4) a description of how the applicant will ensure that career-changing professionals are placed and teach in high-poverty local educational agencies or low-performing local educational agencies;

"(5) a description of the teacher induction services (which may be provided through existing induction programs) that the career-changing professionals in the program will receive throughout at least their first year of teaching;

"(6) a description of how the applicant will collaborate, as needed, with other institutions, agencies, or organizations to recruit, train, place, and support career-changing professionals under this part, including evidence of the commitment of those institutions, agencies, or organizations to the applicant's program;

"(7) a description of how the applicant will evaluate the progress and effectiveness of its program, including—

"(A) the program's goals and objectives;

"(B) the performance indicators the applicant will use to measure the program's progress; and

"(C) the outcome measures that will be used to determine the program's effectiveness; and

"(8) an assurance that the applicant will provide to the Secretary such information as the Sec-

retary determines necessary to determine the overall effectiveness of programs under this part.

"SEC. 2105. USES OF FUNDS AND PERIOD OF SERVICE.

"(a) AUTHORIZED ACTIVITIES.—Funds provided under section 2104 may be used for—

"(1) recruiting career-changing professionals, including informing them of opportunities under the program and putting them in contact with other institutions, agencies, or organizations that would train, place, and support them;

"(2) training stipends and other financial incentives for career-changing professional in the program, such as moving expenses, not to exceed $5,000, in the aggregate, per participant;

"(3) assisting institutions of higher education or other providers of teacher training to tailor their training to meet the particular needs of career-changing professionals;

"(4) placement activities, including identifying high-poverty, low-performing local educational agencies with needs for the particular skills and characteristics of the newly trained career-changing professionals and assisting those persons to obtain employment in those local educational agencies; and

"(5) post-placement induction or support activities.

"(b) PERIOD OF SERVICE.—A career-changing professional selected to participate in a program under this part who completes his or her training shall serve in a high-poverty local educational agency or a low-performing local educational agency for at least 3 years.

"(c) REPAYMENT.—The Secretary shall establish such requirements as the Secretary determines appropriate to ensure that career-changing professionals who receive a training stipend or other financial incentive under subsection (a)(2), but who fail to complete their service obligation under subsection (b), repay all or a portion of such stipend or other incentive.

"SEC. 2106. EQUITABLE DISTRIBUTION.

"To the extent practicable, the Secretary shall make awards and enter into contracts and cooperative agreements under section 2104 to support teacher placement programs for career-changing professionals in different geographic regions of the United States.

"SEC. 2107. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there is authorized to be appropriated to the Secretary $40,000,000 for each of fiscal years 2002 and such sums as may be necessary for the next 4 succeeding fiscal years.

"PART C—CLASS SIZE REDUCTION

"SEC. 2201. GRANT PROGRAM.

''(a) PURPOSE.—The purposes of this section are—

''(1) to reduce class size through the use of fully qualified teachers;

''(2) to assist States and local educational agencies in recruiting, hiring, and training 100,000 teachers in order to reduce class sizes nationally, in grades 1 through 3, to an average of 18 students per regular classroom; and

''(3) to improve teaching in those grades so that all students can learn to read independently and well by the end of the 3d grade.

''(b) ALLOTMENT TO STATES.—

''(1) RESERVATION.—From the amount made available to carry out this part for a fiscal year, the Secretary shall reserve not more than 1 percent for the Secretary of the Interior (on behalf of the Bureau of Indian Affairs) and the outlying areas for activities carried out in accordance with this section.

''(2) STATE ALLOTMENTS.—

''(A) HOLD HARMLESS.—

''(i) IN GENERAL.—Subject to subparagraph (B) and clause (ii), from the amount made available to carry out this part for a fiscal year and not reserved

under paragraph (1), the Secretary shall allot to each State an amount equal to the amount that such State received for the preceding fiscal year under this section or section 306 of the Department of Education Appropriations Act, 2001, as the case may be.

"(ii) RATABLE REDUCTION.—If the amount made available to carry out this part for a 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 such 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 amount made available to carry out this part and not reserved under paragraph (1) exceeds the amount made available to the States for the preceding year under the authorities described in subparagraph (A)(i), the Secretary shall allot to each of those

States the percentage of the excess amount that is the greater of—

"(I) the percentage the State received for the preceding fiscal year of the total amount made available to the States under section 1122; or

"(II) the percentage so received of the total amount made available to the States under section 6511(b), as in effect on the day before the date of the enactment of the Excellence and Accountability in Education Act, or the corresponding provision of this title, as the case may be.

"(ii) RATABLE REDUCTIONS.—If the excess amount for a fiscal year is insufficient to pay the full amounts that all States are eligible to receive under clause (i) for such fiscal year, the Secretary shall ratably reduce such amounts for such fiscal year.

"(c) ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.—

"(1) ALLOCATION.—Each State that receives funds under this section shall allocate 100 percent

of those funds to local educational agencies, of which—

"(A) 80 percent shall be allocated to those local educational agencies in proportion to the number of children, age 5 through 17, from families with incomes below 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, who reside in the school district served by that local educational agency for the most recent fiscal year for which satisfactory data are available, compared to the number of those children who reside in the school districts served by all the local educational agencies in the State for that fiscal year; and

"(B) 20 percent shall be allocated to those local educational agencies in accordance with the relative enrollments of children, age 5 through 17, in public and private nonprofit elementary schools and secondary schools within the areas served by those agencies.

"(2) EXCEPTION.—Notwithstanding paragraph (1) and subsection (d)(2)(B), if the award to a local educational agency under this section is less than the starting salary for a new fully qualified teacher for a school served by that agency, that agency may use funds made available under this section to—

"(A) help pay the salary of a full- or part-time fully qualified teacher hired to reduce class size, which may be done in combination with the expenditure of other Federal, State, or local funds; or

"(B) pay for activities described in subsection (d)(2)(A)(iii) that may be related to teaching in smaller classes.

"(d) USE OF FUNDS.—

"(1) MANDATORY USES.—Each local educational agency that receives funds under this section shall use those funds to carry out effective approaches to reducing class size through use of fully qualified teachers to improve educational achievement for both regular and special needs children, with particular consideration given to reducing class size in the early elementary grades for which some research has shown class size reduction is most effective.

"(2) PERMISSIBLE USES.—

"(A) IN GENERAL.—Each such local educational agency may use funds made available under this section for—

"(i) recruiting (including through the use of signing bonuses, and other financial incentives), hiring, and training fully qualified regular and special education teachers (which may include hiring special education teachers to team-teach with regular teachers in classrooms that contain both children with disabilities and non-disabled children) and teachers of special needs children;

"(ii) testing new teachers for academic content knowledge, and to meet State certification or licensing requirements that are consistent with title II of the Higher Education Act of 1965; and

"(iii) providing professional development (which may include such activities as promoting retention and mentoring) for teachers, including special education teachers and teachers of special needs children, in order to meet the goal of ensuring that

all teachers have the general knowledge, teaching skills, and subject matter knowledge necessary to teach effectively in the content areas in which the teachers teach, consistent with title II of the Higher Education Act of 1965.

"(B) LIMITATION ON TESTING AND PROFESSIONAL DEVELOPMENT.—

"(i) IN GENERAL.—Except as provided in clause (ii), a local educational agency may use not more than a total of 25 percent of the funds received by the agency under this section for activities described in clauses (ii) and (iii) of subparagraph (A).

"(ii) SPECIAL RULE.—A local educational agency may use more than 25 percent of the funds the agency receives under this section for activities described in subparagraph (A)(iii) for the purpose of helping teachers who are not yet fully qualified in attaining full qualification if 10 percent or more of the elementary school classes in a school are taught by individuals who are not fully qualified teachers or the State

educational agency has waived State certification or licensing requirements for 10 percent or more of such teachers.

"(C) USE OF FUNDS BY AGENCIES THAT HAVE REDUCED CLASS SIZE.—Notwithstanding subparagraph (B), a local educational agency that has already reduced class size in the early elementary grades to 18 or fewer children (or has already reduced class size to a State or local class size reduction goal that was in effect on November 28, 1999 if that goal is 20 or fewer children) may use funds received under this section—

"(i) to make further class size reductions in kindergarten through third grade;

"(ii) to reduce class size in other grades; or

"(iii) to carry out activities to improve teacher quality, including professional development.

"(3) SUPPLEMENT, NOT SUPPLANT.—Each such agency shall use funds made available under this section only to supplement, and not to supplant, State and local funds that, in the absence of funds

made available under this section, would otherwise be expended for activities described in this section.

"(4) LIMITATION ON USE FOR SALARIES AND BENEFITS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no funds made available under this section may be used to increase the salaries of, or provide benefits (other than participation in professional development and enrichment programs) to, teachers who are not hired under this section.

"(B) EXCEPTION.—Funds made available under this section may be used to pay the salaries of teachers hired under section 306 of the Department of Education Appropriations Act, 2001.

"(e) REPORTS.—

"(1) STATE ACTIVITIES.—Each State receiving funds under this section shall prepare and submit to the Secretary a biennial report on activities carried out in the State under this section that provides the information described in section 6122(a)(2) with respect to the activities.

"(2) PROGRESS CONCERNING CLASS SIZE AND QUALIFIED TEACHERS.—Each State and local edu-

cational agency receiving funds under this section shall annually report to parents and the public, in numeric form as compared to the previous year, on—

"(A) the agency's progress in reducing class size, and increasing the percentage of classes in core academic areas taught by fully qualified teachers ; and

"(B) the impact that hiring additional fully qualified teachers and reducing class size, has had, if any, on increasing student academic achievement.

"(3) NOTICE.—Each local educational agency that receives funds under this section shall provide to each individual parent of a child who attends a school in such local educational agency timely, written notice if the child has been assigned or has been taught for 2 or more consecutive weeks by a substitute teacher, as defined by such local educational agency, or a teacher who is not fully qualified.

"(f) PRIVATE SCHOOLS.—If a local educational agency uses funds made available under this section for professional development activities, the agency shall ensure the equitable participation of private nonprofit elementary schools and secondary schools in such activities in accord-

ance with section 6402. Section 6402 shall not apply to other activities carried out under this section.

''(g) ADMINISTRATIVE EXPENSES.—A local educational agency that receives funds under this section may use not more than 3 percent of such funds for local administrative costs.

''(h) REQUEST FOR FUNDS.—Each local educational agency that desires to receive funds under this section shall include in the application required under section 2017 a description of the agency's program to reduce class size by hiring additional fully qualified teachers.

''(i) CERTIFICATION, LICENSING, AND COMPETENCY.—No funds made available under this section may be used to pay the salary of any teacher unless such teachers is fully qualified.

''(j) DEFINITION.—As used in this section, the term 'certified' includes certification through State or local alternative routes.

''SEC. 2202. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this part $2,537,000,000 for fiscal year 2002 $3,452,000,000 for fiscal year 2003, $4,336,000,000 for fiscal year 2004, and $5,281,000,000 for fiscal years 2005 and 2006.''.

(b) NATIONAL WRITING PROJECT; TEACHER COMPENSATION; PRINCIPAL LEADERSHIP DEVELOPMENT; GENERAL PROVISIONS.—Part K of title X is repealed. Title II is amended by adding at the end the following:

"PART E—NATIONAL WRITING PROJECT

"SEC. 2301. FINDINGS AND PURPOSES.

''(a) FINDINGS.—Congress finds that—

''(1) the United States faces a continuing crisis in writing in schools and in the workplace;

''(2) the writing problem has been magnified by the rapidly changing student population, the growing number of at-risk students due to limited English proficiency, the shortage of adequately trained teachers, and the specialized knowledge required of teachers to teach students with special needs who are now part of mainstream classrooms;

''(3) nationwide reports from universities and colleges show that entering students are unable to meet the demands of college level writing, almost all 2-year institutions of higher education offer remedial writing courses, and three-quarters of public 4-year institutions of higher education and half of all private 4-year institutions of higher education must provide remedial courses in writing;

"(4) American businesses and corporations are concerned about the limited writing skills of both entry-level workers and executives whose promotions are denied due to inadequate writing abilities;

"(5) writing is fundamental to learning, including learning to read, yet writing has been neglected historically in schools and in teacher training institutions;

"(6) writing is a central feature in State and school district education standards in all disciplines;

"(7) since 1973, the only national program to address the writing problem in the Nation's schools has been the National Writing Project, a network of collaborative university-school programs the goals of which are to improve student achievement in writing and student learning through improving the teaching and uses of writing at all grade levels and in all disciplines;

"(8) the National Writing Project is a nationally recognized and honored nonprofit organization that improves the quality of teaching and teachers through developing teacher leaders who teach other teachers in summer and school year programs;

"(9) evaluations of the National Writing Project document the positive impact the project has

had on improving the teaching of writing, student performance in writing, and student learning;

"(10) the National Writing Project has become a model for programs to improve teaching in such other fields as mathematics, science, history, reading and literature, performing arts and foreign languages;

"(11) each year over 150,000 participants benefit from National Writing Project programs in 1 of 156 United States sites located in 46 States and the Commonwealth of Puerto Rico; and

"(12) the National Writing Project is a cost-effective program and leverages over 6 dollars for every 1 Federal dollar.

"(b) PURPOSE.—It is the purpose of this part—

"(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 sites through ongoing review, evaluation and technical assistance;

"(3) to support and promote the establishment of programs to disseminate effective practices and research findings about the teaching of writing; and

"(4) to coordinate activities assisted under this part with activities assisted under this Act.

"SEC. 2302. AUTHORIZATION.

"(a) AUTHORIZATION.—The Secretary is authorized to make a grant to the National Writing Project (hereafter in this section referred to as the 'grantee'), a nonprofit educational organization that has as its primary purpose the improvement of the quality of student writing and learning, to improve the teaching and uses of writing to learn in our Nation's classrooms.

"(b) REQUIREMENTS OF GRANT.—The grant shall provide that—

"(1) the grantee will enter into contracts with institutions of higher education or other nonprofit educational providers (hereafter in this section referred to as 'contractors') under which the contractors will agree 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 writing;

"(2) funds made available by the Secretary to the grantee pursuant to any contract entered into

under this section will be used to pay 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.—The teacher training programs authorized in subsection (a) 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 Writing Project teacher network whose members will conduct writing workshops for other teachers in the area served by each National Writing Project site; and

"(4) encourage teachers from all disciplines to participate in such teacher training programs.

"(d) FEDERAL SHARE.—

"(1) IN GENERAL.—Except as provided in paragraph (2) or (3) and for purposes of subsection (a), the term 'Federal share' means, with respect to the costs of teacher training programs authorized in subsection (a), 50 percent of such costs 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 costs of teacher training programs conducted pursuant to subsection (a) 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 deems 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) EVALUATION.—

"(1) IN GENERAL.—The Secretary shall conduct an independent evaluation by grant or contract of the teacher training programs administered pursuant to this Act in accordance with section 11501. Such evaluation shall specify the amount of funds expended by the National Writing Project and each contractor receiving assistance under this section for administrative costs. The results of such evaluation shall be made available to the appropriate committees of the 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 2002 and the 4 succeeding 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 deems necessary.

"(2) DUTIES.—The National Review Board shall—

"(A) review all applications for assistance under this subsection; and

"(B) recommend applications for assistance under this subsection for funding by the National Writing Project.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the grant to the National Writing Project, $15,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"PART F—TEACHER COMPENSATION

"SEC. 2351. PURPOSE.

''The purpose of this part is to provide additional compensation to attract and retain fully qualified teachers who provide instruction in disadvantaged and low-performing schools.

"SEC. 2352. PROGRAM AUTHORIZED.

''(a) GRANTS.—The Secretary is authorized, in accordance with the provisions of this part, to award grants, on a competitive basis, to local educational agencies with approved applications under section 2353 for the purpose of providing additional compensation to attract and retain fully qualified teachers who provide instruction in disadvantaged and low-performing schools.

''(b) EQUITABLE DISTRIBUTION.—In awarding grants under this part, the Secretary shall assure an equitable distribution of assistance among urban and rural areas of the United States.

''(c) MINIMUM AMOUNT.—The Secretary shall ensure that all grants awarded under this part are of sufficient size and scope so as to be effective and such grants are in an amount consistent with section 2354(a).

"SEC. 2353. ELIGIBILITY; APPLICATION.

''(a) ELIGIBILITY.—To be eligible to receive a grant under this part, a local educational agency shall have no

less than 20 percent of its children from families with incomes below the poverty line.

"(b) APPLICATION REQUIRED.—To be eligible to receive a grant under this part, a local educational agency shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably prescribe.

"(c) ASSURANCES.—Each such application, at a minimum, shall include—

"(1) an assurance that teachers receiving compensation are fully qualified;

"(2) an assurance that teachers from all academic subjects are permitted to participate, including special education teachers, and teachers with expertise in teaching students with limited English proficiency, and

"(3) a description of how funds made available under this part shall be used in conjunction with other federal, state, and local resources to attract and retain fully qualified teachers, including how such funds will be used to make progress on the performance indicators specified in section 2401.

"SEC. 2354. USES OF FUNDS.

"(a) ADDITIONAL COMPENSATION.—Local educational agencies receiving a grant under this part shall

use such funds to provide additional compensation to teachers, up to $5,000 per individual teacher per academic year, who teach in schools—

"(1) of which 50 percent of children are from families with incomes below the poverty line; or

"(2) which are identified for school improvement or corrective action under section 1116.

"(b) FULLY QUALIFIED.—All teachers who receive compensation under this part shall be fully qualified, and shall agree to teach in schools described under subsection (a)(1) for at least 2 academic years.

"SEC. 2355. EVALUATION.

"(a) NATIONAL EVALUATION.—(1) The Secretary shall develop a plan for a national evaluation of this part to assess its effectiveness in increasing the percentage of classes in schools in which fully qualified teachers receiving additional compensation under this part are teaching.

"(2) The evaluation required under paragraph (1) shall focus on the results for schools in the three years following the initial distribution of funds under this part.

"(b) REPORT.—Prior to the completion of the national evaluation under subsection (a), the Secretary shall submit an interim report outlining first-year implementation activities and their effectiveness to the Committee on Education and the Workforce of the House of Representa-

tives and the Committee on Health, Education, Labor, and Pensions of the Senate.

"SEC. 2356. AUTHORIZATION OF APPROPRIATIONS.

"For purposes of carrying out this part, there are authorized to be appropriated $1,000,000,000 for fiscal year 2002, $1,130,000,000 for fiscal year 2003, $1,276,000,000 for fiscal year 2004, $1,442,000,000 for fiscal year 2005, and $1,630,000,000 for fiscal year 2006.

"PART G—PRINCIPAL LEADERSHIP DEVELOPMENT

"SEC. 2361. PROFESSIONAL DEVELOPMENT FOR PRINCIPALS AS LEADERS OF SCHOOL REFORM.

"(a) COMPETITIVE GRANTS.—The Secretary is authorized to award, on a competitive basis, grants to eligible partnerships—

"(1) consisting of—

"(A) one or more institutions of higher education that provide professional development for principals and other school administrators; and

"(B) one or more local educational agencies; and

"(2) that may include other entities, agencies, and organizations, such as a State educational agency, a State agency for higher education, or profes-

sional organizations for principals, administrators, teachers, and parents.

"(b) APPLICATION.—An eligible partnership that desires to receive a grant under this section shall submit an application at such time, in such form, and containing such information as the Secretary may require. Each such application shall include—

"(1) a description of the activities the partnership will carry out to meet the purpose of this part;

"(2) a description of how those activities will build on and be coordinated with other professional development activities, including activities under this title and title II of the Higher Education Act of 1965;

"(3) a description of how principals, teachers, and other interested parties were involved in developing the application and will be involved in planning and carrying out the activities under this section; and

"(4) a description of how the professional development will result in the acquisition of a license, degree, or continuing education unit.

"(c) USE OF FUNDS.—An eligible partnership that receives a grant under this section shall use the grant funds to provide professional development to principals

and other school administrators to enable them to be effective school leaders and prepare all students to achieve to challenging State content and student performance standards, including professional development on—

"(1) comprehensive school reform;

"(2) leadership skills;

"(3) recruitment, assignment, retention and evaluation of teacher and other instructional staff;

"(4) State content standards;

"(5) effective instructional practice;

"(6) using smaller classes effectively; and

"(7) parental and community involvement.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For purposes of carrying out this part, there are authorized to be appropriated $100,000,000 for fiscal year 2002, and such sums as may be necessary for the 4 succeeding fiscal years.

"PART H—GENERAL PROVISIONS

"SEC. 2401. PERFORMANCE INDICATORS.

"(a) MINIMUM INDICATORS.—At a minimum, the indicators of program performance under part B, against which recipients of funds under this title shall report their progress in such manner as the Secretary may determine, are the following:

"(1) Improvement in student achievement.

"(2) An increase in the percentage of classes taught by fully qualified teachers, including teachers from minority and other historically underrepresented groups.

"(3) An equalization, between high- and low-poverty schools in a local educational agency, of classes in core academic areas taught by fully qualified teachers.

"(4) An increase in the percentage of fully qualified teachers.

"(5) An increase in the percentage of paraprofessionals who have completed a certification program.

"SEC. 2402. DEFINITIONS.

"As used in this title:

"(1) CAREER-CHANGING PROFESSIONAL.—The term 'career-changing professional' means a person who—

"(A) holds at least a baccalaureate degree;

"(B) demonstrates a commitment to changing the person's current professional career and becoming a teacher; and

"(C) has knowledge and experience that is relevant to teaching a high-need subject area in a high-poverty local educational agency.

"(2) HIGH-POVERTY LOCAL EDUCATIONAL AGENCY.—The term 'high-poverty local educational agency' means a local educational agency in which—

"(A) the percentage of children, ages 5 through 17, from families below the poverty level (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 for the most recent fiscal year for which satisfactory data are available is 33 percent or greater; or

"(B) the number of such children exceeds 10,000.

"(3) LOW-PERFORMING LOCAL EDUCATIONAL AGENCY.—The term 'low-performing local educational agency' means—

"(A) a local educational agency that includes a school identified by the agency for school improvement under section 1116(c); or

"(B) a local educational agency that includes a school in which at least 50 percent of the students fail to meet State student performance standards based on assessments the agency is using under part A of title I.

"(4) TECHNOLOGY DEFICIENT.—The term 'technology deficient', when used with respect to a local educational agency or a school, means that the agency or school does not possess the equipment, networking, or skills to use technology to enhance teaching and learning.

"(5) TECHNOLOGY PROFICIENT.—The term 'technology proficient', when used with respect to a local educational agency or a school, means that the agency or school possesses the equipment, networking, and skills to use technology to enhance teaching and learning.

"(6) TROOPS-TO-TEACHERS PROGRAM.—The term 'troops-to-teachers program' means the teachers and teachers' aide placement program for separated members of the Armed Forces that was established by the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard, under section 1151 of title 10, United States Code.

"(7) UNQUALIFIED TEACHER.—The term 'unqualified teacher' means a teacher who is not fully qualified.

"SEC. 2403. FUNDING FOR TEACHER QUALITY.

"(a) USE OF FUNDS.—Notwithstanding any other provision of this Act, local educational agencies may use funds appropriated under sections 1002(a), 2003(a), and 6002(a) to provide the necessary education, training, and professional development to ensure that all teachers become fully qualified. Such assistance may include—

"(1) the use of signing bonuses or other financial incentives to recruit and retain fully qualified teachers;

"(2) collaboration with programs that recruit, place, and train fully qualified teachers; or

"(3) subsidizing the costs of college tuition and other students fees (for programs that meet the criteria under section 203(a)(2)(A)(i) of the Higher Education Amendments of 1998, relating to the passage rates of graduates from the program), to help current teachers, and other school personnel, to become fully qualified teachers.

"(b) SPECIAL RULE.—In order to receive assistance under subsection (a)(3), a teacher must agree to teach for at least 2 subsequent years after receiving such assistance in a school in which the enrollment of children counted under section 1124(c) exceeds 50 percent of the total enrollment of that school.".

SEC. 202. READING EXCELLENCE ACT.

Section 2260(a) (20 U.S.C. 6661i(a)) is amended by adding at the end the following:

"(3) FISCAL YEARS 2002 TO 2006.—There are authorized to be appropriated to carry out this part $350,000,000 for fiscal year 2002 and such sums as may be necessary for fiscal years 2003 through 2006.".

SEC. 203. STUDENT LOAN FORGIVENESS FOR TEACHERS.

(a) GUARANTEED LOANS.—Section 428J of the Higher Education Act of 1965 (20 U.S.C. 1078–10) is amended to read as follows:

"SEC. 428J. LOAN FORGIVENESS FOR TEACHERS.

"(a) STATEMENT OF PURPOSE.—It is the purpose of this section to encourage individuals to enter and continue in the teaching profession.

"(b) PROGRAM AUTHORIZED.—The Secretary shall carry out a program, through the holder of the loan, of assuming the obligation to repay in accordance with subsection (c) a qualified loan amount for a loan made under section 428 or 428H for any borrower who—

"(1) is employed as a full-time teacher during the academic year beginning in calendar year 2001 or during any subsequent academic year—

"(A) in a school that qualifies under section 465(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such schools;

"(B) if employed as a secondary school teacher, is teaching—

"(i) a subject area that is relevant to the borrower's academic major as certified by the chief administrative officer of the public or nonprofit private secondary school in which the borrower is employed; or

"(ii) special education or bilingual education;

"(C) if employed as an elementary school teacher, has demonstrated, as certified by the chief administrative officer of the public or nonprofit private elementary school in which the borrower is employed, knowledge and teaching skills in reading, writing, mathematics, special education, bilingual education, and other areas of the elementary school curriculum; and

"(D) is fully qualified, as such term is defined in section 10101 of the Elementary and Secondary Education Act of 1965; and

"(2) is not in default on a loan for which the borrower seeks forgiveness.

"(c) QUALIFIED LOANS AMOUNT.—

"(1) IN GENERAL.—Of the aggregate loan obligations of a borrower on loans made under section 428 or 428H that are outstanding after the completion of the first complete school year of teaching described in subsection (b)(1) for which the borrower applies for repayment under this section, the Secretary shall repay not more than—

"(A) $3,000 for each of the first and second such complete school years;

"(B) $4,000 for the third such complete school year; and

"(C) $5,000 for each of the fourth and fifth such complete school years.

"(2) TREATMENT OF CONSOLIDATION LOANS.—A loan amount for a loan made under section 428C may be a qualified loan amount for the purposes of this subsection only to the extent that such loan amount was used to repay a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a loan made under section 428 or 428H for a borrower who meets the requirements of subsection

(b), as determined in accordance with regulations prescribed by the Secretary.

"(d) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

"(e) CONSTRUCTION.—Nothing in this section shall be construed to authorize any refunding of any repayment of a loan.

"(f) LIST.—If the list of schools in which a teacher may perform service pursuant to subsection (b) is not available before May 1 of any year, the Secretary may use the list for the year preceding the year for which the determination is made to make such service determination.

"(g) ADDITIONAL ELIGIBILITY PROVISIONS.—

"(1) CONTINUED ELIGIBILITY.—Any teacher who performs service in a school that—

"(A) meets the requirements of subsection (b)(1)(A) in any year during such service; and

"(B) in a subsequent year fails to meet the requirements of such subsection,

may continue to teach in such school and shall be eligible for loan forgiveness pursuant to subsection (b).

"(2) PREVENTION OF DOUBLE BENEFITS.—No borrower may, for the same service, receive a benefit

under both this subsection and subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.). No borrower may receive a reduction of loan obligations under both this section and section 460.

''(h) DEFINITION.—For purposes of this section, the term 'year', where applied to service as a teacher, means an academic year as defined by the Secretary.''.

(b) DIRECT LOANS.—Section 460 of such Act (20 U.S.C. 1087j) is amended to read as follows:

''SEC. 460. LOAN FORGIVENESS FOR TEACHERS.

''(a) STATEMENT OF PURPOSE.—It is the purpose of this section to encourage individuals to enter and continue in the teaching profession.

''(b) PROGRAM AUTHORIZED.—The Secretary shall carry out a program of canceling the obligation to repay a qualified loan amount in accordance with subsection (c) for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans made under this part for any borrower who—

''(1) is employed as a full-time teacher during the academic year beginning in calendar year 2001 or during any subsequent academic year—

"(A) in a school that qualifies under section 465(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such schools;

"(B) if employed as a secondary school teacher, is teaching—

"(i) a subject area that is relevant to the borrower's academic major as certified by the chief administrative officer of the public or nonprofit private secondary school in which the borrower is employed; or

"(ii) special education or bilingual education;

"(C) if employed as an elementary school teacher, has demonstrated, as certified by the chief administrative officer of the public or nonprofit private elementary school in which the borrower is employed, knowledge and teaching skills in reading, writing, mathematics, special education, bilingual education, and other areas of the elementary school curriculum; and

"(D) is fully qualified, as such term is defined in section 10101 of the Elementary and Secondary Education Act of 1965; and

"(2) is not in default on a loan for which the borrower seeks forgiveness.

"(c) QUALIFIED LOANS AMOUNT.—

"(1) IN GENERAL.—Of the aggregate loan obligations of a borrower on Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans made under this part that are outstanding after the completion of the first complete school year of teaching described in subsection (b)(1) for which the borrower applies for cancellation under this section, the Secretary shall cancel not more than—

"(A) $3,000 for each of the first and second such complete school years;

"(B) $4,000 for the third such complete school year; and

"(C) $5,000 for each of the fourth and fifth such complete school years.

"(2) TREATMENT OF CONSOLIDATION LOANS.—A loan amount for a Federal Direct Consolidation Loan may be a qualified loan amount for the purposes of this subsection only to the extent that such loan amount was used to repay a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a loan made under section 428 or 428H, for a borrower who meets the requirements of

subsection (b), as determined in accordance with regulations prescribed by the Secretary.

"(d) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

"(e) CONSTRUCTION.—Nothing in this section shall be construed to authorize any refunding of any repayment of a loan.

"(f) LIST.—If the list of schools in which a teacher may perform service pursuant to subsection (b) is not available before May 1 of any year, the Secretary may use the list for the year preceding the year for which the determination is made to make such service determination.

"(g) ADDITIONAL ELIGIBILITY PROVISIONS.—

"(1) CONTINUED ELIGIBILITY.—Any teacher who performs service in a school that—

"(A) meets the requirements of subsection (b)(1)(A) in any year during such service; and

"(B) in a subsequent year fails to meet the requirements of such subsection,

may continue to teach in such school and shall be eligible for loan forgiveness pursuant to subsection (b).

"(2) PREVENTION OF DOUBLE BENEFITS.—No borrower may, for the same service, receive a benefit

under both this subsection and subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.). No borrower may receive a reduction of loan obligations under both this section and section 428J.

''(h) DEFINITION.—For purposes of this section, the term 'year', where applied to service as a teacher, means an academic year as defined by the Secretary.''.

TITLE III—TECHNOLOGY FOR EDUCATION

SEC. 301. TECHNOLOGY FOR EDUCATION.

Title III (20 U.S.C. 6801 et seq.) is amended to read as follows:

''TITLE III—TECHNOLOGY FOR EDUCATION

''SEC. 3001. SHORT TITLE.

''This title may be cited as the 'Technology for Education Act'.

''SEC. 3002. FINDINGS.

''Congress finds the following:

''(1) Technology can—

''(A) support education improvement efforts by expanding available resources and reshaping instruction, teaching, and learning environments; and

"(B) when used effectively and aligned with challenging State academic content and performance standards, support teacher capacity to create classrooms where students develop higher-order thinking and information technology skills.

"(2) By providing students with a rapidly expanding educational resource base, and a unique means of developing content knowledge, improvements in software and other technology applications (such as high-quality video, voice recognition, modeling and simulation, and intelligent tutoring and virtual reality tools), have increased student opportunities for meaningful exploration and discovery.

"(3) The Federal Government—

"(A) has played an integral role in expanding and improving access to technology as an important tool for teaching and learning; and

"(B) can continue to serve as a catalyst in bringing effective uses for education technology to the classroom by providing support for—

"(i) access to technology;

"(ii) the development of educational software and web-based learning resources; and

"(iii) sustained and intensive, high-quality professional development that is aligned with challenging State academic content and performance standards.

"(4) Professional development programs for prospective teachers and current teachers should be refocused to strengthen the ability of such teachers to integrate technology across the curriculum.

"(5) 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.

"(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 ex-

cited and knowledgeable about unfolding opportunities for the classroom.

"(7) Poor children are less likely than their wealthier peers to have access to a computer at home, and to attend a school in which teachers use technology to develop technical and higher-order thinking skills.

"(8) Because girls of all ethnicities consistently rate themselves significantly lower than boys on computer ability, and are less likely to experiment with technology and enroll in advanced computer science courses, the Federal Government should encourage States, local educational agencies, and teachers to consider the needs of girls and women to obtain technical proficiency and expose girls and women to careers in technology, so that they can compete in an increasingly technological society.

"SEC. 3003. STATEMENT OF PURPOSE.

"The purpose of this title is to help all students to develop technical and higher-order thinking skills and to achieve to challenging State academic content and performance standards.

"(1) helping to provide all classrooms with access to educational technology through support for

the acquisition of advanced multimedia computers, Internet connections, and other technologies;

''(2) helping to ensure access to, and effective use of, educational technology in all classrooms through the provision of sustained and intensive, high-quality professional development that improves teachers capability to integrate educational technology effectively into their classrooms and instructional practices by actively engaging students and teachers in the use of technology;

''(3) helping to improve the capability of teachers to design and construct new learning experiences using technology, and actively engage students in that design and construction;

''(4) supporting Federal partnerships with business and industry to realize more rapidly the potential of digital communications to expand the scope of, and opportunities for, learning; and

''(5) providing national leadership to stimulate and coordinate public and private efforts, at the national, State, and local levels, that support the development and integration of advanced technologies and applications to improve school planning and classroom instruction;

"SEC. 3004. DEFINITIONS.

''For the 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 term 'interoperable' means 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 'regional educational laboratory' means a regional educational laboratory supported under section 941(h) of the Educational Research, Development, Dissemination, and Improvement Act of 1994;

"(7) 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 title; and

"(8) the term 'State library administrative agency' has the same meaning given to such term in section 213 of the Library Services and Technology Act.

"SEC. 3005. AUTHORIZATION OF APPROPRIATIONS.

"(a) PART A—LONG-RANGE TECHNOLOGY PLAN AND NATIONAL ACTIVITIES.—There are authorized to be appropriated $450,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out part A.

"(b) PART B—TECHNOLOGY INNOVATION FOR LEARNING.—There are authorized to be appropriated $1,042,000,000 for fiscal year 2002, $1,212,000,000 for fiscal year 2003, $1,382,000,000 for fiscal year 2004,

$1,552,000,000 for fiscal year 2005, and $1,722,000,000 for fiscal year 2006.

"(c) PART C—GETTING OUR GIRLS READY FOR THE 21ST CENTURY ACT (GO-GIRL ACT).—There are authorized to be appropriated $50,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out part C.

"PART A—NATIONAL LONG-RANGE TECHNOLOGY PLAN AND ACTIVITIES

"SEC. 3111. NATIONAL LONG-RANGE TECHNOLOGY PLAN.

"(a) IN GENERAL.—The Secretary shall update, not later than 1 year after the date of the enactment of the Excellence and Accountability in Education Act, and update subsequently when the Secretary determines appropriate, the national long-range plan (as such plan was in existence prior to the date of the enactment of the Excellence and Accountability in Education Act) that supports the overall national technology policy and carries out the purposes of this part. The Secretary shall disseminate such plan to State educational agencies, local educational agencies, the public, and other interested parties.

"(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, experts in technology and the applications of technology to education, representatives of distance learning consortia, 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.

"SEC. 3112. FEDERAL LEADERSHIP.

"(a) PROGRAM AUTHORIZED.—The Secretary, in consultation with the National Science Foundation, the Department of Commerce, and other appropriate Federal agencies, shall carry out activities designed to achieve the purpose 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 or 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 purpose of this part, the Secretary may accept funds from, and transfer funds to, other Federal agencies.

"(c) REQUIRED USES OF FUNDS.—The Secretary shall use funds made available to carry out this section, through grant or contract, for the following activities:

"(1) Development or redesign of teacher preparation programs to enable prospective teachers to effectively use technology in their classrooms and integrate it throughout their instructional practices.

"(2) Creation or expansion of community technology centers in economically distressed urban and rural communities that provide disadvantaged residents with access to information technology and related training.

"(3) Development, production, and distribution of educational and instructional video programming by nonprofit entities (including a public telecommunications entity) for preschool and elementary school children and their parents.

"(4) Development, for wide-scale adoption by State educational agencies and local educational agencies, of models of innovative and effective appli-

cations of technology to teaching and learning that are aligned with challenging State academic content and student performance standards.

"(5) Providing school library media specialists with professional development and acquisition of school library media specialists.

"(d) USES OF FUNDS.—The Secretary may use funds made available to carry out this section for one or more of the following activities:

"(1) 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.

"(2) 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 title.

"(3) The development of a national repository of information on the effective uses of educational technology, including its use for sustained and intensive, high-quality professional development, and the nationwide dissemination of that information.

"(4) Research on, and the development of, applications for education of the most advanced and newly emerging technologies and such 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, 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.

"(6) The development, demonstration, and evaluation of applications of technology and innovative tools in preschool education, elementary and secondary education, vocational and professional training and lifelong learning, and professional development of educational personnel.

"(7) The development and evaluation of software and other products, including multimedia tele-

vision programming, that incorporate advances in technology and State content standards and State student performance standards.

''(8) The development, demonstration, and evaluation of model strategies for preparing teachers and other personnel to use technology effectively to improve teaching and learning.

''(9) The development of model programs that demonstrate the educational effectiveness of technology in urban and rural areas and economically distressed communities.

''(10) Research on, and the evaluation of, the effectiveness and benefits of technology in education.

''(11) 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, and such assessment and report shall use, to the extent possible, existing information and resources.

''(12) Conferences on, and dissemination of information regarding, the uses of technology in education.

"(13) The development of model strategies to promote gender equity concerning access to, and the use of, technology in the classroom.

"(14) Encouraging collaboration between the Department and other Federal agencies in the development, implementation, evaluation and funding of applications of technology for education, as appropriate.

"(15) The development, demonstration, and evaluation of model technology programs designed to improve parental involvement.

"(16) Other activities the Secretary determines will meet the purpose of this title.

"(e) 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, and such 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.

"PART B—STATE AND LOCAL TECHNOLOGY INNOVATION FOR LEARNING

"SEC. 3201. PURPOSE.

"It is the purpose of this part to increase the capacity of State and local educational agencies to improve student achievement through the use and application of technology, particularly that of students in high-poverty, low-performing schools, and the ability of teachers to integrate technology across the curriculum, by supporting State and local efforts that—

"(1) make effective use of new technologies and technology applications, networks, and electronic learning resources;

"(2) utilize research-based teaching practices that are linked to advanced technologies;

"(3) promote sustained and intensive, high-quality professional development that enables teachers to help students achieve to challenging State content standards and assessments in core academic

subjects through the integration of educational technology into instruction;

''(4) disseminate information to local educational agencies and schools about technology and applications, including software, that are aligned to challenging State content standards in core academic subjects; and

''(5) develop standards and performance indicators for students and teachers on the effective use and integration of education technology into the core academic curriculum and methods for measuring program outcomes against indicators.

''SEC. 3202. 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 part for a fiscal year in an amount which bears the same relationship to the amount made available under section 3005(b)(1) 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 (including for purposes of this part, the Bureau of

Indian Affairs) 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 3005(b)(1) for such year, except that this minimum shall apply to the aggregate of grants received under this part by the outlying areas for a fiscal 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 part 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 real-

lotted among the State educational agencies whose proportionate amounts were not so reduced.

"SEC. 3203. GRANT AWARDS.

"(a) GRANTS TO STATES.—

"(1) IN GENERAL.—From amounts made available under section 3202, the Secretary, through the Office of Educational Technology, shall award grants to State educational agencies having applications approved under section 3204.

"(2) USE OF GRANTS.—

"(A) Each State educational agency that receives a grant under paragraph (1) shall use—

"(i) not less than 95 percent of the grant funds to award, on a competitive basis, subgrants to eligible local applicants, as defined in section 3207(1), for use in creating learning environments designed to prepare all students, including students with disabilities or limited English proficiency, to achieve to challenging State academic content and performance standards through the use of research-based teaching practices, integration of technology into the curriculum and advanced

technologies for activities described in section 3205; and

"(ii) subject to subparagraph (C), the remainder of the grant funds for administrative costs and technical assistance, and the development and updating of the State technology plan.

"(B) In awarding grants under subparagraph (A)(i), each State educational agency shall—

"(i) 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; and

"(ii) shall give priority to an eligible local applicant that is a partnership that meets the requirements of section 3207(1)(B).

"(C) From funds described in subparagraph (A)(i), a State educational agency may use not more than 2 percent of the grant funds received by that agency under this subpart to provide planning subgrants to eligible local applicants in order to assist them to develop strategic long-term local technology plans that shall

be included in the application for a subgrant under section 3206.

"(b) TECHNICAL ASSISTANCE.—Each State educational agency receiving a grant under subsection (a) shall—

"(1) identify the local educational agencies in 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 3206; and

"(2) offer technical assistance to such local educational agencies in—

"(A) developing applications under section 3206;

"(B) forming partnerships among the entities described in section 3206(1)(B); and

"(C) meeting the standards and performance indicators as described in section 3204(a)(5).

"SEC. 3204. STATE APPLICATION.

"(a) IN GENERAL.—To receive funds under this part, each State educational agency shall submit an application

to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. As part of its application, a State educational agency shall submit a new or updated statewide educational technology plan. The plan shall demonstrate how it will be coordinated with and support the State plan or policies for comprehensive standards-based education reform, and shall describe—

"(1) the State educational agency's long-term strategies for financing educational technology in the State, including how the State educational agency will use other sources of Federal and non-Federal funds, including the E-rate, for this purpose;

"(2) the State educational agency's criteria for identifying local educational agencies under section 3203(b)(1) and how the State educational agency will report to the public the criteria to be used and the outcome of the competition under section 3204(a)(2)(A)(i);

"(3) the State educational agency's specific goals for using advanced technologies to improve student achievement 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 to challenging State content and performance standards and develop higher-order thinking skills through the integration of technology into instruction;

"(4) the strategy of the State educational agency for disseminating information, or arranging for other qualified entities with the appropriate experience to provide technical assistance, regarding software and other technology applications that are aligned to the content standards in core academic subjects of the States;

"(5) the State educational agency's performance indicators for each of the strategies and goals described in paragraphs (1) and (3) and included in

its plan, baseline performance data for the indicators, a timeline for achieving the goals, and interim measures of success toward achieving the goals;

''(6) how the State educational agency will ensure that grants to eligible local applicants are of sufficient size, scope, and quality to meet the purposes of this part effectively;

''(7) how the State educational agency will provide technical assistance to eligible local applicants, and its capacity for providing such assistance;

''(8) how the State educational agency will ensure that educational technology is accessible to and usable by all students, including students with special needs, such as students who have disabilities or limited English proficiency;

''(9) how the State educational agency will ensure the ongoing integration of technology across the curriculum used by its local educational agencies and schools in all such schools in the State by September 30, 2006; and

''(10) how the State educational agency will evaluate its activities under the plan as it relates to its specific goals as described in paragraph (3), including its impact on student achievement for all

students, and the ability of teachers to integrate technology into the core academic curriculum.

''(b) APPROVAL OF STATE EDUCATIONAL AGENCY APPLICATION.—The Secretary shall review the application of a State educational agency for assistance under this part and shall approve the application, unless the Secretary makes a determination in writing that such application does not meet the specific requirements of this part or does not show reasonable promise of achieving its goals.

''SEC. 3205. LOCAL USES OF FUNDS.

''Each eligible local applicant, having an approved application under section 3206, shall, consistent with such application, use funds made available under section 3203(a)(2)(A)(i) for one or more of the following activities:

''(1)(A) 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; and

''(B) integrating technology across the curriculum.

''(2) Providing sustained and intensive, high-quality professional development in the integration

of advanced technologies across the curriculum and in using those technologies to create enriching 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.

''(3) Enabling teachers to use the Internet to communicate with other teachers, parents, and students, and retrieve web-based learning resources.

''(4) Using technology to enable teachers and administrators to collect, manage, and analyze data to identify strengths and weaknesses in academic performance to improve school reform efforts.

''(5) Acquiring wireless telecommunications, hand-held devices, modeling or simulation tools, distance learning networks, and other advanced technologies with classroom applications.

''(6) Acquiring proven and effective technology-based curricular programs that will help students to achieve to challenging State academic content and student performance standards, including programs that enable family and parental access to advanced telecommunications, and support communications between families, parents and schools.

"(7) Acquiring proven and effective curricula that includes integrated technology and are designed to help students achieve challenging State academic content and student performance standards.

"(8) Acquiring wiring and access to advanced telecommunications.

"(9) Using web-based learning resources, including those that provide access to challenging courses such as Advanced Placement courses.

"(10) Assisting schools to use technology to promote parent and family involvement, and support communications between family and school.

"(11) 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.

"(12) Providing support to help parents understand the technology being applied in their children's education so parents will be able to reinforce their children's learning.

"(13) Other activities which are consistent with the purpose of this part.

"SEC. 3206. LOCAL APPLICATIONS.

"Each eligible local applicant desiring assistance from a State educational agency under this part 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 how the applicant plans to improve the achievement of all students by—

"(i) making effective use of new technologies, networks, and electronic learning resources;

"(ii) 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;

"(iii) promoting sustained and intensive, high quality professional development that increases teacher capacity to enable students to learn to challenging State content and performance standards and de-

velop higher-order thinking skills through the integration of technology into instruction; and

"(iv) the steps that will be taken to inform parents of the use of technologies in their children's education so that parents will be able to reinforce at home the instruction their children receive in school;

"(B) an explanation of how the acquired technologies will be integrated into the curriculum to help the local educational agency that is the eligible local applicant under section 3207(1)(A) or is a member of a partnership described in section 3207(1)(B), enhance teaching, training, and student achievement;

"(C) a description of the applicant's goals regarding the use of educational technology that are consistent with the performance indicators of the State described under section 3204(a)(5), as well as the applicant's baseline data, timelines, benchmarks, and indicators of success for meeting those goals;

"(D) a description of how the applicant will ensure sustained and intensive, high-quality professional development for teachers, adminis-

trators, and other educational personnel to further the effective use of technology in the classroom and the integration of technology into instructional practices;

"(E) a description of the administrative and technical support that the applicant will provide schools;

"(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;

"(H) a description of the applicant's strategy for financing its strategic, long-term local technology plan, including the use of other Federal and non-Federal funds, and how the plan will be coordinated with other technology initiatives;

"(I) a description of how the applicant will use advanced technology to promote communication between teachers for activities such as—

"(i) sharing examples of student work;

"(ii) developing instructional strategies that promote basic skills in core academic areas and higher-order thinking skills in all students;

"(iii) developing challenging curricula aligned with State or local standards; and

"(iv) using data to improve teaching and learning; and

"(J) a description of how the applicant will use technology to improve the teaching and learning of students with special needs, such as students with disabilities or limited English proficiency;

"(2) describe how the eligible local applicant will involve parents, public libraries, business leaders and community leaders in the development of the plan described in paragraph (1);

"(3) describe how the acquired instructionally based technologies will help the local educational agency that is the eligible local applicant under section 3207(1)(A), or is a member of a partnership described in section 3207(1)(B) and meets the requirements of section 3207(1)(A)—

"(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;

"(4) describe a process for the ongoing evaluation of how technologies acquired under this section—

"(A) will be integrated into the school curriculum and instructional practices of teachers of the school; and

"(B) will affect student achievement and progress toward meeting any challenging State content standards and State student performance standards that may be developed;

"(5) describe how the applicant will use subgrant funds to benefit low-performing schools in integrating technology into the curriculum of such schools;

"(6) describe how the applicant will ensure that technology is accessible to, and usable by, all students, particularly students with disabilities or limited English proficiency;

"(7) include an assurance that, before any funds received under this part are used to acquire

wiring or access to advanced telecommunications, the applicant will use all appropriate resources available to it through the E-Rate;

''(8) describe how the eligible local applicant will provide for an independent evaluation of the program funded under this part and how such evaluation will be used for program improvement; and

''(9) if the applicant is a partnership, describe the members of the partnership, their respective roles, and their respective contributions to improving the capacity of the local educational agency.

''SEC. 3207. DEFINITIONS.

''For the purposes of this part—

''(1) the term 'eligible local applicant' means

''(A) a local educational agency that, as determined by the State educational agency—

''(i) is among the local educational agencies in the State with the highest numbers or percentages of children from families with incomes below the poverty line;

''(ii) includes one or more low-performing schools; and

"(iii) has a substantial need for assistance in acquiring and using technology; or

"(B) a partnership that includes at least 1 local educational agency that meets the requirements of subparagraph (A) and at least 1—

"(i) local educational agency that can demonstrate that teachers in schools served by that agency are using technology effectively in their classrooms;

"(ii) institution of higher education in full compliance with the reporting requirements of section 207(f) of the Higher Education Act of 1965 and that has not been identified by its State as low performing under section 208 of such Act;

"(iii) for-profit organization that develops, designs, manufactures, or produces technology products or services, or has substantial expertise in the application of technology; or

"(iv) public or private non-profit organization with demonstrated experience in the application of educational technology; and

"(2) the term 'low-performing school' means a school identified by the local educational agency for school improvement under section 1116(b) of this Act.

"PART C—GETTING OUR GIRLS READY FOR THE 21ST CENTURY (GO GIRL)

"SEC. 3311. FINDINGS.

"Congress finds the following:

"(1) Women have historically been underrepresented in mathematics, science, technology, and engineering occupations.

"(2) Female students take fewer high-level mathematics and science courses in high school than male students.

"(3) Female students take far fewer advanced computer classes than male students take and tend to take only basic data entry and word processing classes.

"(4) Female students earn fewer baccalaureate, masters, and doctoral degrees in mathematics, science, technology, and engineering than male students.

"(5) Early career exploration is key to choosing a career.

"(6) Teachers' attitudes, methods of teaching, and classroom atmosphere affect female student's interest in nontraditional fields.

"(7) Stereotypes about appropriate careers for females, a lack of female role models, and a lack of basic career information significantly deters girls' interest in mathematics, science, technology, and engineering careers.

"(8) Females consistently rate themselves significantly lower than males in computer ability.

"(9) In the coming years, 65 percent of the economy will be based on information-technology.

"(10) Limited access is a hurdle faced by females seeking jobs in mathematics, science, technology, and engineering.

"(11) Common recruitment and hiring practices make extensive use of traditional networks that often overlook females.

"SEC. 3312. PROGRAM AUTHORITY.

"(a) IN GENERAL.—From funds provided under section 3005(c), the Secretary is authorized to provide grants to and enter into contracts or cooperative agreements with local educational agencies on behalf of elementary and secondary schools to encourage the ongoing interest of girls in science, mathematics, engineering, and technology and

to prepare girls to pursue undergraduate and graduate degrees and careers in science, mathematics, engineering, or technology.

"(b) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive a grant, enter into a contract, or cooperative agreement under this part, a local educational agency shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may reasonably require.

"(2) CONTENTS.—The application referred to in paragraph (1) shall contain, at a minimum, the following:

"(A) A specific program description, including the content of the program and the research and models used to design the program.

"(B) A description of the collaboration between elementary and secondary schools to fulfill goals of the program.

"(C) An explanation regarding the recruitment and selection of participants.

"(D) A description of the instructional and motivational activities planned to be used.

"(E) An evaluation plan.

"SEC. 3313. ELEMENTARY SCHOOL PROGRAM.

''(a) SELECTION.—Local educational agencies shall select elementary schools to provide services that—

''(1) encourage girls in grades 4 through 8 to enjoy and pursue studies in science, mathematics, engineering, and technology;

''(2) acquaint girls in grades 4 through 8 with careers in science, mathematics, engineering, and technology; and

''(3) educate the parents of girls in grades 4 through 8 about the difficulties faced by girls to maintain an interest and desire to achieve in science, mathematics, engineering, and technology and enlist the help of the parents in overcoming these difficulties.

''(b) SERVICES.—Services provided under this section shall include one or more of the following:

''(1) Tutoring in reading, science, mathematics, engineering, and technology.

''(2) Mentoring relationships, both in-person and through the Internet.

''(3) Paying the costs of female students and their teachers attending events and academic programs in science, mathematics, engineering, and technology.

"(4) Providing after-school activities designed to encourage the interest of girls in grades 4 and higher in science, mathematics, engineering, and technology.

"(5) Summer programs designed to encourage interest, and develop skills, in science, mathematics, engineering, and technology.

"(6) Purchasing software designed for girls, or designed to encourage girls' interest in science, mathematics, engineering, and technology.

"(7) Offering field trips to locations that educate and encourage girls' interest in science, mathematics, engineering, and technology.

"(8) Offering field trips to locations that acquaint girls with careers in science, mathematics, engineering, and technology.

"(9) Purchasing and disseminating information to parents of girls in grades 4 and higher that will help parents to encourage their daughters' interest in science, mathematics, engineering, and technology.

"SEC. 3314. SECONDARY SCHOOL PROGRAM.

"(a) SELECTION.—Local educational agencies shall select secondary schools to provide services that—

"(1) encourage girls in grades 9 and higher to major in science, mathematics, engineering, and technology of a institution of higher education;

"(2) provide academic advice and assistance in high school course selection;

"(3) encourage girls in grades 9 and higher to plan for careers in science, mathematics, engineering, and technology; and

"(4) educate the parents of girls in grades 9 and higher about the difficulties faced by girls to maintain an interest in and desire to, achieve in science, mathematics, engineering, and technology, and enlist the help of the parents in overcoming these difficulties.

"(b) SERVICES.—Services provided under this section shall include one or more of the following:

"(1) Tutoring in science, mathematics, engineering, and technology.

"(2) Mentoring relationships, both in-person and through the Internet.

"(3) Paying the costs of female students and their teachers attending events and academic programs in science, mathematics, engineering, and technology.

"(4) Paying up to 50 percent of the cost of an internship in science, mathematics, engineering, or technology for female students.

"(5) Providing after-school activities designed to encourage the interest of girls in grades 9 and higher in science, mathematics, engineering, and technology, including the cost of that portion of a staff salary to supervise these activities.

"(6) Providing summer programs designed to encourage interest, and develop skills, in science, mathematics, engineering, and technology.

"(7) Purchasing software designed for girls, or designed to encourage girls' interest in science, mathematics, engineering, and technology.

"(8) Offering field trips to locations that educate and encourage girls' interest in science, mathematics, engineering, and technology.

"(9) Offering field trips to locations that acquaint girls with careers in science, mathematics, engineering, and technology.

"(10) Visits to institutions of higher education to acquaint girls with college-level programs in science, mathematics, engineering, or technology, and to meet with educators and female college stu-

dents who will encourage them to pursue degrees in science, mathematics, engineering, and technology.

TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

SEC. 401. SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES.

Title IV (20 U.S.C. 7101 et seq.) is amended to read as follows:

"TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

"SEC. 4001. SHORT TITLE.

''This title may be cited as the 'Safe and Drug-Free Schools and Communities Act'.

"SEC. 4002. FINDINGS.

''Congress finds the following:

''(1) It is essential for schools to provide a drug-free, safe, and orderly learning environment for all students, if all students are to live healthy lives and achieve to high academic standards.

''(2) Student drug use, alcohol and tobacco, and school violence are serious educational and public health concerns.

''(3) Safe and Drug-Free Schools and Communities programs are most likely to be effective when

they are based on a thorough assessment of objective data about the drug and violence problems in schools and communities, are designed to meet measurable goals and objectives, are based on sound research or evaluation findings, and are evaluated regularly and held accountable for results.

''(4) Safe and Drug-Free Schools and Communities program resources should be targeted at the local level to projects in areas that demonstrate need for the funds, have developed the best strategic plans for using the funds, and are committed to being accountable for results.

''(5) Alternative education, for children who have been suspended or expelled from school, is vital to improving the safety of schools and communities, and ensuring continued educational opportunity.

''SEC. 4003. PURPOSE.

''The purpose of this title is to support programs that prevent violence in and around schools and 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. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated—

"(1) $500,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 4 succeeding fiscal years, for State grants under subpart 1 of part A;

"(2) $200,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 4 succeeding fiscal years, for national programs under subpart 2 of part A;

"(3) $200,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out part B related to alternative education;

"(4) $1,300,000,000 for fiscal year 2002, $1,623,000,000 for fiscal year 2003, $2,537,000,000 for fiscal year 2004, $3,452,000,000 for fiscal year 2005, and $4,366,000,000 for fiscal year 2006 to carry out part C related to reserve staff for students; and

"(5) $100,000,000 for fiscal year 2002 and such sums as may be necessary for the 4 succeeding fiscal years to carry out part D related to Technical Assistance.

"PART A—STATE GRANTS FOR DRUG AND VIOLENCE PREVENTION PROGRAMS

"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 evaluation activities 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) ½ 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) ½ of such remainder according to the ratio between the amount each State received under part A of title I 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.—For the purposes 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. STATE APPLICATION.

"(a) STATE APPLICATION.—In order to receive an allotment under section 4111(b) for any fiscal year, a State shall submit to the Secretary, at such time and in such manner as the Secretary may require, a 5-year application that—

"(1) is submitted jointly by the Governor and the State educational agency of the State;

"(2) contains a description of how funds under this part will be coordinated with other programs under this Act and with other Federal education and drug prevention programs;

"(3) contains a comprehensive plan for the use of funds by the State educational agency and the Governor to provide safe, orderly, and drug-free school environments that includes—

"(A) the results of the State's needs assessment for drug and violence-prevention programs, which shall be based on the results of ongoing State evaluation activities and include data on the prevalence of drug use and violence by youth in schools and communities in the State;

"(B) a list of the State's results-based performance measures for drug and violence prevention, which shall—

"(i) be focused on student behavior and attitudes and derived from the needs assessment;

"(ii) be selected from a core set of indicators that the Secretary shall develop in consultation with State and local officials;

"(iii) include targets and due dates for the attainment of these indicators;

"(iv) include a description of the procedures the State will use to inform local educational agencies of the State's results-based performance measures for drug and violence prevention for assessing and publicly reporting progress toward meeting

these indicators, or revising them as needed;

"(v) include a description of how the procedures described in subparagraph (C) and subparagraph (D) will support the achievement of the State's results-based performance measures; and

"(vi) incorporate each of the principles of effectiveness;

"(C) a description of the procedures the Governor will use to award funds to eligible applicants on a competitive basis consistent with section 4115, including—

"(i) the criteria the Governor will use to assess the relative quality of applications and demonstrated need for funding of eligible applicants;

"(ii) the peer review process the Governor will use to review applications;

"(iii) how those funds will be used for community resources and activities that support local educational agency programs to create drug-free, safe, and disciplined learning environments in, and passageways to and from, schools; and

"(iv) how the Governor will ensure that the geographic distribution of awards reflects the diversity of local educational agencies in the State;

"(D) a description of how the State educational agency and Governor will use the funds reserved under sections 4113(b) and 4115(c) for coordinated capacity-building and technical assistance and program accountability services and activities at the State and local levels, including how the State educational agency and Governor will coordinate their activities with law enforcement, health, mental health, and education programs and officials at the State and local levels;

"(E) a description of how the State educational agency and the Governor will monitor local programs and provide corrective action if necessary; and

"(F) a description of how the State educational agency will ensure that local educational agencies not receiving funds under this part will be provided technical assistance to improve their programs;

"(4) contains assurances that the application was developed in consultation and coordination with appropriate State officials, including 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; and

"(5) contains an assurance that the State will cooperate with, and assist, the Secretary in conducting the national impact evaluation of programs required by section 4117(a).

"(b) PEER REVIEW.—The Secretary shall use a peer review process in reviewing State applications under this section.

"SEC. 4113. STATE AND LOCAL EDUCATIONAL AGENCY PROGRAMS.

"(a) USE OF FUNDS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an amount equal to 85 percent of the total amount allocated to a State under section 4111(b) 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 had, 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 85 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 15 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 the 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 ACTIVITIES.—

"(1) IN GENERAL.—A State educational agency may 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 with a solid research base, 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 title;

''(G) developing and implementing strategies and programs to greatly reduce the incidence of sexual harassment and abuse and to encourage positive and respectful interactions between girls and boys; and

''(H) 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 with community based organizations, institutions of higher education and other public and private non-profit entities.

"(c) STATE ADMINISTRATION.—A State educational agency may use not more than 3 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 92 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 5 such agencies, whichever is greater.

"(ii) In determining which local educational agencies have the greatest need for additional funds under subparagraph (A)(ii), 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.

"(D) SPECIAL RULE, MINIMUM GRANT AMOUNTS.—

"(i) Except as provided in clause (ii), a local educational agency shall not receive an allocation under this subsection unless

the amount allocated to such agency under this subsection is greater than $5,000. A local educational agency may enter into a consortium with other local educational agencies for the purposes of meeting the minimum allocation requirement of this clause.

"(ii) WAIVER.—The State educational agency shall waive the requirement of clause (i) in any case in which the local educational agency demonstrates that it is unable to enter into a consortium for the purposes of carrying out activities under this part.

"(e) REALLOCATION OF FUNDS.—If a local educational agency chooses not to apply to receive the amount allocated to such agency under subsection (d), does not meet the requirements of subsection (d)(2)(D) and does not form a consortium, 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)(A)(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. LOCAL DRUG AND VIOLENCE PREVENTION PROGRAMS.

"(a) PRINCIPLES OF EFFECTIVENESS.—Each local educational agency that receives a subgrant under section 4113(c) shall use those funds to support research-based drug- and violence-prevention services and activities that are consistent with the principles of effectiveness described in section 4119 and the purpose of this title, such as—

"(1) staff training and development;

"(2) parental involvement and training;

"(3) community involvement activities;

"(4) law enforcement and security activities that are related to school safety and drug use;

"(5) creating and maintaining safe zones of passage to and from school to prevent violence and drug trafficking;

"(6) counseling, mentoring, and referral services, and other student assistance programs;

"(7) before- and after-school programs;

"(8) alternative education programs for those students who have been expelled from their regular education programs;

"(9) programs to assist students to reenter the regular education program upon return from treatment or alternative education settings;

"(10) services and activities that reduce the need for suspension and expulsion in maintaining classroom order and school discipline;

"(11) services and activities to prevent and reduce truancy;

"(12) teaching students about the risks and consequences associated with handling firearms that enabling them to make safe choices and avoid injury to themselves and others;

"(13) 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;

"(14) age-appropriate, developmentally based or community-oriented safety programs for all students, from the preschool level through grade 12, that address prevention and education of child abuse and abduction, including—

"(A) teaching students the skills to identify, avoid if possible, and cope with potentially dangerous or threatening situations that may include abduction, abuse, or neglect; and

"(B) providing guidance to students that encourages students to seek advice for anxiety, threats of abuse, or actual abuse and to confide in a trusted adult regarding an uncomfortable or threatening situation;

"(15) activities designed to prevent hate crimes and strengthen tolerance and understanding;

"(16) activities to greatly reduce the incidence of sexual harassment and abuse;

"(17) activities to increase the safety of children going to and from school, including those that improve pedestrian and bicyclist safety; and

"(18) other activities that are consistent with the purposes of this title.

"(b) LIMITATION.—A local educational agency may not use more that 20 percent of its subgrant for the acquisition or use of metal detectors and security personnel unless it demonstrates in its application under section 4116 to the satisfaction of the State educational agency that it has a compelling need to do so.

"(c) SCHOOL PROTECTION.—Each local educational agency, or consortium of such agencies, that receives a subgrant under section 4113(c) and has reported expulsions under part F during the past 3 years shall develop a program with local law enforcement agencies to protect students and employees of public schools against gun violence that includes promoting the benefits of child safety locks for firearms.

"SEC. 4115. GOVERNORS PROGRAMS.

"(a) USE OF FUNDS.—

"(1) IN GENERAL.—An amount equal to 15 percent of the total amount allocated to a State under section 4111(b) 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 15 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 20 percent of the total amount described in paragraph (1) for the ad-

ministrative 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) for competitive 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 to support community efforts that directly complement the efforts of local educational agencies to foster drug-free, safe, and orderly learning environments in and around schools. 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 that are consistent with the principles of effectiveness described under section 4119, 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, including pedestrian and bicycle safety education;

''(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 purpose 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. 4116. LOCAL APPLICATIONS.

"(a) APPLICATION REQUIRED.—

"(1) IN GENERAL.—In order to be eligible to receive a subgrant under section 4113(d) or section 4115 for any fiscal year, an applicant shall submit, at such time and including such information as the

State educational agency or Governor, as applicable, requires, an application to the State educational agency or Governor, as applicable for approval. Such an application shall be amended, as necessary, to reflect changes in the applicant's program.

"(2) APPLICATION PROCESS.—

"(A) Applications for subgrants from entities other than local educational agencies, under section 4115 shall be developed in consultation with the schools or local educational agencies to be served and, to the extent practicable, with the representatives described in subparagraph (B).

"(B) An application from local educational agencies for subgrants shall be developed 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) CONTENTS OF APPLICATIONS.—(1) An application under this section shall contain—

"(A) the results of the applicant's needs assessment concerning the creation and maintenance of a drug-free, safe, and orderly school environment and include data on the prevalence of drug use and violence by youth in the schools and communities to be served;

"(B) a description of how the applicant will target services and activities on the communities, schools, and students with the greatest need for assistance in creating and maintaining drug-free, safe, and orderly learning environments;

"(C) the applicant's results-based performance measures for creating and maintaining a drug-free, safe, and orderly learning environment, which shall be focused on student behavior and attitudes, and include annual targets for each performance measure;

"(D) a description of the procedures the applicant will use to assess and publicly report progress toward meeting its performance indicators;

"(E) a description of how—

"(i) the applicant will use the funds to be awarded and how the activities it will support

with those funds address the needs identified under subparagraph (A) and the performance measures identified under subparagraph (C); and

"(ii) if the applicant is a local educational agency, how those activities are consistent with the Safe and Drug-Free Schools plan under paragraph (2)(D) or another existing school plan related to safe, disciplined, and drug-free environments;

"(F) a description of how the applicant will coordinate its activities with local, State, and Federal law enforcement, health, mental health, and education officials;

"(G) a description of the applicant's plan for evaluating its project; and

"(H) any other information the State educational agency or Governor, as applicable, may require to review application's, and award subgrants, based on the applicants need for assistance and the quality of the application.

"(2) Each applicant for a subgrant under this section shall also include in its application an assurance that it—

"(A) has a policy, consistent with State law and the Gun-Free Schools Act, that requires the expulsion of students who possess a firearm at school;

"(B) has, or will have, a full-or part-time program coordinator whose primary responsibility is planning, designing, implementing, and evaluating the applicant's programs (unless the applicant demonstrates in its application, to the satisfaction of the State educational agency, that such a program coordinator is not needed);

"(C) will evaluate its program every 2 years to assess its progress toward meeting its goals and objectives, and will use the results of its evaluation to improve its program and refine its goals and objectives, as needed; and

"(D) has, or the schools to be served have, a comprehensive Safe and Drug-Free Schools plan that includes—

"(i) 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, and that mandate predetermined con-

sequences, sanctions, or interventions for specific offenses;

"(ii) security procedures at school and while students are on the way to and from school, which may include the use of metal detectors and the development and implementation of formal agreements with law enforcement officials;

"(iii) early intervention and prevention activities of demonstrated effectiveness designed to create and maintain safe, disciplined, and drug-free environments;

"(iv) school readiness and family involvement activities;

"(v) improvements to classroom management and school environment, such as efforts to reduce class size or improve classroom discipline;

"(vi) procedures to identify and intervene with troubled students, including establishing linkages with, and referring students to, juvenile justice, community mental health, and other service providers;

"(vii) activities that connect students to responsible adults in the community, including ac-

tivities such as after-school or mentoring programs; and

"(viii) a crisis management plan for responding to violent or traumatic incidents on school grounds, which provides for addressing the needs of victims, and communicating with parents, the media, law enforcement officials, and mental health service providers.

"(3) Each applicant for a subgrant under section 4115 shall also include in its application—

"(A) a description of how the services and activities to be supported will be coordinated with relevant programs under this part that are supported by State educational agencies, including how recipients will share resources, services, and data;

"(B) a description of how the applicant will coordinate its activities under this part with those implemented under the Drug-Free Communities Act, if any; and

"(C)(i) an assurance that it will evaluate its program every 2 years to assess its progress toward meeting its goals and objectives, and will use the results of its evaluation to improve its program and refine its goals and objectives as needed, if the applicant is not a local educational agency; or

"(ii) the assurance under paragraph (2) if the applicant is a local educational agency.

"(c) REVIEW OF APPLICATION.—

"(1) IN GENERAL.—In reviewing local applications under this section—

"(A) a State educational agency shall use a peer review process or other methods of assuring the quality of such applications; and

"(B) Governors may use a peer review process or other methods that ensure that applications are funded and approved on the basis of need and quality.

"(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).

"(B) A State educational agency may disapprove a local educational agency's 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 agen-

cy determines will best promote the purpose of this title, except that a local educational agency shall be afforded an opportunity to appeal any such disapproval.

"SEC. 4117. NATIONAL EVALUATIONS AND DATA COLLECTIONS.

''(a) NATIONAL EVALUATIONS.—

''(1) The Secretary shall provide for periodic national evaluations, at least every 2 years, of the quality and impact of programs under this title and other programs designed to prevent drugs and violence in schools and submit a report of the findings of such evaluations to the President and Congress.

''(2)(A) The National Center for Education Statistics shall collect data for the following purposes:

''(i) To determine the frequency, seriousness, and incidence of drug use by youth in schools and communities in the States using, if appropriate, data submitted by the States pursuant to subsection (b).

''(ii) To determine the frequency, degree of harm, and morbidity of violent incidents, particularly firearm-related injuries and fatalities,

by youth in schools and communities in the States, including information with respect to—

"(I) the relationship between victims and perpetrators;

"(II) demographic characteristics of victims and perpetrators; and

"(III) type and characteristic of the firearm used in the shooting.

"(B) The Secretary shall report to Congress on the data collected under this paragraph, together with such recommendations as the Secretary determines appropriate.

"(3) The Secretary shall publish annual reports on school safety.

"(b) STATE REPORTS.—

"(1) The Governor and State educational agency of each State shall annually report to the Secretary, in such form as the Secretary may require, on the State's progress toward attaining its performance indicators, required under section 4112(a)(1)(B), for achieving drug-free, safe, and orderly learning environments in its schools. Annual reports shall—

"(A) be based on the State's ongoing evaluation activities;

"(B) include data on the prevalence and incidence of drug use and violence by youth in schools and communities;

"(C) address the implementation and outcomes of State and local programs under this part, as well as their effectiveness; and

"(D) be made readily available to the public.

"(2) Each State shall report to the Secretary, in such form as the Secretary, in consultation with the Secretary of Health and Human services, may require, all school-related suicides and homicides within the State not later than 30 days after the incident.

"(c) LOCAL REPORTS.—

"(1)(A) Each local educational agency that receives a subgrant under section 4113(d) shall report annually to the State educational agency and the public on—

"(i) the local educational agency's progress toward meeting its results-based performance indicators for its program;

"(ii) the results of its on-going evaluation of its program; and

"(iii) any problems the local educational agency has encountered in implementing its program that warrant the provision of technical assistance by the State educational agency.

"(B)(i) The State educational agency shall review the annual reports described under paragraph (1) and shall not provide funding for the second or third year of a local educational agency's program unless it determines that the local educational agency is making reasonable progress toward meeting its objectives.

"(ii) Before the denial of funding under clause (i) a local educational agency shall be afforded an opportunity to a hearing.

"(2)(A) Each recipient of funds under section 4115 shall report annually to the Governor and to the public on—

"(i) its progress toward meeting its results-based performance measures for its program;

"(ii) the results of its on-going evaluation of its program; and

"(iii) any problems it encountered in implementing its program that warrant the

provision of technical assistance by the Governor.

"(B) The Governor shall review the annual reports described under subparagraph (A), and shall not provide funding for subsequent years of a multiyear program unless the Governor determines that the recipient is making reasonable progress toward meeting its objectives.

"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.

"SEC. 4119. PRINCIPLES OF EFFECTIVENESS.

''The principles of effectiveness referred to under this title are as follows:

''(1) The applicant's program is based on a thorough assessment of objective data about the drug and violence problems in the schools and communities to be served.

''(2) The applicant has established a set of measurable goals and objectives aimed at ensuring that all schools served by the local educational agency have a drug-free, safe, and orderly learning environment, and has designed its programs to meet those goals and objectives.

''(3) The applicant has designed and will implement its programs for youth based on research or evaluation that provides evidence that the program to be used will prevent or reduce drug use, violence, delinquency, or disruptive behavior among youth.

''(4) The applicant will evaluate its program periodically to assess its progress toward achieving its goals and objectives, and will use evaluation results to refine, improve, and strengthen its program, and refine its goals and objectives, as needed.

"Subpart 2—National Programs

"SEC. 4121. NATIONAL PROGRAMS.

"(a) PROGRAM AUTHORIZED.—From funds appropriated to carry out this part for each fiscal year under section 4004(2), the Secretary shall—

"(1) carry out programs designed to promote drug-free, safe, and orderly learning environments for students at all educational levels, from preschool through the postsecondary level; and

"(2) reserve the lesser of 5 percent or $10,000,000 to carry out section 4122, relating to Hate Crime prevention.

"(b) DRUG-FREE, SAFE, AND ORDERLY LEARNING ENVIRONMENTS.—

"(1) The Secretary may carry out the programs described in subsection (a)(1)(A) directly, or through grants, contracts, or cooperative agreements with public and private agencies, organizations, and individuals, or through agreements with other Federal agencies, and shall coordinate with other Federal agencies, as appropriate.

"(2) Programs under this subsection may include, but are not limited to—

"(A) one or more centers to provide training and technical assistance for teachers, school administrators and staff, and others on the

identification and implementation of effective strategies to promote safe, orderly, and drug-free learning environments;

''(B) programs to train teachers in innovative techniques and strategies of effective drug and violence prevention;

''(C) research and demonstration projects to test innovative approaches to drug and violence prevention;

''(D) evaluations of the effectiveness of programs funded under this title, or other programs designed to create safe, disciplined, and drug-free environments;

''(E) direct services and technical assistance to schools and school systems, including those afflicted with especially severe drug and violence problems;

''(F) developing and disseminating drug and violence prevention materials and information in print, audiovisual, or electronic format, including information about effective research-based programs, policies, practices, strategies, and curriculum and other relevant materials to support drug and violence prevention education;

"(G) recruiting, hiring, and training program coordinators to assist local educational agencies in implementing high-quality, effective, research-based drug and violence prevention programs;

"(H) the development and provision of education and training programs, curricula, instructional materials, and professional training for preventing and reducing the incidence of crimes or conflicts motivated by bullying, hate, prejudice, intolerance, or sexual harassment and abuse;

"(I) programs for youth who are out of the education mainstream, including school drop-outs, students who have been suspended or expelled from their regular education program, and runaway or homeless children and youth;

"(J) programs implemented in conjunction with other Federal agencies that support local educational agencies and communities in developing and implementing comprehensive programs that create safe, disciplined, and drug-free learning environments and promote healthy childhood development;

"(K) services and activities that reduce the need for suspension and expulsion in maintaining classroom order and discipline;

"(L) services and activities to prevent and reduce truancy;

"(M) services and activities by an organization that uses an effective life management skills curriculum specifically designed to target at-risk and disenfranchised youth who are confronted with multiple challenging problems;

"(N) programs to provide counseling services to troubled youth, including support for the recruitment and hiring of counselors and the operation of telephone help lines; and

"(O) other activities that meet emerging or unmet national needs consistent with the purposes of this title.

"(c) PEER REVIEW.—The Secretary shall use a peer review process in reviewing applications for funds under this section.

"SEC. 4122. HATE CRIME PREVENTION.

"(a) GRANT AUTHORIZATION.—From funds reserved to carry out this section under section 4121(a)(2) the Secretary may make grants, on a competitive basis, to local educational agencies or local educational agencies in con-

junction with 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, at such time, and containing such information as the Secretary may reasonably require.

"(3) REQUIREMENTS.—Each application under paragraph (2) shall include—

"(A) a request for funds to be used consistent with the purposes described in this section;

"(B) a description of the schools and communities to be served by the grants; and

"(C) or assurance that Federal funds received under this section shall be used to supplement, not supplant, non-Federal funds.

"(4) COMPREHENSIVE PLAN.—Each application shall also include a comprehensive plan that contains—

"(A) a description of the hate crime or conflict problems within the schools or the community described in paragraph (3)(B);

"(B) a description of the program to be developed or augmented by such Federal and non-Federal matching funds (which may be provided in cash, or in-kind);

"(C) an assurance that such program or activity shall be administered by or under the supervision of the applicant;

"(D) procedures for proper and efficient administration of such program; and

"(E) procedures for fiscal control and fund accounting 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 schools and communities described in subsection (b)(3)(B) 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 make available information regarding successful research based hate crime prevention programs, including programs established or expanded with grants under this section to grantees under this section.

"(d) REPORTS.—The Secretary shall submit to the Committee on Education and the Workforce in the House of Representatives and the Committee on Health, Education, Labor, and Pensions in the Senate a report every 2 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.

"For the purposes of this part:

"(1) 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 dis-

ruptive 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.

''(2) HATE CRIME.—The term 'hate crime' means a crime as described in section 1(b) of the Hate Crime Statistics Act of 1990.

''(3) 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.

''(4) SCHOOL-AGED POPULATION.—The term 'school-aged population' means the population aged 5 through 17, as determined by the Secretary on the basis of the most recent satisfactory data available from the Department of Commerce.

''(5) SCHOOL PERSONNEL.—The term 'school personnel' includes teachers, administrators, guid-

ance 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) 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. 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.

"PART B—ALTERNATIVE EDUCATION

"SEC. 4201. PURPOSE.

''The purpose of this part is to assist local educational agencies to implement, establish, develop, or improve—

''(1) sound and equitable policies that ensure a safe, orderly, and drug-free learning environment for all children, while reducing the need to suspend or expel students and the number of such suspensions and expulsions; and

''(2) educational supports, services, and programs, using trained and qualified staff, for children aged 5 through 21 who have been suspended or expelled so such children make continuing progress toward meeting the State's challenging academic standards.

"SEC. 4202. RESERVATION AND ALLOTMENTS.

''(a) RESERVATION.—From the amount made available under section 4004(3) to carry out this part for each fiscal year, the Secretary—

''(1) shall reserve 0.5 percent of such amount for grants to Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Marshall Islands, and the Federated States of Micronesia;

"(2) shall reserve 1 percent of such amount for the Secretary of the Interior to carry out programs under this part for Indian children; and

"(3) may reserve not more than the lesser of 5 percent or $5,000,000 for evaluation and national activities under section 4212.

"(b) STATE EDUCATIONAL AGENCY ALLOTMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), and after making the reservations in subsection (a), the Secretary shall, for each fiscal year, allot among the States the remainder according to the ratio between the amount each State received under part A of title I for the preceding year and the sum of such amounts received by all the States for such year.

"(2) MINIMUM.—For any fiscal year, the Secretary shall not allot to a State an amount under this subsection that is less than one-quarter 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).

"(c) WITHIN-STATE DISTRIBUTION OF FUNDS.—Each State educational agency having an approved application pursuant to section 4203 and receiving an allotment under subsection (b), shall—

"(1) allot not less than 95 percent of such allocation to local educational agencies pursuant to section 4207(a) or 4207(b); and

"(2) reserve not more than 5 percent for State level activities and evaluation, of which not more than 40 percent may be used for administration.

"SEC. 4203. STATE EDUCATIONAL AGENCY APPLICATIONS.

"Each State educational agency seeking a grant under this part shall submit an application in such form, and containing such information, as the Secretary may reasonably require. At a minimum, the application shall include—

"(1) a description of the competitive process the State educational agency will use to award grants to local educational agencies if the total amount appropriated under this part is less than $350,000,000 in any given fiscal year;

"(2) a description of the performance indicators the State educational agency will establish, con-

sistent with section 4206, that will be used to evaluate local educational agency programs funded under this part;

''(3) an assurance that State educational agency programs funded under this part shall be based on the most effective research;

''(4) a description of the research-base of programs funded under this part;

''(5) a description of the professional development necessary for teachers, other educators, and pupil services personnel to implement alternative education supports, services, and programs based on the most effective research;

''(6) a description of how the State will ensure a reduction in the number of suspensions and expulsions, including reductions among groups of minority, low-income, and disabled children;

''(7) a description of the programs and activities the State will carry out under section 4205;

''(8) an assurance that the State educational agency will make awards to local educational agencies under section 4207(a) based on the quality of their programs and their need for assistance under this part;

"(9) a description of how the State will ensure the implementation of disciplinary policies that are fair and equitable;

"(10) a description of how the State will ensure that supports, services, and programs funded under this part will enable children to meet challenging State academic standards;

"(11) a description of how the State will ensure that programs funded under this part include adequate support services for students and their families, including counseling, and will coordinate with and use services available through juvenile justice, mental health, and social services agencies;

"(12) an assurance that the State and local educational agencies which receive funds under this part will use such funds to provide educational services to children who have been suspended or expelled from school; and

"(13) a description of how the State will ensure the programs funded under this part provide adequate support for students to return to a regular education setting, if appropriate.

"SEC. 4204. STATE APPLICATION APPROVAL.

"The Secretary shall review the application of a State educational agency for assistance under this part and shall

approve the application, unless the Secretary makes a determination in writing that such application does not meet the specific requirements of this part or is of insufficient quality to meet the purposes of this part.

"SEC. 4205. STATE EDUCATIONAL AGENCY ACTIVITIES.

"(a) REQUIRED USES OF FUNDS.—A State educational agency shall use funds made available under section 4202(c)(2) for the following activities:

"(1) IDENTIFICATION.—Identification and dissemination of effective supports, services, and programs that are consistent with the purposes of this part, based on the most effective research, to local educational agencies within the State.

"(2) ASSISTANCE.—Technical assistance designed to improve the performance of supports, services, and programs funded under this part.

"(3) EVALUATION.—Evaluation of programs funded under this part, and dissemination of the findings of the evaluations.

"(b) PERMISSIVE USES OF FUNDS.—A State educational agency may use funds made available under section 4202(c)(2) for the following activities:

"(1) DEVELOPMENT.—Development of effective supports, services, and programs consistent with the purposes of this part.

"(2) PROFESSIONAL DEVELOPMENT.—Professional development designed to provide teachers, pupil services personnel, and other related instructional personnel with skills necessary to integrate behavior intervention techniques and methodology into the academic curriculum used by the State and local educational agencies to maintain effective discipline and an environment conducive to learning that reduces the need to suspend or expel students.

"(3) OTHER ACTIVITIES.—Any other activities consistent with the purposes of this part.

"SEC. 4206. STATE PERFORMANCE MEASURES.

"Each State educational agency shall establish performance indicators and acceptable goals of progress to evaluate the effectiveness of programs funded under this part. Such performance indicators shall include, at a minimum:

"(1) reduction in the number of incidents of disruptive and violent behavior;

"(2) reduction in the number of suspensions and expulsions;

"(3) reduction in the total amount of time students are out of school as a result of being suspended or expelled;

"(4) attainment of challenging State academic standards by students in programs funded under this part;

"(5) reduction in dropout rate; and

"(6) an increase in the number of students returning successfully to a regular education program, as appropriate.

"SEC. 4207. LOCAL EDUCATIONAL AGENCY DISTRIBUTION OF FUNDS.

"(a) COMPETITIVE GRANTS.—In any fiscal year in which the total amount provided under section 4004(3) is less than $350,000,000, a State educational agency shall distribute funds under section 4202(c)(1) on a competitive basis to local educational agencies that have an approved application under section 4208 and can demonstrate a significant number of incidents of children aged 5 through 21 who have been suspended or expelled from public school. Such competitive grant process shall—

"(1) give priority to local educational agencies in which more than 30 percent of the children are from families with incomes below the poverty line;

"(2) ensure that each grant shall be of sufficient size and scope so as to be effective;

"(3) ensure, to the extent practicable, distribution of grants on an equitable geographic basis, in-

cluding selecting agencies that serve urban, suburban, and rural populations; and

"(4) utilize a peer review process to approve applications.

"(b) FORMULA GRANTS.—

"(1) IN GENERAL.—In any fiscal year in which the total amount provided under section 4004(3) equals or exceeds $350,000,000, the State educational agency shall distribute funds under section 4202(c)(1) on the following basis:

"(A) 80 percent of such amount shall be allocated to such local educational agencies in proportion to the number of children, aged 5 through 17, who reside in the school district served by the local educational agency from families with incomes below the poverty line applicable to a family of the size involved for the most recent fiscal year for which satisfactory data are available compared to the number of such individuals who reside in the school districts served by all the local educational agencies in the State for that fiscal year.

"(B) 20 percent of such amount to local educational agencies, based on the relative enrollments in public and private nonprofit ele-

mentary and secondary schools within the boundaries of such agencies.

"(2) REALLOCATION.—If a local educational agency chooses not to apply to receive the amount allocated to such agency under paragraph (1), or if such agency's application is disapproved by the State educational agency pursuant to section 4209, the State educational agency shall reallocate such amount to other local educational agencies on the same basis as allocations are made under paragraph (1).

"(c) FEDERAL SHARE.—The Federal share of programs funded under this part shall be—

"(1) 75 percent for local educational agencies in which 30 or more percent of the children who reside in the school district served by the local educational agency are from families with incomes below the poverty line; and

"(2) 35 percent for local educational agencies in which less than 30 percent of the children who reside in the school district served by the local educational agency are from families with incomes below the poverty line.

"(d) NON-FEDERAL SHARE.—Local educational agencies may satisfy the non-Federal share funding re-

quirements of this section with in-kind contributions and may use Federal funds, other than those provided under this part, that may be used to carry out the purposes of this part.

"SEC. 4208. LOCAL APPLICATION.

"In order to be eligible to receive a grant under section 4207, for any fiscal year, a local educational agency shall submit an application to the State educational agency, at such time, and containing such information as the State educational agency shall require. Such application shall, at a minimum, include—

"(1) an assurance that programs shall serve children aged 5 through 21 who have been suspended or expelled from another public school within the local educational agency;

"(2) a description of how the local educational agency will provide, in a safe, orderly, and drug-free learning environment with trained and qualified staff, educational supports, services, and programs for students who have been suspended or expelled so such students are able to meet the State's challenging academic standards;

"(3) a description of the plan of the local educational agency for reducing the number of suspensions and expulsions and reducing the total amount

of time students are out of a regular education setting as a result of being suspended or expelled;

''(4) a plan for training teachers, pupil services personnel, and other appropriate school staff on effective strategies for dealing with disruptive students;

''(5) a description of how the local educational agency will involve parents in the education of children who have been suspended or expelled, to the extent possible;

''(6) an assurance that local educational agencies will develop annually increasing quantifiable program performance goals, consistent with the State's performance indicators under section 4206;

''(7) information demonstrating how the applicant will continue the programs and activities developed under this part after completion of the grant;

''(8) an assurance that the program will provide sufficient support services for children and their families, including counseling, and will coordinate with and utilize services provided through juvenile justice, social service, and mental health agencies;

''(9) an assurance that the program will assist participating students in making the transition back to a regular education setting, as appropriate; and

"(10) provide an assurance that such program will place an emphasis on personal, academic, social, and workplace skills and behavior modification, as appropriate.

"SEC. 4209. LOCAL APPLICATION APPROVAL.

"The State educational agency shall review the application of a local educational agency for assistance under this part. For the purposes of grants awarded under section 4207(b), such application shall be deemed approved unless the State makes a determination in writing that such application does not meet the specific requirements of this part or is of insufficient quality to meet the purposes of this part.

"SEC. 4210. LOCAL EDUCATIONAL AGENCY USES OF FUNDS.

"Each local educational agency, with an approved application under section 4209, shall use funds provided under section 4207 for one or more of the following activities, which shall be based on the most effective research:

"(1) The development, establishment, or improvement of alternative schools, either established within a school or separate and apart from an existing school, that are designed—

"(A) to reduce disruptive behavior;

"(B) to reduce the need for repeat suspensions and expulsions; and

"(C) to enable students to meet challenging State academic standards.

"(2) The development, establishment, or improvement of alternative supports, services, programs, and strategies for students served by programs funded under this part.

"(3) Professional development for teachers, administrators, pupil services personnel, and other school staff on the most effective ways of preventing students from disrupting class, and for dealing with those students who disrupt class.

"(4) Mentoring, tutoring, and other services for students.

"(5) Counseling and mental health services, such as mental health assessment and counseling, counseling on transitioning to work or other educational options, and family counseling.

"(6) Programs in such areas as conflict resolution, peer mediation, character education, social skills building, alcohol, drug, and violence prevention, and behavior interventions.

"(7) Programs providing sufficient support services for children and their families, including counseling, and coordination with and utilization of

services provided through juvenile justice, social service, and mental health agencies.

''(8) Activities to assist students in making the transition back to regular school programs, as appropriate.

''(9) Programs to assist students to meet challenging academic standards.

''(10) Other programs and activities consistent with the purposes of this part.

''SEC. 4211. PROGRAM EVALUATION.

''(a) IN GENERAL.—(1) Each State educational agency receiving funds under this part shall evaluate the effectiveness of programs and activities carried out under this part in reducing the need to suspend or expel students and in helping students who have been suspended or expelled to meet the State's challenging academic standards.

''(2) In evaluating local programs, the State educational agency shall, as appropriate, review performance data based on the attainment of the goals established by local educational agencies under section 4208(6), disaggregated, as appropriate, on the basis of gender, race, ethnicity, migrant status, limited English proficiency status, disability, primary versus secondary education, and economic status.

"(b) EVALUATION RESULTS, CORRECTIVE ACTION, AND TERMINATION OF FUNDS.—

"(1) RESULTS.—Each State educational agency shall submit the results of its evaluation to the Secretary in an annual report. The Secretary shall submit a summary of the annual reports to both the Committee on Education and the Workforce of the House of Representatives and the Health, Education, Labor, and Pensions Committee of the Senate.

"(2) DISTRIBUTION.—Each State educational agency shall distribute the results of the evaluation of individual programs to each evaluated program.

"(3) INSUFFICIENT PROGRESS.—If a State educational agency determines that a local educational agency's program under this part did not make sufficient progress toward the performance indicators established by the State educational agency based on the goals described in section 4208(6), the State educational agency shall provide technical assistance to such program. After two consecutive years of failure by a program to make sufficient progress toward the levels of performance established by the State educational agency, the State educational agency shall take such action as may be necessary, includ-

ing the withdrawal of funds, in whole or in part, from such program.

"SEC. 4212. NATIONAL ACTIVITIES AND EVALUATION.

"(a) EVALUATION BY THE SECRETARY.—The Secretary shall evaluate a representative sample of the programs funded under this part, and shall report the findings of the evaluation 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 3 years after the first grants are made under this part.

"(b) RESEARCH.—The Secretary shall conduct research, directly or through grants or contracts, to develop and identify proven alternative education practices. The Secretary shall disseminate such alternative education practices to State educational agencies and local educational agencies receiving funds under this Act.

"(c) OTHER NATIONAL ACTIVITIES.—The Secretary may directly, or through grants or contracts, carry out programs and activities consistent with the purposes of this part such as, collection of data, dissemination of information, and development of model programs and activities.

"SEC. 4213. SPECIAL RULES.

"(a) CONSTRUCTION.—Nothing in this part shall be construed to affect the requirements of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) or the Gun-Free Schools Act (20 U.S.C. 8921 et seq.).

"(b) SUPPLEMENT.—Funds made available under this part shall be used to supplement, and shall not supplant, non-Federal funds expended to carry out programs and activities authorized by this part.

"PART C—RESOURCE STAFF FOR STUDENTS

"SEC. 4311. FINDINGS.

"Congress finds the following:

"(1) Although 7,500,000 children under the age of 18 require mental health services, fewer than 1 in 5 of these children receive the services.

"(2) Across the United States, counseling professionals have an extremely busy caseload and often students do not get the help they need. The current national average ratio of students to counselors in elementary and secondary schools is 513:1.

"(3) Schools in the United States need more mental health professionals, and the funds needed to hire staff to specifically serve students.

"(4) The maximum recommended ratio of students-to-counselors is 250:1.

"(5) Existing counselors are severely taxed to perform duties that are largely administrative in nature, such as scheduling. They are burdened with many demands regarding placement in colleges, testing, career guidance, and the like.

"(6) Student populations are expected to grow significantly over the next few years. School-based services for students will be in great demand. With expected large scale retirements, more than 100,000 new dedicated resource staff for students will be needed to increase student-to-staff service availability.

"(7) The Federal support for reducing the student-to-staff ratio would pay for itself, through reduced violence and substance abuse, and through improvements in students' academic achievement.

"SEC. 4312. PURPOSE.

"The purpose of this part is to assist States and local educational agencies to recruit, train, and hire 100,000 school-based resource staff to specifically work with students—

"(1) to reduce the student-to-counseling ratios nationally, in grades 6–12, to an average of 1 such staff for every 250 students as recommended in a report by the Institute of Medicine of the National

Academy of Sciences relating to schools and health, issued in 1997;

"(2) to help address the mental, emotional, and developmental needs of public school students; and

"(3) to support other school staff and teachers in reaching students early before problems arise, conducting behavioral interventions to improve school discipline, and developing the awareness and skills to identify early warning signs of violence and the need for mental health services.

"SEC. 4313. STUDENT RESOURCE STAFF PROGRAM.

"(a) IN GENERAL.—From funds provided under section 4004(4), the Secretary shall award grants under this part to establish or expand the number of resource staff available for students' needs.

"(1) DISTRIBUTION.—In awarding grants under this part, the Secretary shall allocate funds proportionately based on the population that is less than 18 years of age in each local educational agency.

"(2) DURATION.—A grant under this section shall be awarded for a period not to exceed 3 years.

"(b) APPLICATIONS.—

"(1) IN GENERAL.—Each local educational agency desiring a grant under this section shall sub-

mit 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 secondary public school population to be targeted by the program, the particular personal, social, emotional, education, 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; and

"(D) document that the applicant has the personnel qualified to develop, implement, and administer the program.

"(c) USE OF FUNDS.—Funds under this section shall be used to initiate or expand student resource staff programs that carry out the purpose under section.

"(d) DEFINITIONS.—For the purposes of this part the term 'resource staff' means an individual who has documented competence and training in mental health to be able to provide services to children and adolescents in a school setting and who—

"(1) possesses State licensure or certification in mental health granted by an independent professional regulatory authority;

"(2) in the absence of such State licensure or certification, possesses national certification in mental health or in a related specialty granted by an independent professional organization;

"(3) holds at least a master's degree in school counseling from a program accredited by the Council for Accreditation of Counseling and Related Educational Programs or an equivalent degree;

"(4) 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, and possesses State licensure or certification in school psychology in the State in which the individual works; or

"(5) holds a master's degree in social work and is licensed or certified by the State in which services are to be provided or holds a school social work specialist credential.

"PART D—TECHNICAL ASSISTANCE

"SEC. 4411. COMPREHENSIVE PREVENTION TECHNICAL ASSISTANCE GRANTS.

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized to provide grants to State educational agencies that meet the requirements of this part to implement prevention programs that meet a high scientific standard of program effectiveness.

"(b) CONTENTS OF STATE PLAN.—To be eligible to receive a grant under this part, a State educational agency shall submit an application, to the Secretary at such time and including such information as the Secretary may reasonably require, including a State plan that describes—

"(1) the process and selection criteria by which the State educational agency will make competitive grants to eligible local educational agencies;

"(2) how the State educational agency will ensure that only high quality, well-defined, and well-documented comprehensive prevention programs are funded;

"(3) how the State educational agency will disseminate materials developed or collected by the Secretary about research-based comprehensive prevention models that are proven to be effective and will provide technical assistance to assist local educational agencies in evaluating, selecting, developing, and implementing comprehensive prevention programs;

"(4) how the State educational agency will evaluate the implementation of comprehensive prevention programs and measure the results achieved in preventing violence, criminal and delinquent behavior, substance abuse, and other problem behaviors and improving student academic performance;

"(5) how the State educational agency will ensure that local programs meet the requirements of section 4214(c); and

"(6) provide an assurance that funds provided under this part shall supplement, and not supplant, other Federal, State, and local funds that would otherwise be available for the purposes described under this part.

"SEC. 4412. RESERVATIONS AND ALLOCATIONS.

"(a) RESERVATIONS.—From the funds made available under section 4004(5) to carry out this part for each fiscal year, the Secretary shall—

"(1) reserve funds in accordance with paragraphs (1), (2), and (4) of section 4111(a); and

"(2) except as provided in subsection (b), allocate the remainder of funds among the States in accordance with section 4111(b)(1).

"(b) REALLOCATION OF FUNDS TO STATES.—If a State educational agency does not develop a plan that meets the requirements of section 4411(b), the Secretary shall not make an allocation to the State under subsection (a)(2) and shall allocate such funds in accordance with section 4111(b)(1) to other States that have developed such plans. Funds allocated to a State under this subsection may be used only to implement programs under this subpart.

"SEC. 4413. DISTRIBUTION OF FUNDS.

"(a) FUNDS TO LOCAL EDUCATIONAL AGENCIES.—

"(1) IN GENERAL.—Each State educational agency that receives an allocation under this part shall use such funds to make competitive grants to local educational agencies.

"(2) AWARDS.—In awarding competitive grants under this part, a State educational agency shall—

"(A) give the highest priority to local educational agencies with demonstrated need in accordance with the criteria described in section 4113(d)(2)(C)(ii);

"(B) make grant awards that are of sufficient size and scope to support the initial start-up costs for a comprehensive prevention plan that meets the requirements of this part; and

"(C) take into account the equitable distribution of awards to different geographic regions within the State, including urban and rural areas, and to schools serving elementary and secondary students.

"(b) RESERVATION.—A State educational agency may use not more than 5 percent of the funds made available to it under this section for administrative, evaluation, and technical assistance expenses, including expenses necessary to inform local educational agencies about research-based comprehensive prevention approaches that have proven to be effective.

"SEC. 4414. LOCAL AWARDS.

"(a) IN GENERAL.—To be eligible to receive a subgrant under this subpart for any fiscal year, a local educational agency shall submit, at such time and including such information, as the State educational agency re-

quires, an application to the State educational agency for approval.

"(b) PLAN.—Each local educational agency shall submit a plan to the State educational agency demonstrating how it will meet the requirements of subsection (c).

"(c) USE OF FUNDS.—A grant awarded to a local educational agency under this part shall be used only for the purpose of identifying and implementing comprehensive prevention programs that—

"(1) employ strategies or approaches that are based on reliable research and that show effectiveness in preventing violence, criminal and delinquent behavior, substance abuse, and other problem behaviors and improving student academic performance;

"(2) comprehensively address the mental, emotional, social, and physical health of children and adolescents;

"(3) employ developmentally appropriate activities and interventions;

"(4) assist children and adolescents in improving cognitive, affective, and behavioral skills;

"(5) use methods that ensure the active engagement of the children and adolescents who participate and that facilitate better communication between children and adults about problem situations;

"(6) provide for the meaningful involvement of parents, educators, health and mental health professionals, and the local community in planning and implementation;

"(7) provide high-quality and continuous staff professional development and training;

"(8) have measurable outcome goals and a clear evaluation plan, including annual reports to the State and the Secretary;

"(9) use high-quality external technical support and assistance from individuals or entities with experience and expertise in developing, implementing, and evaluating comprehensive prevention approaches; and

"(10) identify how other resources (Federal, State, local, and private) available to the State will be used to coordinate services to support and sustain the comprehensive prevention effort.

"PART E—RELATED PROVISIONS; GUN-FREE SCHOOLS

"SEC. 4511. GUN-FREE SCHOOLS.

"(a) SHORT TITLE.—This part may be cited as the 'Gun-Free Schools Act'.

"(b) REQUIREMENTS.—

"(1) Each State receiving Federal funds under the Elementary and Secondary Education Act of 1965 shall have in effect a State law requiring local educational agencies to expel from school, for a period of not less than 1 year, a student who is determined to have possessed a firearm at school under the jurisdiction of a local educational agency in that State, except that such State law shall allow the chief administering officer of that local educational agency to modify the expulsion requirement for a student on a case-by-case basis.

"(2) For the purpose of this section, the term 'firearm' has the same meaning given that term in section 921 of title 18, United States Code (which includes bombs).

"(c) SPECIAL RULE.—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 under this Act shall provide to the State in its application—

"(1) an assurance that such local educational agency is in compliance with the State law required by subsection (b);

"(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 (disaggregated by gender, race, ethnicity, and educational level); and

"(C) the type of weapons concerned; and

"(3) the number of—

"(A) students referred to the criminal justice or juvenile justice system as required by section 4512(a)(1); and

"(B) instances in which the chief administering officer of a local educational agency modified the expulsion requirement described in subsection (b)(1) on a case-by-case basis.

"(e) REPORTING.—Each State shall report the information described in subsection (d) to the Secretary on an annual basis.

"SEC. 4512. REQUIREMENTS.

"(a) REQUIRED POLICIES.—No funds shall be made available under this Act to any local educational agency unless that agency has a policy ensuring—

"(1) that any student who possesses a firearm at school served by such agency is referred to the criminal justice or juvenile justice system;

"(2) that a student described in paragraph (1) is referred to a mental health professional for assessment as to whether he or she poses an imminent threat of harm to himself, herself, or others and needs appropriate mental health services before readmission to school; and

"(3) that a student under paragraph (1) who has been determined by a mental health professional to pose an imminent threat of harm to himself, herself, or others receive appropriate mental health services before being permitted to return to school.

"(b) SPECIAL RULE.—This section shall be construed in a manner consistent with the Individuals with Disabilities Education Act.

"(c) DEFINITIONS.—For the purposes of this section, the terms 'firearm' and 'school' have the same meaning given those terms in section 921(a) of title 18, United States Code.

"SEC. 4513. POLICIES.

"(a) REQUIRED POLICY.—Each State educational agency and local educational agency that receives funds under this title shall have a policy that prohibits cigarette

vending machines, and the illegal possession or use of drugs and alcohol, in any form, at any time, and by any person, in school buildings, on school grounds, or at any school-sponsored event.

''(b) ASSURANCE.—Each local educational agency requesting assistance under this title from the State educational agency shall include in its application an assurance that it is in compliance with the requirements of this section.

''(c) STATE REPORTING.—Each State educational agency shall report to the Secretary on an annual basis if any local educational agency is not in compliance with the requirements of subsection (a).

''SEC. 4514. SUPPLANTING PROHIBITED.

''Funds under this title shall be used to increase the level of State, local, and other non-Federal funds that would, in the absence of funds under this title, be made available for programs and activities authorized under this title, and in no case to supplant such State, local, and other non-Federal funds.''.

TITLE V—MAGNET SCHOOLS ASSISTANCE, PUBLIC SCHOOL CHOICE, AND NATIONAL PRIORITIES

SEC. 501. MAGNET SCHOOLS ASSISTANCE.

(a) HEADING.—The heading for title V is amended to read as follows:

"TITLE V—INNOVATIVE PUBLIC SCHOOL CHOICE AND NATIONAL PRIORITIES

(b) MAGNET SCHOOL ASSISTANCE.—Part A of title V (20 U.S.C. 7201 et seq.) is amended to read as follows:

"PART A—MAGNET SCHOOL ASSISTANCE

"SEC. 5101. FINDINGS.

''Congress finds the following:

''(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 the enactment of the Magnet Schools Assistance program, with approximately 2,000,000 students nationwide now attending such schools, of which more than 65 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 select 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.

"(5) It is in the national interest to—

"(A) continue the Federal Government's support of school districts implementing court-ordered desegregation plans and school districts voluntarily 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 technologically oriented society and a highly competitive economy;

"(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;

"(D) ensure that grant recipients provide adequate data which demonstrates an ability to improve student achievement; and

"(E) desegregate and diversify those schools in our Nation that are racially, economically, linguistically, or ethnically segregated.

"(6) Such segregation exists between minority and nonminority students as well as among students of different minority groups.

"SEC. 5102. 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 edu-

cational 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 that promote diversity and increase choices in public elementary and secondary schools and educational programs; 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 and technical skills of students attending such schools.

''SEC. 5103. 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. DEFINITION.

''For the purposes 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. 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 minor-

ity-group-segregated children or faculty in such schools.

"SEC. 5106. 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 ap-

plicable, 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 improve student academic performance for all students attending the magnet schools; 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 fully qualified teachers (as defined in section 1119) in the courses of instruction assisted under this part;

"(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.

"SEC. 5107. 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; and

"(3) propose to select students to attend magnet school projects by methods such as lottery, rather than through academic examination.

"SEC. 5108. 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 fully qualified, 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; and

"(5) for activities, which may include professional development, that will build the recipient's capacity to operate magnet school programs once the grant period has ended.

"(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' academic performance based on the State's challenging content standards and challenging student performance standards or 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 and technical skills.

"SEC. 5109. 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. LIMITATIONS.

"(a) DURATION OF AWARDS.—A grant under this part shall be awarded for a period that shall not exceed 3 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 1 fiscal year.

"(d) TIMING.—To the extent practicable, the Secretary shall award grants for any fiscal year under this part not later than July 1 of the applicable fiscal year.

"SEC. 5111. EVALUATIONS.

"(a) RESERVATION.—The Secretary may reserve not more than 2 percent of the funds appropriated under section 5112(a) for any fiscal year to carry out evaluations, technical assistance, and dissemination projects with respect to magnet school projects and programs 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. 5112. AUTHORIZATION OF APPROPRIATIONS; RESERVATION.

"(a) AUTHORIZATION.—For the purpose of carrying out this part, there are authorized to be appropriated $150,000,000 for fiscal year 2002 and such sums as may be necessary for each of fiscal years 2004 through 2006.

"(b) AVAILABILITY OF FUNDS FOR GRANTS TO AGENCIES NOT PREVIOUSLY ASSISTED.—In any fiscal year for which the amount appropriated pursuant to sub-

section (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.

"SEC. 5113. 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) 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 5103, 5106, 5107, and 5108 shall not apply to grants awarded under subsection (a).

"(c) APPLICATIONS.—Each local educational agency or consortium 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 5112(a) for each fiscal year to award grants under this section.".

SEC. 502. WOMEN'S EDUCATIONAL EQUITY.

Part B of title V is amended—

(1) by redesignating sections 5201 through 5208 as sections 5151 through 5158, respectively; and

(2) section 5158 (as so redesignated) is amended to read as follows:

"SEC. 5158. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated $5,000,000 for fiscal year

2002 and such sums as may be necessary for each of the 4 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 5153(b)(1).''.

SEC. 503. FUND FOR THE IMPROVEMENT OF EDUCATION.

Part A of title X is redesignated as part C of title V and is amended to read as follows:

''PART C—FUND FOR THE IMPROVEMENT OF EDUCATION

''SEC. 5201. FUND FOR THE IMPROVEMENT OF EDUCATION.

''(a) FUND AUTHORIZED.—From funds appropriated under subsection (e), the Secretary is authorized to support nationally significant programs and projects to improve the quality of elementary and secondary education, assist all students to meet challenging State content standards and challenging State student performance standards. 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) activities that will promote systemic education reform at the State and local levels, such as—

"(A) research and development related to challenging State content and challenging State student performance standards;

"(B) 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;

"(C) 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;

"(D) developing and evaluating programs that directly involve parents and family members in the academic progress of their children;

"(E) 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, encouraging the development of problem-solving skills drawing on a vast range of disciplines, and promoting the development of higher order thinking by all students; and

"(F) developing and evaluating strategies for supporting professional development for teachers across all disciplines that is consistent with the requirements of title II 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;

"(2) 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;

''(3) activities to promote and evaluate counseling and mentoring for students, including intergenerational mentoring;

''(4) activities to promote and evaluate coordinated pupil services programs;

''(5) activities to promote comprehensive health education;

''(6) activities to promote environmental education;

''(7) activities to promote consumer, economic, and personal finance education, such as saving, investing, and entrepreneurial education;

''(8) activities to promote programs to assist students to demonstrate competence in foreign languages;

''(9) studies and evaluation of various education reform strategies and innovations being pursued by the Federal Government, States, and local educational agencies;

''(10) senior mentoring of at-risk children;

''(11) the identification and recognition of exemplary schools and programs, such as Blue Ribbon Schools;

"(12) 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;

"(13) 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;

"(14) experiential-based learning, such as service-learning;

"(15) 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;

"(16) activities to promote child abuse education and prevention programs;

"(17) activities to raise standards and expectations for academic achievement among all students,

especially disadvantaged students traditionally underserved in schools;

''(18) activities to provide the academic support, enrichment and motivation to enable all students to reach such standards;

''(19) 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;

''(20) demonstration programs providing prenatal and counseling to pregnant students 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;

''(21) the development, implementation, and evaluation of programs that are designed to foster student community service, encourage responsible citizenship and improve academic learning, and give students the opportunity to apply what they learn in the classroom to meet actual community needs;

''(22) activities to assist all students to meet challenging State standards;

"(23) grants to establish cultural education centers;

"(24) grants to museums to operate Indian education programs in public schools;

"(25) programs or activities designed to improve academic achievement through innovative partnerships between local educational agencies and teachers unions;

"(26) programs to hire and support school nurses;

"(27) programs under sections 5202, 5203, and 5204; and

"(28) other programs and projects that meet the purposes of this section.

"(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) GOALS.—An applicant for an award under this section, shall—

"(A) establish clear goals and objectives for its project under this part; and

"(B) describe the activities it will carry out in order to meet the goals and objectives of its project.

"(3) SECRETARIAL DISCRETION.—The Secretary may—

"(A) require recipients of awards under this section to provide matching funds from non-Federal sources; and

"(B) limit competitions to particular types of entities, such as State or local educational agencies.

"(4) 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 (e) for the cost of such peer review.

"(d) EVALUATION AND PROGRAM DEVELOPMENT.—

"(1) IN GENERAL.—Each recipient of a grant under this section shall submit to the Secretary a comprehensive evaluation of the effects of its program assisted under this part, including its impact on students, teachers, administrators, parents and others—

"(A) at the mid-point of the program; and

"(B) not later than 1 year after the completion of the program.

"(2) EFFECTIVENESS.—Evaluations under this subsection shall focus on the effectiveness of the program in achieving its goals and objectives.

"(e) AUTHORIZATION.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for fiscal year 2002 and each of the 4 succeeding fiscal years.

"SEC. 5202. STATE AND LOCAL CHARACTER EDUCATION PROGRAM.

"(a) PROGRAM AUTHORIZED.—

"(1) The Secretary may make grants to State educational agencies, local educational agencies, or consortia of such agencies for the design and implementation of character education programs.

"(2) Each grant under this section shall be awarded for a period not to exceed 5 years, of which the recipient shall use not more than 1 year for planning and program design.

"(b) APPLICATIONS.—

"(1) Each applicant 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) Each application under this section shall include—

"(A) a description of any partnerships and other collaborative efforts between the applicant and other educational agencies;

"(B) a description of the programs goals and objectives;

"(C) a description of the activities the applicant will carry out, and how these activities are designed to meet the programs goals and objectives under 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;

"(ii) the curriculum and instructional practices that will be used or developed; and

"(iii) the methods of teacher training and parent education that will be used or developed;

"(D) a description of how the program will be linked to other efforts to improve educational outcomes, including—

"(i) broader educational reforms that are being instituted by the applicant or its partners; and

"(ii) applicable State and local standards for student performance;

"(E) a description of how the applicant will evaluate the progress of its program in meeting the goals and objectives under subparagraph (B), including the performance indicators that will be used to measure progress; and

"(F) such other information as the Secretary may require.

"(c) DIVERSITY OF PROJECTS.—The Secretary shall make awards under this section that, to the extent practicable, support programs that serve different geographic areas of the Nation, including urban, suburban, and rural areas.

"SEC. 5203. CHARACTER EDUCATION RESEARCH, DISSEMINATION, AND EVALUATION.

"(a) PROGRAM AUTHORIZED.—The Secretary may make grants, or enter into contracts or cooperative agreements with, State educational agencies, local educational agencies, institutions of higher education, tribal organizations, and other public or private agencies or organizations

to carry out research, development, dissemination, technical assistance, and evaluation activities that support or inform character education programs under section 5202.

"(b) USE OF FUNDS.—Consistent with subsection (a), funds under this section may be used—

"(1) to conduct research and development activities that focus on such matters as—

"(A) the effectiveness of instructional models;

"(B) materials and curricula that can be used by programs in character education;

"(C) models of professional development in character education; and

"(D) the development of outcome measures for character education programs;

"(2) to provide technical assistance to the agencies receiving awards under section 5202, particularly on matters of program evaluation;

"(3) to conduct a national evaluation of programs under section 5202; and

"(4) to compile and disseminate, through various approaches, such as a national clearinghouse—

"(A) information on model character education programs;

"(B) character education materials and curricula;

"(C) research findings in the area of character education and character development; and

"(D) any other information that will be useful to character education program participants and other educators and administrators, nationwide.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, $50,000,000 for fiscal year 2002 and such sums as may be necessary for the 4 subsequent fiscal years to carry out sections 5202 and 5203.

"SEC. 5204. 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 made available 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 design and construct improvements which improve the learning environment, including appropriate use of daylighting, advanced energy conservation technologies, and renewable energy;

"(4) to provide professional development for school staff in innovative teaching methods that challenge and engage students to be used in the smaller learning community or communities; and

"(5) 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.

''(c) SECRETARY'S ACTIVITIES.—The Secretary may reserve up to 5 percent of the funding provided under subsection (d) for evaluation, technical assistance, and school networking.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $200,000,000 for fiscal year 2002 and such sums as may be necessary for the 4 succeeding fiscal years to carry out this section.''.

SEC. 504. AMENDMENT TO ESEA RELATING TO GIFTED AND TALENTED CHILDREN.

Part B of title X is redesignated as part D of title V and is amended to read as follows:

''PART D—GIFTED AND TALENTED CHILDREN

''SEC. 5251. SHORT TITLE.

''This part may be cited as the 'Jacob K. Javits Gifted and Talented Students Education Act of 2001'.

''SEC. 5252. FINDINGS.

''The Congress finds the following:

''(1) Due to the wide dispersal of students who are gifted and talented and the national interest in a well-educated populace, the Federal Government can most effectively and appropriately conduct scientifically based research and development to pro-

vide an infrastructure and to ensure that there is a national capacity to educate students who are gifted and talented to meet the needs of the 21st century.

''(2) State and local educational agencies often lack the specialized resources and trained personnel to consistently plan and implement effective programs for the identification of gifted and talented students and for the provision of educational services and programs appropriate for their needs.

''(3) Because gifted and talented students generally are more advanced academically, are able to learn more quickly, and study in more depth and complexity than others their age, their educational needs require opportunities and experiences that are different from those generally available in regular education programs.

''(4) Typical elementary school students who are academically gifted and talented already have mastered 35 to 50 percent of the school year's content in several subject areas before the year begins. Without an advanced and challenging curriculum, they often lose their motivation and develop poor study habits that are difficult to break.

"SEC. 5253. CONDITIONS ON EFFECTIVENESS OF SUBPARTS 1 AND 2.

"(a) SUBPART 1.—Subpart 1 shall be in effect only for a fiscal year for which subpart 2 is not in effect.

"(b) SUBPART 2.—

"(1) IN GENERAL.—Subpart 2 shall be in effect only for—

"(A) the first fiscal year for which the amount appropriated to carry out this part equals or exceeds $50,000,000; and

"(B) all succeeding fiscal years.

"(2) CONTINUATION OF AWARDS.—Notwithstanding any other provision of this part, a State receiving a grant under subpart 2—

"(A) shall give special consideration to a request for the continuation of an award within the State, made by any public or private agency, institution, or organization that was awarded a grant or contract under subpart 1 for a fiscal year for which such subpart was in effect; and

"(B) may use funds received under such grant for the purpose of permitting the agency, institution, or organization to continue to receive funds in accordance with the terms of

such award until the date on which the award period terminates under such terms.

"Subpart 1—Discretionary Grant Program

"SEC. 5261. PURPOSE.

''The purpose of this subpart is to initiate a coordinated program of scientifically based research, demonstration projects, innovative strategies, 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.

"SEC. 5262. GRANTS TO MEET EDUCATIONAL NEEDS OF GIFTED AND TALENTED STUDENTS.

''(a) ESTABLISHMENT OF PROGRAM.—

''(1) IN GENERAL.—Subject to section 5253, from the sums available to carry out this subpart 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, other public agencies, and other private agencies and organizations (including Indian tribes and Indian organizations (as such terms are defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) and Native

Hawaiian organizations) to assist such agencies, institutions, and organizations in carrying out programs or projects authorized by this subpart that are designed to meet the educational needs of gifted and talented students, including the training of personnel in the education of gifted and talented 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 subpart 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 subpart may include the following:

"(1) Carrying out—

"(A) scientifically based 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 purpose of this subpart.

"(2) Professional development (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented students.

"(3) Establishment and operation 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, including summer programs, mentoring programs, service learning programs, and cooperative programs involving business, industry, and education.

"(4) Implementing innovative strategies, such as cooperative learning, peer tutoring and service learning.

"(5) Programs of technical assistance and information dissemination, including assistance and

information with respect to how gifted and talented programs and methods, where appropriate, may be adapted for use by all students.

"(c) COORDINATION.—Scientifically based research activities supported under this subpart—

"(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 scientifically based research activities which are jointly funded and carried out with such Office.

"SEC. 5263. PROGRAM PRIORITIES.

"(a) GENERAL PRIORITY.—In the administration of this subpart, the Secretary shall give highest priority to programs and projects designed to develop new information that—

"(1) improves the capability of schools to plan, conduct, and improve programs to identify and serve gifted and talented students; and

"(2) assists schools in the identification of, and 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).

"(b) SERVICE PRIORITY.—In approving applications for assistance under section 5262(a)(2), the Secretary shall ensure that in each fiscal year at least one-half of the applications approved under such section address the priority described in subsection (a)(2).

"(c) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES FOR AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—For fiscal year 2002 and succeeding fiscal years, the Secretary shall ensure that a percentage of the excess amount described in paragraph (2) is used to increase (in proportion to any increases in such excess amounts) the number and size of the grants under this subpart to State educational agencies to begin implementing activities described in section 5272(b) through competitive subgrants to local educational agencies.

"(2) EXCESS AMOUNT.—For purposes of paragraph (1), the excess amount described in this paragraph is, for fiscal year 2002 and succeeding fiscal years, the amount (if any) by which the funds appropriated to carry out this subpart for the year exceed such funds for fiscal year 2001.

"SEC. 5264. GENERAL PROVISIONS FOR SUBPART.

"(a) REVIEW, DISSEMINATION, AND EVALUATION.—The Secretary—

"(1) shall use a peer review process in reviewing applications under this subpart;

"(2) shall ensure that information on the activities and results of programs and projects funded under this subpart is disseminated to appropriate State and local educational agencies and other appropriate organizations, including nonprofit private organizations; and

"(3) shall evaluate the effectiveness of programs under this subpart in accordance with section 11501, 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 the Congress not later than 2 years after the date of the enactment of the Excellence and Accountability in Education Act.

"(b) PROGRAM OPERATIONS.—The Secretary shall ensure that the programs under this subpart 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—

"(1) shall administer and coordinate the programs authorized under this subpart;

"(2) shall 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

"(3) shall assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities which reflect the needs of gifted and talented students.

"Subpart 2—Formula Grant Program

"SEC. 5271. PURPOSE.

"The purpose of this subpart is to provide grants to States to support programs, teacher preparation, and other services designed to meet the needs of the Nation's gifted and talented students in elementary and secondary schools.

"SEC. 5272. ESTABLISHMENT OF PROGRAM; USE OF FUNDS.

"(a) IN GENERAL.—In the case of each State that in accordance with section 5274 submits to the Secretary an application for a fiscal year, subject to section 5253, the Secretary shall make a grant for the year to the State for the uses specified in subsection (b). The grant shall consist of the allotment determined for the State under section 5273.

"(b) AUTHORIZED ACTIVITIES.—Each State receiving a grant under this subpart shall use the funds provided under the grant to assist local educational agencies to develop or expand gifted and talented education programs through one or more of the following activities:

"(1) Development and implementation of programs to address State and local needs for in-service training programs for general educators, specialists in gifted and talented education, administrators, or other personnel at the elementary and secondary levels.

"(2) Making materials and services available through State regional educational service centers, institutions of higher education, or other entities.

"(3) Supporting innovative approaches and curricula used by local educational agencies (or consortia of such agencies) or schools or (consortia of schools).

"(4) Providing funds for challenging, high-level course work, disseminated through new and emerging technologies (including distance learning), for individual students or groups of students in schools and local educational agencies that do not have the resources otherwise to provide such course work.

"(c) COMPETITIVE PROCESS.—A State receiving a grant under this subpart shall distribute at least 95 percent of the amount of the grant to local educational agencies through a competitive process that results in an equitable distribution by geographic area within the State.

"(d) LIMITATIONS ON USE OF FUNDS.—

"(1) COURSE WORK PROVIDED THROUGH EMERGING TECHNOLOGIES.—Activities under subsection (b)(4) may include development of curriculum packages, compensation of distance-learning educators, or other relevant activities, but funds provided under this subpart may not be used for the purchase or upgrading of technological hardware.

"(2) ADMINISTRATIVE COSTS.—A State receiving a grant under this subpart may use not more than 5 percent of the amount of the grant for State administrative costs.

"SEC. 5273. ALLOTMENTS TO STATES.

"(a) RESERVATION OF FUNDS.—From the amount made available to carry out this subpart for any fiscal year, the Secretary shall reserve one-half of 1 percent for the Secretary of the Interior for programs under this subpart for teachers, other staff, and administrators in schools operated or funded by the Bureau of Indian Affairs.

"(b) STATE ALLOTMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall allot the total amount made available to carry out this subpart for any fiscal year and not reserved under subsection (a) to the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico on the basis of their relative populations of individuals aged 5 through 17, as determined by the Secretary on the basis of the most recent satisfactory data.

"(2) MINIMUM GRANT AMOUNT.—No State receiving an allotment under paragraph (1) may receive less than ¼ of 1 percent of the total amount allotted under such paragraph.

"(c) REALLOTMENT.—If any State does not apply for an allotment under this section for any fiscal year, the Secretary shall reallot such amount to the remaining States in accordance with this section.

"SEC. 5274. APPLICATION.

"(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 under this section shall include assurances that—

"(1) funds received under this subpart will be used to support gifted and talented students in public schools and public charter schools, including students from all economic, ethnic, and racial backgrounds, students of limited English proficiency, students with disabilities, and highly gifted students;

"(2) not less than 95 percent of the amount of the funds provided under the grant shall be used for the purpose of making, in accordance with this subpart and on a competitive basis, subgrants to local educational agencies;

"(3) funds received under this subpart shall be used only to supplement, but not supplant, the amount of State and local funds expended for specialized education and related services provided for the education of gifted and talented students; and

"(4) the State shall develop procedures to evaluate program effectiveness.

"(c) APPROVAL.—To the extent funds are made available for this subpart, the Secretary shall approve an application of a State if such application meets the requirements of this section.

"SEC. 5275. ANNUAL REPORTING.

''Beginning 1 year after the date of the enactment of the Excellence and Accountability in Education Act, a State receiving a grant under this subpart shall submit an annual report to the Secretary that describes the number of students served and the activities supported with funds provided under this subpart. The report shall include a description of the measures taken to comply with paragraphs (1) and (4) of section 5274(b). To the extent practicable and otherwise authorized by law, this report shall be submitted as part of any consolidated State performance report for State formula grant programs under this Act.

"Subpart 3—National Center for Research and Development in the Education of Gifted and Talented Children and Youth

"SEC. 5281. CENTER FOR RESEARCH AND DEVELOPMENT.

''(a) 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 agencies, or a combination or consortium of such institutions and agencies and other public

or private agencies and organizations, for the purpose of carrying out activities described in section 5273(b)(1).

"(b) 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 institutions of higher education, State or local educational agencies, or other public or private agencies and organizations.

"(c) COORDINATION.—Scientifically based research activities supported under this subpart—

"(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 scientifically based research activities which are jointly funded and carried out with such Office.

"Subpart 4—General Provisions

"SEC. 5291. 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 settings where appropriate.

"SEC. 5292. 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.

"SEC. 5293. AUTHORIZATION OF APPROPRIATIONS.

''(a) SUBPART 1 OR 2.—Subject to section 5253, there are authorized to be appropriated $20,000,000 to carry out subpart 1 or 2 for fiscal year 2002 and such sums as may be necessary for each of fiscal years 2003 through 2006.

''(b) SUBPART 3.—There are authorized to be appropriated to carry out subpart 3 for fiscal year 2002 $1,950,000 and such sums as may be necessary for each of fiscal years 2002 through 2006.''.

SEC. 505. CHARTER SCHOOLS.

(a) REDESIGNATIONS.—Part F of title X is redesignated as part E of title V and sections 10301 through 10311 are redesignated as sections 5301 through 5311, respectively.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 5311 (as so redesignated) to read as follows:

"SEC. 5311. AUTHORIZATION OF APPROPRIATIONS.

''For the purpose of carrying out this part, there are authorized to be appropriated $250,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 4 succeeding fiscal years.''.

SEC. 506. ARTS IN EDUCATION.

(a) REDESIGNATIONS.—Part D of title X is repealed, except for subpart 1. Subpart 1 of part D of title X is redesignated as part F of title V and section 10401 is redesignated as section 5351.

(b) AUTHORIZATION OF APPROPRIATIONS.—Subsection (f) of section 5351 (as so redesignated) is amended to read as follows:

''(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated $35,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(c) SUBPART REFERENCES.—Section 5351 (as so redesignated) is amended by striking ''this subpart'' each place it appears and inserting ''this part''.

SEC. 507. INEXPENSIVE BOOK DISTRIBUTION PROGRAM.

(a) REDESIGNATION.—Part E of title X is redesignated as part G of title V and section 10501 is redesignated as section 5401.

(b) AUTHORIZATION OF APPROPRIATIONS.—Subsection (e) of section 5401 (as so redesignated) is amended to read as follows:

''(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated $28,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 4 succeeding fiscal years.''.

SEC. 508. CIVIC EDUCATION.

Part F of title X is redesignated as part H of title V and is amended to read as follows:

''PART H—CIVIC EDUCATION

''SEC. 5451. SHORT TITLE.

''This part may be cited as the 'Education for Democracy Act'.

''SEC. 5452. FINDINGS.

''The Congress finds that—

''(1) college freshmen surveyed in 1999 by the Higher Education Research Institute at the University of California at Los Angeles demonstrated higher levels of disengagement, both academically and politically, than any previous entering class of students;

''(2) college freshmen in 1999 demonstrated the lowest levels of political interest in the 20-year his-

tory of surveys conducted by the Higher Education Research Institute at the University of California at Los Angeles;

''(3) United States secondary school students expressed relatively low levels of interest in politics and economics in a 1999 Harris survey;

''(4) the 32d Annual Phi Delta Kappa/Gallup Poll of 2000 indicated that preparing students to become responsible citizens was the most important purpose of public schools;

''(5) Americans surveyed by the Organization of Economic Cooperation and Development indicated that only 59 percent had confidence that schools have a major effect on the development of good citizenship;

''(6) teachers too often do not have sufficient expertise in the subjects that they teach, and half of all secondary school history students in America are being taught by teachers with neither a major nor a minor in history;

''(7) secondary school students correctly answered less than half of the questions on a national test of economic knowledge in a 1999 Harris survey;

''(8) the 1998 National Assessment of Educational Progress indicated that students have only

superficial knowledge of, and lacked a depth of understanding regarding, civics;

''(9) civic and economic education are important not only to developing citizenship competencies in the United States but also are critical to supporting political stability and economic health in other democracies, particularly emerging democratic market economies;

''(10) more than three quarters of Americans surveyed by the National Constitution Center in 1997 admitted that they knew only some or very little about the Constitution of the United States; and

''(11) the Constitution of the United States is too often viewed within the context of history and not as a living document that shapes current events.

''SEC. 5453. PURPOSE.

''It is the purpose of this part—

''(1) to improve the quality of civics and government education 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 emerging democracies.

"SEC. 5454. GENERAL AUTHORITY.

"(a) GRANTS AND CONTRACTS.—

"(1) IN GENERAL.—The Secretary is authorized to award grants to or enter into contracts with—

"(A) the Center for Civic Education to carry out civic education activities under sections 5455 and 5456; and

"(B) the National Council on Economic Education to carry out economic education activities under section 5456.

"(2) CONSULTATION.—The Secretary shall award the grants and contracts under section 5456 in consultation with the Secretary of State.

"(b) DISTRIBUTION.—The Secretary shall use not more than 50 percent of the amount appropriated under section 5457(b) for each fiscal year to carry out economic education activities under section 5456.

"SEC. 5455. WE THE PEOPLE PROGRAM.

"(a) THE CITIZEN AND THE CONSTITUTION.—

"(1) IN GENERAL.—The Center for Civic Education shall use funds awarded under section 5454(a)(1)(A) to carry out The Citizen and the Constitution program in accordance with this subsection.

"(2) EDUCATIONAL ACTIVITIES.—The Citizen and the Constitution program—

"(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;

"(B) shall enhance student attainment of challenging content standards in civics and government; and

"(C) may provide—

"(i) 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;

"(ii) at the request of a participating school, school and community simulated congressional hearings following the course of study;

"(iii) an annual national competition of simulated congressional hearings for secondary school students who wish to participate in such a program;

"(iv) advanced training of teachers about the Constitution of the United

States and the political system the United States created;

"(v) materials and methods of instruction, including teacher training, that utilize the latest advancements in educational technology; and

"(vi) 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 elementary schools and secondary schools, including Bureau funded schools, in the 435 congressional districts, and in 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) IN GENERAL.—The Center for Civic Education shall use funds awarded under section 5454(a)(1)(A) to carry out The Project Citizen program in accordance with this subsection.

"(2) EDUCATIONAL ACTIVITIES.—The Project Citizen program—

"(A) shall continue and expand the educational activities of the 'We the People . . . Project Citizen' program administered by the Center for Civic Education;

"(B) shall enhance student attainment of challenging content standards in civics and government; and

"(C) may provide—

"(i) 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;

"(ii) optional school and community simulated State legislative hearings;

"(iii) an annual national showcase or competition;

"(iv) advanced training of teachers on the roles of State and local governments in the Federal system established by the Constitution of the United States;

"(v) materials and methods of instruction, including teacher training, that utilize

the latest advancements in educational technology; and

"(vi) 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 of the United 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. 5456. COOPERATIVE CIVIC EDUCATION AND ECONOMIC EDUCATION EXCHANGE PROGRAMS.

"(a) COOPERATIVE EDUCATION EXCHANGE PROGRAMS.—The Center for Civic Education and the National Council on Economic Education shall use funds awarded

under section 5454(a)(1) to carry out Cooperative Education Exchange programs in accordance with this section.

"(b) PURPOSE.—The purpose of the Cooperative Education Exchange 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 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—

"(1) activities under this section are not duplicative of other efforts in the eligible countries; and

"(2) 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;

"(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 gov-

ernment 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 conferences on civics and government education, and economic edu-

cation, 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 teachers, 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 Central European country, an Eastern European country, Lithuania, Latvia, Estonia, the independent states of the former Soviet Union as defined in section 3 of the FREEDOM Support Act (22 U.S.C. 5801), and 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, that has a democratic form of government as determined by the Secretary in consultation with the Secretary of State.

"SEC. 5457. AUTHORIZATION OF APPROPRIATIONS.

''(a) SECTION 5455.—There are authorized to be appropriated to carry out section 5455, $15,000,000 for fis-

cal year 2002 and such sums as may be necessary for each of the fiscal years 2003 through 2006.

"(b) SECTION 5456.—There are authorized to be appropriated to carry out section 5456, $12,000,000 for fiscal year 2002 and such sums as may be necessary for each of the fiscal years 2003 through 2006.".

SEC. 509. ALLEN J. ELLENDER FELLOWSHIP PROGRAM.

(a) REDESIGNATIONS.—Part G of title X is redesignated as part I of title V. Section 10701 is redesignated as section 5501. Sections 10711 and 10712 are redesignated as section 5511 and 5512, respectively. Sections 10721 and 10722 are redesignated as sections 5521 and 5522, respectively. Sections 10731 and 10732 are redesignated as section 5531 and 5532, respectively. Sections 10741 and 10742 are redesignated as sections 5541 and 5542, respectively.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 5542 (as so redesignated) is amended to read as follows:

"SEC. 5542. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out the provisions of subparts 1, 2, and 3 of this part $4,400,000 for fiscal year 2002 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 5511(a).".

SEC. 510. 21ST CENTURY COMMUNITY LEARNING CENTERS.

Part I of title X is redesignated as part J of title V and amended to read as follows:

"PART J—21ST CENTURY COMMUNITY LEARNING CENTERS

"SEC. 5551. SHORT TITLE.

"This part may be cited as the '21st Century Community Learning Centers Act'.

"SEC. 5552. FINDINGS.

The Congress finds that—

"(1) a local public school often serves as a center for the delivery of education and human resources for all members of a community;

"(2) evaluations show that collaboration between public schools (particularly in inner and small cities and rural and disadvantaged suburban communities) and other public and nonprofit agencies and organizations, local businesses, educational entities, recreational, cultural, and other community and human service entities helps to meet the needs of,

and expands the opportunities available to, all residents of the communities served by such schools;

''(3) participation in high-quality programs can result in better grades and conduct in school, and is particularly beneficial for children living in high-risk environments. In particular, children who participate in high-quality after school program spend more time in academic and enrichment activities; watch less television; have significantly lower incidences of drug use and unwanted teenage pregnancies; and communicate better with adults and their peers.

''(4) by using school facilities, equipment, and resources, 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;

''(5) the high technology, global economy of the 21st century will require lifelong learning to keep America's workforce competitive and successful, and local public schools should provide centers for lifelong learning and educational opportunities for individuals of all ages; and

''(6) 21st Century Community Learning Centers enable the entire community to develop an edu-

cation strategy that addresses the educational needs of all members of local communities.

"SEC. 5553. PROGRAM AUTHORIZATION.

"(a) PROGRAM AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this part, to award grants to State educational agencies to enable its schools or a consortia of its schools to plan, implement, or to expand projects that benefit the educational, health, social service, cultural, and recreational needs of inner and small cities and rural and disadvantaged suburban communities with a substantial need for expanded learning opportunities because—

"(1) they lack resources to establish or expand after-school centers that benefit the educational, health, social service, cultural, and recreational needs of the community; or

"(2) they have other needs consistent with the purposes of this part.

"(b) RESERVATION.—From the funds appropriated under section 5663 to carry out this part for each fiscal year, the Secretary—

"(1) shall reserve an amount necessary to make continuation grants to existing grantees under part I of title X, as it existed on the day before the date

of the enactment of the Excellence and Accountability in Education Act.

"(2) shall reserve the lesser of 0.5 percent or $3,000,000 of such amount for grants under this part to Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Marshall Islands, and the Federated States of Micronesia;

"(3) shall reserve 0.5 percent of such amount for the Bureau of Indian Affairs of the Department of Interior to carry out programs under this part for Indian children; and

"(4) shall reserve the lesser of 2.5 percent or $20,000,000 for evaluation and national activities under section 5660.

"(c) STATE EDUCATIONAL AGENCY ALLOTMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), and after making the reservations in subsection (b), the Secretary shall, for each fiscal year, allocate among the States the remainder according to the ratio between the amount each State received under part A of title I for the preceding year and the sum of such amounts received by all the States.

"(2) MINIMUM.—For any fiscal year, no State (including for the purposes of this part, the Bureau

of Indian Affairs) shall be allotted under this subsection an amount that is less than 0.5 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).

"(d) WITHIN STATE DISTRIBUTION OF FUNDS.—Each State educational agency having an approved application pursuant to section 5554 and receiving an allocation under subsection (c), shall—

"(1) use not less than 95 percent of the funds made available to it under subsection (c) to award grants, on a competitive basis, to local educational agencies, or consortia of local educational agencies, acting on behalf of public elementary or secondary schools; and

"(2) use up to 5 percent for State level activities and evaluation, of which 40 percent may be used for administration.

"SEC. 5554. STATE EDUCATIONAL AGENCY APPLICATIONS.

''(a) IN GENERAL.—Each State educational agency seeking a grant under this subpart shall submit an application in such form, and containing such information, as the Secretary may reasonably require. At a minimum, the application shall—

''(1) designate the State educational agency as the agency responsible for the administration and supervision of programs assisted under this part;

''(2) describe the competitive procedures and criteria the State will use to ensure that grants under this part will support high-quality programs in communities with a substantial need for expanding learning opportunities, with a priority for those that—

''(A) have a high proportion of high-poverty students; and

''(B) lack resources to establish or expand after-school centers that benefit the educational health, social service, cultural, and recreational needs of the community.

''(3) describe the steps the State will take to ensure that programs implement effective strategies, including providing ongoing technical assistance and training, evaluation, dissemination of promising practices, and monitoring;

"(4) contain an assurance that the State educational agency shall provide for the annual submission of data regarding the uses of funds under this part, including the activities provided and populations served under this part, and such other information as the Secretary may require;

"(5) contain an assurance that the State educational agency shall comply with the requirements of this part;

"(6) contain a description of how the State will coordinate Federal, State, and local programs in order to use most effectively the resources available to support the project;

"(7) provide 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 required under this Act);

"(8) describe how the State will evaluate the effectiveness of programs and activities carried out with funds under this part; and

"(9) provide for timely public notice and public dissemination of the data submitted under this part.

"(b) APPROVAL.—The Secretary shall approve a State application under this section if the Secretary determines that it satisfies the requirements, and holds reasonable promise for accomplishing the purposes of this part.

"SEC. 5555. STATE EDUCATIONAL AGENCY ACTIVITIES.

"Each State, having an approved application under section 5554 may use funds allocated under section 5553(d)(2) for one or more of the following activities:

"(1) establishment and implementation of a peer review process for grant applications;

"(2) supervision of the awarding of funds to local educational agencies on behalf of public elementary schools, secondary schools or consortia thereof;

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

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

"(5) providing technical assistance under this part.

"SEC. 5556. STATE PERFORMANCE INDICATORS.

Each State educational agency shall establish performance indicators and acceptable goals of progress to evaluate the effectiveness of programs funded under this part.

"SEC. 5557. LOCAL COMPETITIVE GRANTS

''(a) COMPETITIVE GRANTS.—The State educational agency shall distribute funds provided under section 5553(d)(1) on a competitive basis to local educational agencies, consortia of local educational agencies, acting on behalf of a public elementary or secondary schools to enable such schools to plan, implement, or expand community learning centers that address the educational, health, social service, cultural, and recreational needs of the local community.

''(b) EXTENDED LEARNING TIME.—In order to receive a grant under this part, a local educational agency shall provide significant expanded learning opportunities, such as before and after school, for children and youth in the community that:

''(1) are designed to help students in the school and community achieve to challenging state content and performance standards;

''(2) provide academic instruction by trained and qualified teachers;

''(3) utilize research-based practices, to the extent available and feasible, that show success in raising student achievement and increasing literacy skills;

''(4) include a parent and family involvement component;

"(5) include professional development that is aligned to the extended learning curriculum;

"(6) indicate how the school will provide a continuity of extended learning curriculum over multiple years; and

"(7) include ongoing evaluation to assess the effectiveness of the program.

"(c) EQUITABLE DISTRIBUTION.—In awarding grants under this part, the State educational agency shall ensure that both urban and rural areas of the State are served.

"(d) GRANT PERIOD.—A State educational agency shall award grants under this part for a period not to exceed 5 years.

"(e) AMOUNT.—A State educational agency shall not award a grant under this part in any fiscal year in an amount less than $75,000.

"SEC. 5558. LOCAL APPLICATION.

"(a) APPLICATION.—To be eligible to receive a grant under this part, a local educational agency, or a consortia of local educational agencies, on behalf of public elementary or secondary schools, 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 reasonably require.

"(b) CONTENTS.—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;

"(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) a description of how the applicant will coordinate Federal, State, and local programs in order to use most effectively the resources available to support the project;

"(C) a description of the collaborative efforts to be undertaken with community-based organizations, related public agencies, businesses, or other appropriate organizations in order to promote community involvement in the

planning and implementation of services provided under this part;

"(D) a description of how the community learning center 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;

"(4) information demonstrating that the school or consortium will provide at least 50 percent of the cost of the project from other sources, which may include other Federal funds and may be provided in cash or in-kind, fairly evaluate;

"(5) an assurance that the school or consortium will, each year of the project, expend, from non-Federal sources, at least as much for the services under this part as it expended for the preceding year; and

"(6) information demonstrating how the school or consortium will continue the project after completion of the grant.

"SEC. 5559. USE OF FUNDS.

Grants awarded under section 5557, either directly or through contracts with community-based organizations with demonstrated ability to provide high-quality programming, shall be used to establish or expand community learning centers that provide activities that offer significant expanded learning opportunities, such as before and after school, for children and youth in the community. A grantee shall use at least a portion of its grant under section 5557 to implement or expand after school learning opportunities, and shall use the remainder of its grant to carry out not less than 3 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.

"(14) Mentoring of at-risk children, including mentoring by senior citizens.

"SEC. 5560. NATIONAL ACTIVITIES.

"The Secretary shall use funds reserved under section 5553(b)(4) for technical assistance, evaluation, dissemination of information, activities to encourage the spread and adoption of successful extended learning opportunities programs, and other national activities that support programs under this part.

"SEC. 5561. COMMUNITY LEARNING CENTER DEFINED.

"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 expanded learning opportunities, and educational, recreational, health, and social service programs for residents of all ages within a

local community in a safe and drug-free environment;

''(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; and

''(3) includes expanded learning opportunities such as before- and after-school.

''SEC. 5562. SUPPLEMENT.

''Funds made available under this part shall be used to supplement and not supplant other Federal, State, and local funds expended to carry out activities relating to expanded learning opportunities.

''SEC. 5563. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated $964,000,000 for fiscal year 2002, $1,100,000,000 for fiscal year 2003, $1,253,000,000 for fiscal year 2004, $1,416,000,000 for fiscal year 2005, and $1,615,000,000 for fiscal year 2006, to carry out this part.''.

SEC. 511. RURAL EDUCATION ACHIEVEMENT PROGRAM.

(a) REDESIGNATIONS.—Part J of title X is repealed, except for subpart 2. Subpart 2 of part J is redesignated

as part K of title V. Sections 10971 through 10978 are redesignated as sections 5601 through 5608, respectively.

(b) SUBPART REFERENCES.—Part K of title V (as so redesignated) is amended by striking ''this subpart'' each place it appears and inserting ''this part''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 5603 (as so redesignated) is amended by striking ''2001.'' and inserting ''2002 and such sums as may be necessary for the 4 succeeding fiscal years.''.

SEC. 512. PHYSICAL EDUCATION FOR PROGRESS.

(a) REDESIGNATIONS.—Part L of title X is redesignated as part L of title V. Sections 10999A through 10999L are redesignated as sections 5651 through 5662, respectively.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 5662 (as so redesignated) is amended by striking ''2005'' and inserting ''2006''.

SEC. 513. COORDINATED SERVICES.

Title XI is redesignated as part M of title V and amended to read as follows:

''PART M—COORDINATED SERVICES

''SEC. 5701. FINDINGS AND PURPOSE.

''(a) FINDINGS.—The Congress finds the following:

''(1) Access to health and social service programs in a school-based or school-linked community

service center may make it easier for families to address the basic physical and emotional needs of children and parents.

"(2) Parents, school personnel, and service providers should have access to services and activities to improve the education, health, mental health, safety and economic well-being of children and their families.

"(3) School personnel, health care providers, mental health care providers, child care providers, juvenile justice workers and other family service providers could be of greater assistance to children and their families if they had access to a single school-based or school-linked community service center.

"(4) Coordinating health and social services with education will help ensure that children come to school ready to learn.

"(b) PURPOSE.—The purpose of this part is to encourage eligible partnerships to establish or expand child opportunity zone family centers in or near public elementary and secondary schools in order to provide students and their families better access to coordinated services which improve their education, health, mental health, safety, and economic well-being.

"Subpart 1—Local Educational Agency Reservation

"SEC. 5711. COORDINATED SERVICES.

''(a) PROGRAM AUTHORIZED.—Notwithstanding any other provision of this Act, a local educational agency, school, or consortium of schools may use not more than 5 percent of the funds received under this Act for the development, or the implementation or expansion, of a coordinated service project under this section.

''(b) APPLICATION.—Each local educational agency desiring to use funds described in subsection (a) to carry out 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.

''(c) USES OF FUNDS.—Funds described in subsection (a) may be used to plan, implement, or expand activities which include—

''(1) hiring a services coordinator;

''(2) making minor renovations to existing buildings;

''(3) purchasing basic operating equipment;

''(4) improving communications and information-sharing among entities participating in the coordinated services project; or

''(5) providing training to teachers and appropriate personnel concerning such teacher's and personnel's role in a coordinated services project.

"Subpart 2—Local Educational Agency Grants

"SEC. 5721. GRANTS AUTHORIZED.

''(a) IN GENERAL.—The Secretary may award, on a competitive basis, grants to eligible partnerships to pay for the Federal share of the cost of establishing and expanding child opportunity zone family centers.

''(b) DURATION.—The Secretary shall award grants under this section for periods of 5 years.

"SEC. 5722. REQUIRED ACTIVITIES.

''Each eligible partnership receiving a grant under this subpart shall use the grant funds—

''(1) in accordance with the needs assessment described in section 5723(b)(1), to provide or link children and their families with information, support, activities, or services in core areas consisting of—

''(A) education, such as child care and education programs for children below the age of compulsory school attendance, before- and after-school care, and school age enrichment and education support programs;

''(B) health, such as primary care (including prenatal care, well child care, and mental health care), preventative health and safety programs, outreach and referral, screening and

health promotion, and enrollment in health insurance programs; and

"(C) family support, such as adult education and literacy programs, welfare-to-work-programs, job training, parenting skills programs, assistance that supports healthy child development, and access to basic needs, including food and housing;

"(2) to provide intensive, high-quality, research-based instructional programs that—

"(A) provide violence prevention education for families and developmentally appropriate instructional services to children (including children below the age of compulsory school attendance), such as education and services on non-violent conflict resolution, pro social skills and behaviors, and other skills necessary for effectively relating to others without violence; and

"(B) provide effective strategies for nurturing and supporting the emotional, social, and cognitive growth of children; and

"(3) to provide training, information, and support to families to enable the families to participate effectively in their children's education, and to help

their children meet challenging standards, including assisting families to—

"(A) understand the accountability systems, including content standards, performance standards, and local assessments, in place for the State involved, the participating local educational agency, and the participating elementary school or secondary school;

"(B) understand their children's educational needs, their children's educational performance in comparison to State and local standards, and the steps the school is taking to address the children's needs and to help the children meet the standards; and

"(C) communicate effectively with personnel responsible for providing educational services to the families' children, and to participate in the development, amendment, review, and implementation of school-parent compacts, parent involvement policies, and school plans.

"SEC. 5723. APPLICATIONS.

"(a) IN GENERAL.—Each eligible partnership desiring 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 require.

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall—

"(1) include a needs assessment, including a description of how the partnership will ensure that the activities to be assisted under this part will be tailored to meet the specific needs of the children and families to be served;

"(2) describe arrangements that have been formalized between the participating elementary school or secondary school, and other partnership members;

"(3) describe how the partnership will effectively coordinate and utilize Federal, State, and local educational agency sources of funding, including funding provided under part J of title V and under the Safe Schools/Healthy Students Initiative (jointly funded by the Departments of Education, Justice, and Health and Human Services), that provide assistance to families and their children in the areas of job training, housing, justice, health, mental health, child care, and social and human services;

"(4) describe the partnership's plan to—

"(A) develop and carry out the activities assisted under this subpart with extensive participation of parents, administrators, teachers, pupil services personnel, social and human serv-

ice agencies, and community organizations and leaders; and

"(B) connect and integrate the activities assisted under this subpart with the education reform efforts of the participating elementary school or secondary school, and the participating local educational agency;

"(5) describe the partnership's strategy for providing information and assistance in a language and form that families can understand, including how the partnership will ensure that families of students with limited English proficiency, or families of students with disabilities, are effectively involved, informed, and assisted;

"(6) describe how the partnership will collect and analyze data, and will utilize specific performance measures and indicators to—

"(A) determine the impact of activities assisted under this subpart as described in section 5726(a); and

"(B) improve the activities assisted under this subpart; and

"(7) describe how the partnership will protect the privacy of families and their children participating in the activities assisted under this subpart.

"SEC. 5724. FEDERAL SHARE.

''The Federal share of the cost of establishing and expanding child opportunity zone family centers—

''(1) for the first year for which an eligible partnership receives assistance under this subpart shall not exceed 90 percent;

''(2) for the second such year, shall not exceed 80 percent;

''(3) for the third such year, shall not exceed 70 percent;

''(4) for the fourth such year, shall not exceed 60 percent; and

''(5) for the fifth such year, shall not exceed 50 percent.

"SEC. 5725. CONTINUATION OF FUNDING.

''Each eligible partnership that receives a grant under this subpart shall, after the third year for which the partnership receives funds through the grant, be eligible to continue to receive the funds if the Secretary determines that the partnership has made significant progress in meeting the performance measures used for the partnership's local evaluation under section 5726(a)(4).

"SEC. 5726. EVALUATIONS AND REPORTS.

''(a) LOCAL EVALUATIONS.—Each partnership receiving funds under this subpart shall conduct annual

evaluations and submit to the Secretary reports containing the results of the evaluations. The reports shall include—

"(1) information on the partnership's activities that are assisted under this subpart;

"(2) information on the number of families and children served by the partnership's activities that are assisted under this subpart;

"(3) information on the partnership's effectiveness in reaching and meeting the needs of families and children served under this subpart, including underserved families, families of students with limited English proficiency, and families of students with disabilities; and

"(4) the results of a partnership's performance assessment of the partnership, including performance measures demonstrating—

"(A) improvements in student achievement, school readiness, family participation in schools, and access to health care, mental health care, child care, and family support services, resulting from activities assisted under this subpart; and

"(B) reductions in violence-related problems and risk taking behavior among youth, and reductions in truancy, suspension, and

dropout rates, resulting from activities assisted under this subpart.

"(b) NATIONAL EVALUATIONS.—

"(1) IN GENERAL.—The Secretary shall reserve not more than 3 percent of the amount appropriated under this subpart to carry out a national evaluation of the activities assisted under this part. Such evaluation shall be completed not later than 3 years after the date of the enactment of the Excellence and Accountability in Education Act, and every year thereafter.

"(2) SCOPE OF EVALUATION.—In conducting the national evaluation, the Secretary shall evaluate the effectiveness and impact of the activities, and identify model activities, assisted under this subpart.

"(3) ANNUAL REPORTS.—The Secretary shall submit an annual report to Congress, regarding each national evaluation conducted under paragraph (1), that contains the information described in the national evaluation.

"(c) MODEL ACTIVITIES.—The Secretary shall broadly disseminate information on model activities developed under this part.

"SEC. 5727. DEFINITIONS.

"For the purposes of this subpart—

"(1) the term 'coordinated services project' means a comprehensive approach to meeting the educational, health, social service, and other needs of children and their families, including foster children and their foster families, through a communitywide partnership that links public and private agencies providing such services or access to such services through a coordination site at or near a school; and

"(2) CHILD OPPORTUNITY ZONE FAMILY CENTER.—The term 'child opportunity zone family center' means a school-based or school-linked community service center that provides and links children and their families with comprehensive information, support, services, and activities to improve the education, health, mental health, safety, and economic well-being of the children and their families.

"(3) ELIGIBLE PARTNERSHIP.—The term 'eligible partnership' means a partnership—

"(A) that contains—

"(i) at least 1 elementary school or secondary school that—

"(I) receives assistance under title I and for which a measure of poverty determination is made under section 1113(a)(5) with respect to a

minimum of 40 percent of the children in the school; and

"(II) demonstrates parent involvement and parent support for the partnership's activities;

"(ii) a local educational agency;

"(iii) a public agency, other than a local educational agency, including a local or State department of health and social services; and

"(iv) a nonprofit community-based organization, including a community mental health services organization or a family health center that provides mental health services; and

"(B) that may contain—

"(i) an institution of higher education; and

"(ii) other public or private nonprofit entities.

"SEC. 5728. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subpart $50,000,000 for fiscal year 2002, and such sums as may be necessary for each of the fiscal years 2003 through 2006.

SEC. 514. DROPOUT PREVENTION.

Title V is amended by adding at the end the following:

"PART N—ASSISTANCE TO ADDRESS SCHOOL DROPOUT PROBLEMS

"Subpart 1—Coordinated National Strategy

"SEC. 5751. NATIONAL ACTIVITIES.

"(a) NATIONAL PRIORITY.—It shall be a national priority, for the 5-year period beginning on the date of the enactment of the Excellence and Accountability in Education Act, to lower the school dropout rate, and increase school completion, for middle school and secondary school students in accordance with Federal law. As part of this priority, all Federal agencies that carry out activities that serve students at risk of dropping out of school or that are intended to help address the school dropout problem shall make school dropout prevention a top priority in the agencies' funding priorities during the 5-year period.

"(b) ENHANCED DATA COLLECTION.—The Secretary shall collect systematic data on the participation of different racial and ethnic groups (including migrant and limited English proficient students) in all Federal programs.

"SEC. 5752. NATIONAL SCHOOL DROPOUT PREVENTION STRATEGY.

"(a) PLAN.—The Director shall develop, implement, and monitor an interagency plan (in this section referred to as the 'plan') to assess the coordination, use of resources, and availability of funding under Federal law that can be used to address school dropout prevention, or middle school or secondary school reentry. The plan shall be completed and transmitted to the Secretary and Congress not later than 180 days after the first Director is appointed.

"(b) COORDINATION.—The plan shall 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.

"(c) AVAILABLE RESOURCES.—The plan shall also 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 title I.

"(d) SCOPE.—The plan will address all Federal programs with school dropout prevention or school reentry

elements or objectives, programs under title I, 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.

"SEC. 5753. NATIONAL CLEARINGHOUSE.

''Not later than 6 months after the date of the enactment of the Excellence and Accountability in Education Act, the Director shall establish a national clearinghouse on effective school dropout prevention, intervention and reentry programs. The clearinghouse shall be established through a competitive grant or contract awarded to an organization with a demonstrated capacity to provide technical assistance and disseminate information in the area of school dropout prevention, intervention, and reentry programs. The clearinghouse shall—

''(1) collect and disseminate to educators, parents, and policymakers information on research, effective programs, best practices, and available Federal resources with respect to school dropout prevention, intervention, and reentry programs, including dissemination by an electronically accessible database, a worldwide Web site, and a national journal; and

''(2) provide technical assistance regarding securing resources with respect to, and designing and

implementing, effective and comprehensive school dropout prevention, intervention, and reentry programs.

"SEC. 5754. NATIONAL RECOGNITION PROGRAM.

"(a) IN GENERAL.—The Director shall carry out a national recognition program 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. The Director shall use uniform national guidelines that are developed by the Director for the recognition program and shall recognize schools from nominations submitted by State educational agencies.

"(b) ELIGIBLE SCHOOLS.—The Director may recognize 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.

"(c) SUPPORT.—The Director may make monetary awards to schools recognized under this section, in amounts determined by the Director. 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. 5761. FINDINGS.

''The Congress finds that, in order to lower dropout rates and raise academic achievement levels, improved and redesigned schools must—

''(1) challenge all children to attain their highest academic potential; and

''(2) ensure that all students have substantial and ongoing opportunities to—

''(A) achieve high levels of academic and technical skills;

''(B) prepare for college and careers;

''(C) learn by doing;

''(D) work with teachers in small schools within schools;

''(E) receive ongoing support from adult mentors;

''(F) access a wide variety of information about careers and postsecondary education and training;

''(G) use technology to enhance and motivate learning; and

''(H) benefit from strong links among middle schools, secondary schools, and postsecondary institutions.

"SEC. 5762. PROGRAM AUTHORIZED.

''(a) ALLOTMENTS TO STATES.—

''(1) IN GENERAL.—From the sum made available under section 5772(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 title I for the preceding fiscal year bears to the amount received by all States under such 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 ⅓ 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; and

"(8) counseling for at-risk students.

"(c) INTENT OF CONGRESS.—It is the intent of Congress that the activities started or implemented under subsection (a) shall be continued with funding provided under part A of title I.

"(d) 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 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 Director 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.

"(e) 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 5768(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. 5763. STRATEGIES AND ALLOWABLE MODELS.

"(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; 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) ALLOWABLE MODELS.—The Director shall annually establish and publish in the Federal Register the principles, criteria, models, and other parameters regarding the types of effective, proven program models that are

allowed to be used under this subpart, based on existing research.

"(c) CAPACITY BUILDING.—

"(1) IN GENERAL.—The Director, 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 on a schoolwide level.

"(2) NUMBER AND DURATION.—

"(A) NUMBER.—The Director shall award not more than 5 contracts under this subsection.

"(B) DURATION.—The Director shall award a contract under this section for a period of not more than 5 years.

"(d) SUPPORT FOR EXISTING REFORM NETWORKS.—

"(1) IN GENERAL.—The Director 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 the enactment of the Excellence and Accountability in Education 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. 5764. 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 oper-

ational 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 interaction with an eligible entity described in section 5763(d)(2);

"(F) contain evidence of coordination with existing resources;

"(G) provide an assurance that funds provided under this subpart will supplement and not supplant other Federal, State, and local funds;

"(H) describe how the activities to be assisted conform with an allowable model described in section 5763(b); and

"(I) demonstrate that the school and local educational agency have agreed to conduct a schoolwide program under 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) CRITERIA.—The Director shall establish clear and specific selection criteria for awarding grants to schools under this subpart. Such criteria shall be based

on school dropout rates and other relevant factors for State educational agencies to use in determining the number of grants to award and the type of schools to be awarded grants.

"(d) 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 of title I, 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.

"(e) 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 drop-out 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.

"(f) 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.

"SEC. 5765. 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. 5766. PROGRESS INCENTIVES.

"Notwithstanding any other provision of law, each local educational agency that receives funds under title I 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. 5767. 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. 5768. 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 Director a report regarding the status of the implementation of activities funded under this subpart, the disaggregated outcome data for students at schools assisted under this subpart 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 Director shall evaluate the effect of the activities assisted under this subpart on school dropout prevention compared to a control group.

"SEC. 5769. PROHIBITION ON TRACKING.

"(a) IN GENERAL.—A school shall be ineligible to receive funding under this subpart for a fiscal year, if the school—

"(1) has in place a general education track;

"(2) provides courses with significantly different material and requirements to students at the same grade level; or

"(3) fails to encourage all students to take a core curriculum of courses.

"(b) REGULATIONS.—The Secretary shall promulgate regulations implementing subsection (a).

"Subpart 3—Definitions; Authorization of Appropriations

"SEC. 5771. DEFINITIONS.

"In this Act:

"(1) DIRECTOR.—The term 'Director' means the Director of the Office of Dropout Prevention and Program Completion established under section 220 of the General Education Provisions Act.

"(2) 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).

"(3) 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. 5772. AUTHORIZATION OF APPROPRIATIONS.

"(a) SUBPART 1.—There are authorized to be appropriated to carry out subpart 1, $5,000,000 for fiscal year 2002 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 2002 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 5322; and

"(2) $20,000,000 shall be available to carry out section 5323.".

SEC. 515. OFFICE OF DROPOUT PREVENTION AND PROGRAM COMPLETION.

Title II of the Department of Education Organization Act (20 U.S.C. 3411) is amended—

(1) by redesignating section 216 (as added by Public Law 103–227) as section 218; and

(2) by adding at the end the following:

"OFFICE OF DROPOUT PREVENTION AND PROGRAM COMPLETION

"SEC. 220. (a) ESTABLISHMENT.—There shall be in the Department of Education an Office of Dropout Prevention and Program Completion (hereafter in this section referred to as the 'Office'), to be administered by the Director of the Office of Dropout Prevention and Program Completion. The Director of the Office shall report directly to the Secretary and shall perform such additional functions as the Secretary may prescribe.

"(b) DUTIES.—The Director of the Office of Dropout Prevention and Program Completion (hereafter in this section referred to as the 'Director'), through the Office, shall—

"(1) help coordinate Federal, State, and local efforts to lower school dropout rates and increase program completion by middle school, secondary school, and college students;

"(2) recommend Federal policies, objectives, and priorities to lower school dropout rates and increase program completion;

"(3) oversee the implementation of subpart 2 of part C of title V of the Elementary and Secondary Education Act of 1965;

"(4) develop and implement the National School Dropout Prevention Strategy under section 5752 of the Elementary and Secondary Education Act of 1965;

"(5) annually prepare and submit to Congress and the Secretary a national report describing efforts and recommended actions regarding school dropout prevention and program completion;

"(6) recommend action to the Secretary and the President, as appropriate, regarding school dropout prevention and program completion; and

"(7) consult with and assist State and local governments regarding school dropout prevention and program completion.

"(c) SCOPE OF DUTIES.—The scope of the Director's duties under subsection (b) shall include examination of all Federal and non-Federal efforts related to—

"(1) promoting program completion for children attending middle school or secondary school;

"(2) programs to obtain a secondary school diploma or its recognized equivalent (including general

equivalency diploma (GED) programs), or college degree programs; and

"(3) reentry programs for individuals aged 12 to 24 who are out of school.

"(d) DETAILING.—In carrying out the Director's duties under this section, the Director may request the head of any Federal department or agency to detail personnel who are engaged in school dropout prevention activities to another Federal department or agency in order to implement the National School Dropout Prevention Strategy.".

SEC. 516. IMPACT AID AMENDMENTS.

(a) PAYMENTS FOR FEDERAL ACQUISITION OF REAL PROPERTY.—Section 8014(a) (20 U.S.C. 7714(a)) is amended—

(1) by striking "$32,000,000 for fiscal year 2000" and inserting "$50,000,000 for fiscal year 2002"; and

(2) by striking "three" and inserting "four".

(b) BASIC PAYMENTS.—Section 8014(b) (20 U.S.C. 7714(b)) is amended—

(1) by striking "$809,400,000 for fiscal year 2000" and inserting "$1,000,000,000 for fiscal year 2002"; and

(2) by striking "three" and inserting "four".

(c) PAYMENTS FOR CHILDREN WITH DISABILITIES.—Section 8014(c) (20 U.S.C. 7714(c)) is amended—

(1) by striking ''$50,000,000 for fiscal year 2000'' and inserting ''$70,000,000 for fiscal year 2002''; and

(2) by striking ''three'' and inserting ''four''.

(d) CONSTRUCTION.—Section 8014(e) (20 U.S.C. 7714(e)) is amended—

(1) by striking ''$10,052,000 for fiscal year 2000'' and inserting ''$35,000,000 for fiscal year 2002''; and

(2) by striking ''three'' and inserting ''four''.

(e) FACILITIES MAINTENANCE.—Section 8014(f) (20 U.S.C. 7714(f)) is amended—

(1) by striking ''$5,000,000 for fiscal year 2000'' and inserting ''$12,000,000 for fiscal year 2002''; and

(2) by striking ''three'' and inserting ''four''.

(f) ADDITIONAL ASSISTANCE FOR CERTAIN LOCAL EDUCATIONAL AGENCIES IMPACTED BY FEDERAL PROPERTY ACQUISITION.—Section 8014(g) (20 U.S.C. 7714(g)) is amended—

(1) in the heading, by striking ''FEDERAL PROPERTY LOCAL EDUCATIONAL AGENCIES'' and

inserting ''LOCAL EDUCATIONAL AGENCIES IMPACTED BY FEDERAL PROPERTY ACQUISITION''; and

(2) by striking ''2000'' and inserting ''2002''.

TITLE VI—INNOVATIVE EDUCATIONAL STRATEGIES

SEC. 601. INNOVATIVE EDUCATIONAL STRATEGIES.

(a) AMENDMENT TO HEADING.—The heading of title VI is amended to read as follows:

''TITLE VI—INNOVATIVE EDUCATION PROGRAM STRATEGIES AND SCHOOL CAPACITY''.

(b) STRATEGIES.—Part A of title VI is amended by adding at the end the following:

''SEC. 6103. ANNUAL PERFORMANCE REPORTING.

''(a) ANNUAL REPORT TO STATE EDUCATIONAL AGENCY.—A local educational agency that receive funds under this title shall report annually to the State educational agency on—

''(1) the specific purposes for which the funds were used;

''(2) the measurable impact such funds had on student achievement and enabling children to achieve challenging State academic standards; and

"(3) the extent to which the local educational agency met the goals established by the State educational agency for annual progress on improving student academic achievement and student performance.

"(b) ANNUAL REPORT TO PUBLIC.—A local educational agency receiving funds under this title shall annually report to the public information on the agency's annual progress in meeting the goals established by the State, and the specific purposes for which funds under this title were used.

"(c) LIMITATION ON FUNDS.—A local educational agency shall not receive funds under this title unless it complies with the requirements of this section.".

(b) STATE APPLICATIONS.—Paragraph (2) of section 6202(a) is amended to read as follows:

"(2)(A) annually provides the submission of data on the use of funds, the types of services furnished, and the extent that special populations and economically disadvantaged students were served relative to the overall student population for each local educational agency; and

"(B) beginning in 2003 provides for a rigorous, independent evaluation of this title's effectiveness in each local educational agency in the State in improv-

ing student academic achievement and student performance, consistent with the goals specified in paragraph (8).''.

(c) GOALS.—Section 6202(a) is amended—

(1) by striking ''and'' at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting ''; and''; and

(3) by adding at the end the following:

''(8) provides an assurance that the State educational agency will establish specific measurable goals for the annual progress of local educational agencies and schools within the State with respect to improving student academic achievement and student performance.''.

(d) DEFINITIONS AND DATA ELEMENTS.—Part D of title VI is amended by adding at the end the following:

''SEC. 6404. DEFINITIONS AND DATA ELEMENTS.

''The Secretary shall establish, in consultation with the States, common definitions and data elements to ensure that data required to be provided under this title are comparable across States and the data can be used by the Department for compliance with the Government Performance and Results Act.''.

(e) AUTHORIZATION.—Section 6002 (20 U.S.C. 7302) is amended to read as follows:

"SEC. 6002. AUTHORIZATION.

"To carry out the purposes of this title, there are authorized to be appropriated $450,000,000 for fiscal year 2002 and such sums as may be necessary for the 4 succeeding fiscal years.".

SEC. 602. SCHOOL CONSTRUCTION AND RENOVATION GRANTS.

Title VI is amended by adding at the end the following:

"PART E—SCHOOL CONSTRUCTION AND RENOVATION GRANTS

"SEC. 6501. SCHOOL CONSTRUCTION AND RENOVATION GRANTS.

"(a) GRANTS.—

"(1) ALLOCATION OF FUNDS.—From the amount provided under section 6502, the Secretary shall reserve—

"(A) 6.25 percent of such amount for grants to impacted local educational agencies (as defined in paragraph (3)) for school repair, renovation, and construction;

"(B) ¼ of 1 percent of such amount for grants to outlying areas for school repair and

renovation in high-need schools and communities, allocated on such basis, and subject to such terms and conditions, as the Secretary determines appropriate;

"(C) $25,000,000 for grants to public entities, private nonprofit entities, and consortia of such entities, for use in accordance with subpart 2 of part E of title V; and

"(D) the remainder for grants to State educational agencies in proportion to the amount each State received under part A of title I, except that no State shall receive less than 0.5 percent of the amount allocated under this subparagraph.

"(2) DETERMINATION OF GRANT AMOUNT.—

"(A) DETERMINATION OF WEIGHTED STUDENT UNITS.—For purposes of computing the grant amounts under paragraph (1)(A), the Secretary shall determine the results obtained by the computation made under section 8003 with respect to children described in subsection (a)(1)(C) of such section and computed under subsection (a)(2)(B) of such section for the appropriate fiscal year—

"(i) for each impacted local educational agency that receives funds under this section; and

"(ii) for all such agencies together.

"(B) COMPUTATION OF PAYMENT.—The Secretary shall calculate the amount of a grant to an impacted local educational agency by—

"(i) dividing the amount described in paragraph (1)(A) by the results of the computation described in subparagraph (A)(ii); and

"(ii) multiplying the number derived under clause (i) by the results of the computation described in subparagraph (A)(i) for such agency.

"(3) DEFINITION.—For purposes of this section, the term 'impacted local educational agency' means—

"(A) a local educational agency that receives a basic support payment under section 8003(b) for such fiscal year; and

"(B) with respect to which the number of children determined under section 8003(a)(1)(C) for the preceding school year constitutes at least 50 percent of the total stu-

dent enrollment in the schools of the agency during such school year.

"(b) WITHIN-STATE ALLOCATIONS.—

"(1) ADMINISTRATIVE COSTS.—

"(A) STATE EDUCATIONAL AGENCY ADMINISTRATION.—Except as provided in subparagraph (B), each State educational agency may reserve not more than 1 percent of its allocation under subsection (a)(1)(D) for the purpose of administering the distribution of grants under this subsection.

"(B) STATE ENTITY ADMINISTRATION.—If the State educational agency transfers funds to a State entity described in paragraph (2)(A), the agency shall transfer to such entity 0.75 of the amount reserved under this paragraph for the purpose of administering the distribution of grants under this subsection.

"(2) RESERVATION FOR COMPETITIVE SCHOOL CONSTRUCTION, REPAIR, AND RENOVATION GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

"(A) IN GENERAL.—Subject to the reservation under paragraph (1), of the funds allocated to a State educational agency under subsection (a)(1)(D), the State educational agency

shall distribute no less than 99 percent of such funds to local educational agencies or, if such State educational agency is not responsible for the financing of education facilities, the agency shall transfer such funds to the State entity responsible for the financing of education facilities (referred to in this section as the 'State entity') for distribution by such entity to local educational agencies in accordance with this paragraph, to be used, consistent with subsection (c), for school construction, repair, and renovation.

"(B) COMPETITIVE GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

"(i) IN GENERAL.—The State educational agency or State entity shall carry out a program of competitive grants to local educational agencies for the purpose described in subparagraph (A). Of the total amount available for distribution to such agencies under this paragraph, the State educational agency or State entity, shall, in carrying out the competition—

"(I) award to high poverty local educational agencies described in

clause (ii), in the aggregate, at least an amount which bears the same relationship to such total amount as the aggregate amount such local educational agencies received under part A of title I for the current fiscal year bears to the aggregate amount received for such fiscal year under such part by all local educational agencies in the State;

''(II) award to rural local educational agencies in the State, in the aggregate, at least an amount which bears the same relationship to such total amount as the aggregate amount such rural local educational agencies received under part A of title I for the current fiscal year bears to the aggregate amount received for such fiscal year under such part by all local educational agencies in the State; and

''(III) award the remaining funds to local educational agencies not receiving an award under subclause (I) or (II), including high poverty and

rural local educational agencies that did not receive such an award.

"(ii) HIGH POVERTY LOCAL EDUCATIONAL AGENCIES.—A local educational agency is described in this clause if—

"(I) the percentage described in subparagraph (C)(i) with respect to the agency is 30 percent or greater; or

"(II) the number of children described in such subparagraph with respect to the agency is at least 10,000.

"(C) CRITERIA FOR AWARDING GRANTS.—In awarding competitive grants under this paragraph, a State educational agency or State entity shall—

"(i) take into account—

"(I) the percentage of poor children 5 to 17 years of age, inclusive, in a local educational agency;

"(II) the need of a local educational agency for school construction, repair, and renovation, as demonstrated by the condition of its public school facilities;

"(III) the fiscal capacity of a local educational agency to meet its needs for construction, repair, and renovation of public school facilities without assistance under this section, including its ability to raise funds through the use of local bonding capacity and otherwise;

"(IV) in the case of a local educational agency that proposes to fund a construction, repair, or renovation project for a charter school or schools, the extent to which the school or schools have access to funding for the project through the financing methods available to other public schools or local educational agencies in the State; and

"(V) the likelihood that the local educational agency will maintain, in good condition, any facility whose construction, repair, or renovation is assisted under this section; and

"(ii) give priority, consistent with subparagraph (B)(i), to local educational

agencies which provide an assurance that such grant will be used to repair or renovate schools identified as in need of improvement under section 1116(b).

"(D) POSSIBLE MATCHING REQUIREMENT.—

"(i) IN GENERAL.—A State educational agency or State entity may require local educational agencies to match funds awarded under this subsection.

"(ii) MATCH AMOUNT.—The amount of a match described in clause (i) may be established by using a sliding scale that takes into account the relative poverty of the population served by the local educational agency.

"(c) RULES APPLICABLE TO SCHOOL CONSTRUCTION, REPAIR, AND RENOVATION.—With respect to funds made available under this section that are used for school construction, repair, and renovation, the following rules shall apply:

"(1) PERMISSIBLE USES OF FUNDS.—School construction, repair, and renovation shall be limited to one or more of the following:

"(A) Emergency repairs or renovations to public school facilities only to ensure the health and safety of students and staff, including—

"(i) repairing, replacing, or installing roofs, electrical wiring, plumbing systems, or sewage systems;

"(ii) repairing, replacing, or installing heating, ventilation, or air conditioning systems (including insulation); and

"(iii) bringing public schools into compliance with fire and safety codes.

"(B) School facilities modifications necessary to render public school facilities accessible in order to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

"(C) School facilities modifications necessary to render public school facilities accessible in order to comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

"(D) Asbestos abatement or removal from public school facilities.

"(E) Renovation, repair, and acquisition needs related to the building infrastructure of a charter school.

"(F) Construction of new public school facilities.

"(2) IMPERMISSIBLE USES OF FUNDS.—No funds received under this section may be used for—

"(A) payment of maintenance costs in connection with any projects constructed in whole or part with Federal funds provided under this section; or

"(B) stadiums or other facilities primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public.

"(3) CHARTER SCHOOLS.—A public charter school that constitutes a local educational agency under State law shall be eligible for assistance under the same terms and conditions as any other local educational agency.

"(4) SUPPLEMENT, NOT SUPPLANT.—Excluding the uses described in subparagraphs (B) and (C) of paragraph (1), a local educational agency shall use Federal funds subject to this subsection only to supplement the amount of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for school repair and renovation.

"(d) SPECIAL RULE.—Each local educational agency that receives funds under this section shall ensure that, if it carries out construction, repair, or renovation through a contract, any such contract process ensures the maximum number of qualified bidders, including small, minority, and women-owned businesses, through full and open competition.

"(e) PUBLIC COMMENT.—Each local educational agency receiving funds under paragraph (2) of subsection (b)—

"(1) shall provide parents, educators, and all other interested members of the community the opportunity to consult on the use of funds received under such paragraph;

"(2) shall provide the public with adequate and efficient notice of the opportunity described in paragraph (1) in a widely read and distributed medium; and

"(3) shall provide the opportunity described in paragraph (1) in accordance with any applicable State and local law specifying how the comments may be received and how the comments may be reviewed by any member of the public.

"(f) REPORTING.—

"(1) LOCAL REPORTING.—Each local educational agency receiving funds under subsection (a)(1)(D) shall submit a report to the State educational agency, at such time as the State educational agency may require, describing the use of such funds for school construction, repair, and renovation.

"(2) STATE REPORTING.—Each State educational agency shall submit to the Secretary of Education, not later than December 31, 2002, a report on the use of funds received under subsection (a)(1)(D) by local educational agencies for school construction, repair, and renovation.

"(3) ADDITIONAL REPORTS.—Each entity receiving funds allocated under subsection (a)(1) (A) of (B) shall submit to the Secretary, not later than December 31, 2002, a report on its uses of funds under this section, in such form and containing such information as the Secretary may require.

"(g) REALLOCATION.—If a State educational agency does not apply for an allocation of funds under subsection (a)(1)(D) for fiscal year 2001, or does not use its entire allocation for such fiscal year, the Secretary may reallocate the amount of the State educational agency's allocation (or the remainder thereof, as the case may be) to the

remaining State educational agencies in accordance with subsection (a)(1)(D).

"(h) PARTICIPATION OF PRIVATE SCHOOLS.—

"(1) IN GENERAL.—Section 6402 shall apply to subsection (b)(2) in the same manner as it applies to activities under this part, except that—

"(A) such section shall not apply with respect to the title to any real property renovated or repaired with assistance provided under this section;

"(B) the term 'services' as used in section 6402 with respect to funds under this section shall be provided only to private, nonprofit elementary or secondary schools with a rate of child poverty of at least 40 percent and may include for purposes of subsection (b)(2) only—

"(i) modifications of school facilities necessary to meet the standards applicable to public schools under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

"(ii) modifications of school facilities necessary to meet the standards applicable to public schools under section 504 of the

Rehabilitation Act of 1973 (29 U.S.C. 794); and

"(iii) asbestos abatement or removal from school facilities; and

"(C) notwithstanding the requirements of section 6402(b), expenditures for services provided using funds made available under subsection (b)(2) shall be considered equal for purposes of such section if the per-pupil expenditures for services described in subparagraph (B) for students enrolled in private nonprofit elementary and secondary schools that have child poverty rates of at least 40 percent are consistent with the per-pupil expenditures under this section for children enrolled in the public schools in the school district of the local educational agency receiving funds under this section.

"(2) REMAINING FUNDS.—If the expenditure for services described in paragraph (1)(B) is less than the amount calculated under paragraph (1)(C) because of insufficient need for such services, the remainder shall be available to the local educational agency for renovation and repair of public school facilities.

"(3) APPLICATION.—If any provision of this section, or the application thereof, to any person or circumstances is judicially determined to be invalid, the provisions of the remainder of the section and the application to other persons or circumstances shall not be affected thereby.

"(i) DEFINITIONS.—For purposes of this section:

"(1) POOR CHILDREN AND CHILD POVERTY.—The terms 'poor children' and 'child poverty' refer to children 5 to 17 years of age, inclusive, who are from families with incomes below 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 (42 U.S.C. 9902(2)) applicable to a family of the size involved for the most recent fiscal year for which data satisfactory to the Secretary are available.

"(2) RURAL LOCAL EDUCATIONAL AGENCY.—The term 'rural local educational agency' means a local educational agency that the State determines is located in a rural area using objective data and a commonly employed definition of the term 'rural'.

"SEC. 6502. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated $2,256,000,000 for fiscal

year 2002, $3,414,000,000 for fiscal year 2003, $4,619,000,000 for fiscal year 2004, $5,874,000,000 for fiscal year 2005, and $7,179,000,000 for fiscal year 2006.''.

TITLE VII—EDUCATION OF LIMITED ENGLISH PROFICIENT CHILDREN AND EMERGENCY IMMIGRANT EDUCATION

SEC. 701. PROGRAMS AUTHORIZED.

Title VII (20 U.S.C. 7401 et seq.) is amended to read as follows:

''TITLE VII—EDUCATION OF LIMITED ENGLISH PROFICIENT CHILDREN AND EMERGENCY IMMIGRANT EDUCATION

''PART A—INSTRUCTIONAL PROGRAMS FOR LIMITED ENGLISH PROFICIENT STUDENTS

''SEC. 7101. SHORT TITLE.

''This part may be cited as the 'Bilingual Instruction and Academic Achievement Act'.

''SEC. 7102. FINDINGS AND PURPOSES.

''(a) FINDINGS.—The Congress finds that—

''(1) since 1979, the number of limited English proficient children attending school in the United States has more than doubled to greater than

4,000,000, and demographic trends indicate the population of limited English proficient children will continue to increase;

"(2) limited English proficient children must overcome a number of challenges in receiving an education in order to enable such children 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 need for additional teachers and other staff who are professionally trained and qualified to serve such children;

"(3) States and local educational agencies need assistance in developing the capacity to provide programs of instruction that offer and provide an equal educational opportunity to children who need special assistance because English is not their dominant language;

"(4) as the world becomes increasingly interdependent and as international communication becomes a daily occurrence in government, business, commerce, and family life, language skills constitute an important national resource which deserves protection and development;

"(5) 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;

"(6) 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 educational agencies take appropriate action to provide equal educational opportunities to children of limited English proficiency; and

"(7) research, evaluation, and data collection capabilities in the field of instruction for limited English proficient children need to be strengthened

so that educators and other staff teaching limited English proficient children in the classroom can better identify and promote programs, program implementation strategies, and instructional practices that result in the effective education of limited English proficient children.

''(b) PURPOSES.—The purposes of this part are—

''(1) to help ensure that children who are limited English proficient are provided appropriate instruction that ensures they can demonstrate English proficiency, develop high levels of academic attainment in English, and meet the same challenging State content standards and challenging State student performance standards expected of all children; and

''(2) to develop high quality instructional programs designed to assist local educational agencies in teaching limited English proficient children.

''SEC. 7103. PARENTAL NOTIFICATION AND CONSENT FOR ENGLISH LANGUAGE INSTRUCTION.

''(a) NOTIFICATION.—If a local educational agency receives funds under this part, the agency shall inform a parent or the parents of a child being assisted under this part of—

"(1) the reasons for the identification of the child as being in need of academic and language instruction;

"(2) the child's level of English proficiency, how such level was assessed, and the status of the child's academic achievement;

"(3) how the instruction program will specifically help the child acquire English and meet age-appropriate standards for grade promotion and graduation;

"(4) what the specific exit requirements are for the program;

"(5) what programs are available to meet the student's educational strengths and needs and how the programs differ in content and instructional goals, and in the case of a student with a disability, how the program meets the objectives of the student's individualized education program; and

"(6) the expected rate of graduation from high school for the program if funds under this part are used for children in secondary schools.

"(b) PARENTAL RIGHTS.—A parent or the parents of a child participating in an instruction program for limited English proficient children assisted under this part shall—

"(1) be afforded an opportunity to select among methods of instruction, if more than one method is offered in the program; and

"(2) have the right to have their child immediately removed from the program upon their request.

"(c) RECEIPT OF INFORMATION.—A parent or the parents of a child identified for participation in an English language instruction program for limited English proficient children assisted under this part shall receive, in a manner and form understandable to the parent or parents, the information required by this subsection. At a minimum, the parent or parents shall receive—

"(1) timely information about English language instruction programs for limited English proficient children assisted under this part;

"(2) if a parent of a participating child so desires, notice of opportunities for regular meetings for the purpose of formulating and responding to recommendations from such parents; and

"(3) procedural information for removing a child from a program for limited English proficient children.

"(d) BASIS FOR ADMISSION OR EXCLUSION.—Students shall not be admitted to or excluded from any feder-

ally assisted education program on the basis of a surname or language-minority status.

"(e) CIVIL RIGHTS PROTECTION.—A local educational agency shall not be relieved of any of its obligations under title VI of the Civil Rights Act of 1964 because parents choose not to enroll their children in a specialized instructional program to help their child learn English.

"SEC. 7104. AUTHORIZATIONS OF APPROPRIATIONS.

"(a) SUBPART 1.—For the purpose of carrying out subpart 1 there are authorized to be appropriated $500,000,000 for fiscal year 2002 and such sums as may be necessary for the 4 succeeding fiscal years.

"(b) SUBPART 2.—For the purpose of carrying out subpart 2, there are authorized to be appropriated $60,000,000 for fiscal year 2002 and such sums as may be necessary for the 4 succeeding fiscal years.

"(c) SUBPART 3.—For the purpose of carrying out subpart 4, there are authorized to be appropriated $16,000,000 for fiscal year 2002 and such sums as may be necessary for the 4 succeeding fiscal years.

"Subpart 1—Instructional Programs

"SEC. 7111. FINANCIAL ASSISTANCE FOR PROGRAMS FOR LIMITED ENGLISH PROFICIENT CHILDREN.

''The purpose of this subpart is to assist local educational agencies, institutions of higher education, and community-based organizations, through the grants authorized under section 7112, to—

''(1) develop and enhance their capacity to provide high-quality instruction through language instruction and programs which assist limited English proficient children in achieving the same high levels of academic achievement as other children; and

''(2) help such children—

''(A) develop proficiency in English; and

''(B) meet the same challenging State content standards and challenging State student performance standards expected for all children as required by section 1111(b).

"SEC. 7112. FINANCIAL ASSISTANCE FOR INSTRUCTIONAL SERVICES.

''(a) PROGRAM AUTHORIZED.—

''(1) IN GENERAL.—The Secretary is authorized to award grants to eligible entities having applications approved under section 7114 to enable such entities to carry out activities described in subsection (b).

"(2) LENGTH OF GRANT.—Each grant under this section shall be awarded for a period of 3 to 5 years, as determined by the Secretary, based on the type of grant for which the eligible entity applies.

"(b) AUTHORIZED ACTIVITIES.—Grants awarded under this section shall be used to improve the education of limited English proficient children and their families, through the acquisition of English and the attainment of challenging State academic content standards and challenging State performance standards using scientifically-based research approaches and methodologies, by—

"(1) developing and implementing new language and academic content instructional programs for children who are limited English proficient, including programs of early childhood education and kindergarten through 12th grade education, that are aligned with the State's challenging academic, content, and performance standards;

"(2) carrying out highly focused, innovative, locally designed projects to expand or enhance existing English language and academic content instruction programs for limited English proficient children;

"(3) implementing, within an individual school, schoolwide programs for restructuring, reforming, and upgrading all relevant programs and operations

relating to English language and academic content instruction for limited English proficient students; or

"(4) implementing, within the entire jurisdiction of a local educational agency, agency-wide programs for restructuring, reforming, and upgrading all relevant programs and operations relating to language and academic content instruction for limited English proficient students.

"(c) USES OF FUNDS.—Grants under this section may be used—

"(1) to upgrade program objectives and effective instructional strategies;

"(2) to improve the instruction program for limited English proficient students by identifying, acquiring, and upgrading curricula, instructional materials, educational software, and assessment procedures;

"(3) to provide—

"(A) tutorials and academic or vocational education for limited English proficient children; and

"(B) intensified instruction;

"(4) to develop and implement comprehensive preschool or elementary or secondary school lan-

guage instructional programs that are coordinated with other relevant programs and services;

''(5) to provide professional development to classroom teachers, administrators, and other school or community-based organizational personnel to improve the instruction and assessment of children who are limited English proficient children;

''(6) to improve the English language proficiency and academic performance of limited English proficient children;

''(7) to improve the instruction of limited English proficient children by providing for the acquisition or development of education technology or instructional materials, access to and participation in electronic networks for materials, training and communications, and incorporation of such resources in curricula and programs, such as those funded under this subpart;

''(8) to develop tutoring programs for limited English proficient children that provide early intervention and intensive instruction in order to improve academic achievement, to increase graduation rates among limited English proficient children, and to increase English proficiency among such children;

"(9) to develop accountability systems to monitor the academic progress and English proficiency of limited proficient students and formerly limited English proficient students;

"(10) to provide family literacy services and parent outreach and training activities to limited English proficient children and their families to improve their English language skills and assist parents in helping their children to improve their academic performance; and

"(11) to undertake other activities that are consistent with the purposes of this subpart.

"(d) SPECIAL RULE.—A grant recipient, before carrying out a program assisted under this section, shall plan, train personnel, develop curricula, and acquire or develop materials.

"(e) 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 organization, or local or State educational agency.

"SEC. 7113. NATIVE AMERICAN AND ALASKA NATIVE CHILDREN IN SCHOOL.

"(a) ELIGIBLE ENTITIES.—For the purpose of carrying out programs under this subpart for individuals served by elementary, secondary, and postsecondary schools operated predominately for Native American or Alaska Native children, an Indian tribe, a tribally sanctioned educational authority, a Native Hawaiian or Native American Pacific Islander native language education organization, or an elementary or secondary school that is operated or funded by the Bureau of Indian Affairs shall be considered to be a local educational agency as such term is used in this subpart, subject to the following qualifications:

"(1) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), that is recognized for the special programs and services provided by the United States to Indians because of their status as Indians.

"(2) TRIBALLY SANCTIONED EDUCATIONAL AUTHORITY.—The term 'tribally sanctioned educational authority' means—

"(A) any department or division of education operating within the administrative structure of the duly constituted governing body of an Indian tribe; and

"(B) any nonprofit institution or organization that is—

"(i) chartered by the governing body of an Indian tribe to operate any such school or otherwise to oversee the delivery of educational services to members of that tribe; and

"(ii) approved by the Secretary for the purpose of this section.

"(b) ELIGIBLE ENTITY APPLICATION.—Notwithstanding any other provision of this subpart, each eligible entity described in subsection (a) shall submit any application for assistance under this subpart directly to the Secretary along with timely comments on the need for the proposed program.

"SEC. 7114. APPLICATIONS.

"(a) IN GENERAL.—

"(1) SECRETARY.—To receive a grant under this subpart, an eligible entity shall submit an application to the Secretary at such time, in such form,

and containing such information as the Secretary may require.

"(2) STATE EDUCATIONAL AGENCY.—An eligible entity, with the exception of schools funded by the Bureau of Indian Affairs, shall submit a copy of its application under this section to the State educational agency.

"(b) REQUIRED DOCUMENTATION.—Such application shall include documentation that the applicant has the qualified personnel required to develop, administer, and implement the proposed program.

"(c) 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, and a comprehensive description of the characteristics relevant to the children being served.

"(B) An assurance that, if the applicant includes one or more local educational agencies, each such agency is complying with section 7103(b) prior to, and throughout, each school year.

"(C) A description of the program to be implemented and how such program's design—

"(i) relates to the English language and academic needs of the children of limited English proficiency to be served;

"(ii) is coordinated with other programs under this Act and other Acts, as appropriate, in accordance with section 10206;

"(iii) involves the parents of the children of limited English proficiency to be served;

"(iv) ensures accountability in achieving high academic standards; and

"(v) promotes coordination of services for the children of limited English proficiency to be served and their families.

"(D) A description, if appropriate, of the applicant's collaborative activities with institutions of higher education, community-based organizations, local or State educational agencies, private schools, nonprofit organizations, or businesses in carrying out the proposed program.

"(E) An assurance that the applicant will not reduce the level of State and local funds that the applicant expends for programs for

limited English proficient children if the applicant receives an award under this subpart.

"(F) An assurance that the applicant will employ teachers in the proposed program who are proficient in English, including written and oral communication skills, and another language, if appropriate.

"(G) A budget for grant funds.

"(H) A description of how the applicant annually will assess the English proficiency of all children with limited English proficiency participating in programs funded under this subpart.

"(I) Data on the number of limited English proficient students that will be served.

"(J) The characteristics of the students to be served, including—

"(i) the proficiency of such students in English; and

"(ii) achievement data, in the aggregate, of such students in core academic subjects.

"(2) ADDITIONAL INFORMATION.—Each applicant for a grant under section 7112 who intends to

use the grant for a purpose described in paragraph (3) or (4) of subsection (b) of such section—

"(A) shall describe—

"(i) how services provided under this subpart are supplementary to existing services;

"(ii) how funds received under this subpart will be integrated, as appropriate, with all other Federal, State, local, and private resources that may be used to serve children of limited English proficiency;

"(iii) specific achievement and school retention goals for the children to be served by the proposed program and how progress toward achieving such goals will be measured; and

"(iv) current family literacy programs if applicable; and

"(B) shall provide assurances that the program funded will be integrated with the overall educational program.

"(d) APPROVAL OF APPLICATIONS.—An application for a grant under this subpart may be approved only if the Secretary determines that—

"(1) the program will use qualified personnel, including personnel who are proficient in English and other languages used in instruction, if appropriate;

"(2) in designing the program for which application is made, the needs of children in nonprofit private elementary and secondary schools have been taken into account through consultation with appropriate private school officials and, consistent with the number of such children enrolled in such schools in the area to be served whose educational needs are of the type and whose language and grade levels are of a similar type to those which the program is intended to address, after consultation with appropriate private school officials, provision has been made for the participation of such children on a basis comparable to that provided for public school children;

"(3) student evaluation and assessment procedures in the program are valid, reliable, and fair for limited English proficient students, and that limited English proficient students who are disabled are identified and served in accordance with the requirements of the Individuals with Disabilities Education Act;

"(4) Federal funds made available for the project or activity will be used so as to supplement the level of State and local funds that, in the absence of such Federal funds, would have been expended for special programs for limited English proficient children and in no case to supplant such State and local funds, except that nothing in this paragraph shall be construed to preclude a local educational agency from using funds under this title for activities carried out under an order of a court of the United States or of any State respecting services to be provided such children, or to carry out a plan approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 with respect to services to be provided such children; and

"(5) the assistance provided under the application will contribute toward building the capacity of the applicant to provide a program on a regular basis, similar to that proposed for assistance, which will be of sufficient size, scope, and quality to promise significant improvement in the education of students of limited English proficiency, and that the applicant will have the resources and commitment to continue the program when assistance under this subpart is reduced or no longer available.

"(e) 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.

"SEC. 7115. 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) applying technology to the course of instruction; and

"(3) providing intensified instruction through supplementary instruction or activities, including educationally enriching extracurricular activities, during times when school is not routinely in session.

"SEC. 7116. CAPACITY BUILDING.

"Each recipient of a grant under this subpart shall use the grant in ways that will build such recipient's capacity to continue to offer high-quality language instruc-

tion and programs which assist limited English proficient children in achieving the same high levels of academic achievement as other children, once Federal assistance is reduced or eliminated.

"SEC. 7117. 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. 7118. SPECIAL CONSIDERATION.

''The Secretary shall give special consideration 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, including such children in areas with low concentrations of such children; 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. 7119. 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 and other Acts, as appropriate, in accordance with section 10206.

"SEC. 7120. NOTIFICATION.

''The State educational agency, and when applicable, the State board for postsecondary education, shall be notified within three working days of the date an award under this subpart is made to an eligible entity within the State.

"SEC. 7121. STATE GRANT PROGRAM.

''(a) STATE GRANT PROGRAM.—The Secretary is authorized to make an award to a State educational agency that demonstrates, to the satisfaction of the Secretary, that such agency, through such agency's own programs and other Federal education programs, effectively provides for the education of children of limited English proficiency within the State.

''(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.

"(c) USE OF FUNDS.—

"(1) IN GENERAL.—A State educational agency shall use funds awarded under this section for programs authorized by this section—

"(A) to assist local educational agencies in the State with program design, capacity building, assessment of student performance, and program evaluation; and

"(B) to collect data on the State's limited English proficient populations and the educational programs and services available to such populations.

"(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.

"(3) SPECIAL RULE.—Recipients of funds under this section shall not restrict the provision of services under this section to federally funded programs.

"(d) APPLICATIONS.—A State educational agency desiring to receive funds 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 require.

"(e) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section for any fiscal year shall be used by the State educational agency to supplement and, to the extent practical, to increase to the level of funds that would, in the absence of such funds, be made available by the State for the purposes described in this section, and in no case to supplant such funds.

"(f) REPORT TO THE SECRETARY.—State educational agencies receiving awards under this section shall provide for the annual submission of a summary report to the Secretary describing such State's use of such funds.

"Subpart 2—Professional Development

"SEC. 7131. PURPOSE.

"The purpose of this subpart is to assist in preparing educators to improve educational services for limited English proficient children by supporting professional development programs primarily aimed at improving and developing the skills of instructional staff in elementary and secondary schools and on assisting limited English proficient children to attain English proficiency and meet

challenging State academic content standards and challenging State performance standards.

"SEC. 7132. PROFESSIONAL DEVELOPMENT AND FELLOWSHIPS.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized to award grants, as appropriate, to local educational agencies, institutions of higher education, State educational agencies, public and private organizations in consortium with a local educational agency, or a consortium of such agencies or institutions, except that any such consortium shall include a local educational agency.

"(2) GRANT PURPOSE.—Grants awarded under this section shall be used for one or more of the following purposes:

"(A) To develop and provide ongoing in-service professional development, including professional development necessary to receive certification as a teacher of limited English proficient children, for teachers of limited English proficient children, school administrators and, if appropriate, pupil services personnel, and other educational personnel who are involved in, or preparing to be involved in, the provision of

educational services to limited English proficient children.

"(B) To provide for the incorporation of courses and curricula on appropriate and effective instructional and assessment methodologies, strategies, and resources specific to limited English proficient students into in-service professional development programs for teachers, administrators and, if appropriate, pupil services personnel, and other educational personnel in order to prepare such individuals to provide effective services to limited English proficient students.

"(C) To upgrade the qualifications and skills of teachers to ensure that they are fully qualified (as defined by section 1610) and meet high professional standards, including certification and licensure as a teacher of limited English proficient students.

"(D) To upgrade the qualifications and skills of paraprofessionals to ensure they meet the requirements under section 1119 and meet high professional standards to assist, as appropriate, teachers who instruct limited English proficient students.

"(E) To train secondary school students as teachers of limited English proficient children and to train, as appropriate, other education personnel to serve limited English proficient students.

"(F) To award fellowships for—

"(i) study in such areas as teacher training, program administration, research and evaluation, and curriculum development, at the master's, doctoral, or post-doctoral degree level, related to instruction of children and youth of limited English proficiency; and

"(ii) the support of dissertation research related to such study.

"(G) To recruit elementary and secondary school teachers of limited English proficient children.

"(b) DURATION AND LIMITATION.—

"(1) GRANT PERIOD.—Each grant under this section shall be awarded for a period of not more than 5 years.

"(2) LIMITATION.—Not more than 15 percent of the amount of the grant may be expended for the

purposes described in subparagraphs (F) and (G) of subsection (a)(2).

"(c) PROFESSIONAL DEVELOPMENT REQUIREMENTS.—

"(1) ACTIVITIES.—A recipient of a grant under this section may use the grant funds for the following professional development activities:

"(A) Designing and implementing of induction programs for new teachers, including mentoring and coaching by trained teachers, team teaching with experienced teachers, compensation for, and availability of, time for observation of, and consultation with, experienced teachers, and compensation for, and availability of, additional time for course preparation.

"(B) Implementing collaborative efforts among teachers to improve instruction in reading and other core academic areas for students with limited English proficiency, including programs that facilitate teacher observation and analysis of fellow teachers' classroom practice.

"(C) Supporting long-term collaboration among teachers and outside experts to improve instruction of limited English proficient students.

"(D) Coordinating project activities with other programs, such as those under the Head Start Act, and titles I and II of this Act, and titles II and V of the Higher Education Act of 1965.

"(E) 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.

"(F) Instructing teachers and, where appropriate, other personnel working with limited English children on how—

"(i) to utilize test results to improve instruction for limited English proficient children so the children can meet the same challenging State content standards and challenging State performance standards as other students; and

"(ii) to help parents understand the results of such assessments.

"(G) Contracting with institutions of higher education to allow them to provide in-service training to teachers, and, where appropriate, other personnel working with limited English proficient children to improve the quality of

professional development programs for limited English proficient students.

"(H) Such other activities as are consistent with the purpose of this section.

"(2) ADDITIONAL REQUIREMENTS FOR PROFESSIONAL DEVELOPMENT FUNDS.—Uses of funds received under this section for professional development—

"(A) shall advance teacher understanding of effective instructional strategies based on scientifically based research for improving student achievement;

"(B) shall 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 teachers' performance in the classroom;

"(C) shall be developed with extensive participation of teachers, principals, parents, and administrators of schools to be served under subparts 1 and 2 of part A; and

"(D) as a whole, shall be regularly evaluated for their impact on increased teacher effectiveness and improved student achievement,

with the findings of such evaluations used to improve the quality of professional development.

"(d) FELLOWSHIP REQUIREMENTS.—

"(1) IN GENERAL.—Any person receiving a fellowship under subsection (a)(2)(F) shall agree—

"(A) to work as a teacher of limited English proficient children, or in a program or an activity funded under this part, for a period of time equivalent to the period of time during which the person receives such fellowship; or

"(B) to repay the amount received pursuant to the fellowship award.

"(2) REGULATIONS.—The Secretary shall establish in regulations such terms and conditions for agreements under paragraph (1) as the Secretary deems reasonable and necessary and may waive the requirement of such paragraph in extraordinary circumstances.

"(3) PRIORITY.—In awarding fellowships under this section, the Secretary shall give priority to fellowship applicants applying for study or dissertation research at institutions of higher education that have demonstrated a high level of success in placing fellowship recipients into employment in elementary and secondary schools.

"(4) INFORMATION.—The Secretary shall include information on the operation and the number of fellowships awarded under this section in the evaluation required under section 7303.

"SEC. 7133. APPLICATION.

"(a) IN GENERAL.—

"(1) SUBMISSION TO SECRETARY.—In order to receive a grant under section 7132, an agency, institution, organization, or consortium described in subsection (a)(1) of such section shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

"(2) CONTENTS.—Each such application shall include—

"(A) a description of the proposed professional development or graduate fellowship programs to be implemented with the grant;

"(B) a description of the scientific research on which the program or programs are based; and

"(C) an assurance that funds will be used to supplement and not supplant other professional development activities that affect the

teaching and learning in elementary and secondary schools, as appropriate.

"(b) APPROVAL.—The Secretary shall only approve an application under this section if it meets the requirements of this section and is of sufficient quality to meet the purposes of this subpart.

"(c) SPECIAL RULES.—

"(1) OUTREACH AND TECHNICAL ASSISTANCE.—The Secretary shall provide for outreach and technical assistance to institutions of higher education eligible for assistance under titles III and V of the Higher Education Act of 1965 and institutions of higher education that are operated or funded by the Bureau of Indian Affairs to facilitate the participation of such institutions under this subpart.

"(2) DISTRIBUTION.—In making awards under this subpart, the Secretary shall ensure adequate representation of Hispanic-serving institutions (as defined in section 502 of the Higher Education Act of 1965) that demonstrate competence and experience in the programs and activities authorized under this subpart and are otherwise qualified.

"SEC. 7134. PROGRAM EVALUATIONS.

"Each recipient of funds under this subpart shall provide the Secretary with an evaluation of the program as-

sisted under this subpart every 2 years. Such evaluation shall include data on—

"(1) post-program placement of persons trained in a program assisted under this subpart;

"(2) how such 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. 7135. USE OF FUNDS FOR SECOND LANGUAGE COMPETENCE.

"Funds received under this subpart may be used to develop any program participant's competence in a second language for use in instructional programs.

"Subpart 3—Research, Evaluation, and Dissemination

"SEC. 7141. AUTHORITY.

"The Secretary shall conduct and coordinate, through the Office of Educational Research and Improvement and in coordination with the Office of Educational Services for Limited English Proficient Children, research for the purpose of improving language and academic content instruction for children who are limited English proficient. Activities under this section shall be limited to research to identify successful models for teaching limited English pro-

ficient children English, research to identify successful models for assisting such children to meet challenging State content and student performance standards, and distribution of research results to States for dissemination to schools with populations of students who are limited English proficient. Research conducted under this section may not focus solely on any one method of instruction.

"SEC. 7142. NATIONAL CLEARINGHOUSE FOR BILINGUAL EDUCATION.

"(a) ESTABLISHMENT.—The Secretary shall establish and support the operation of a National Clearinghouse for Bilingual Education, which shall collect, analyze, synthesize, and disseminate information about bilingual education and related programs.

"(b) FUNCTIONS.—The National Clearinghouse for Bilingual Education shall—

"(1) be administered as an adjunct clearinghouse of the Educational Resources Information Center Clearinghouses system of clearinghouses supported by the Office of Educational Research and Improvement;

"(2) coordinate its activities with Federal data and information clearinghouses and dissemination networks and systems;

"(3) develop a database management and monitoring system for improving the operation and effectiveness of federally funded bilingual education programs; and

"(4) develop, maintain, and disseminate 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.

"PART B—EMERGENCY IMMIGRANT EDUCATION PROGRAM

"SEC. 7201. FINDINGS AND 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; and

"(3) 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 unex-

pectedly large increases in their student population due to immigration—

"(1) to provide high-quality instruction to immigrant children and youth; and

"(2) to help such children and youth—

"(A) with their transition into American society; and

"(B) meet the same challenging State performance standards expected of all children and youth.

"SEC. 7202. STATE ADMINISTRATIVE COSTS.

"For any fiscal year, a State educational agency may reserve not more than 1.5 percent of the amount allocated to such agency under section 7204 to pay the costs of performing such agency's administrative functions under this part.

"SEC. 7203. WITHHOLDING.

"Whenever the Secretary, after providing reasonable notice and opportunity for a hearing to any State educational agency, finds that there is a failure to meet the requirement of any provision of this part, the Secretary shall notify that agency that further payments will not be made to the agency under this part, or in the discretion of the Secretary, that the State educational agency shall not make further payments under this part to specified

local educational agencies whose actions cause or are involved in such failure until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, no further payments shall be made to the State educational agency under this part, or payments by the State educational agency under this part shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

"SEC. 7204. 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 2002 through 2006 for the purpose set forth in section 7201(b).

"(b) ALLOCATIONS.—

"(1) IN GENERAL.—Except as provided in subsections (c) and (d), of the amount appropriated for each fiscal year for this part, each State participating in the program assisted under this part shall receive an allocation equal to the proportion of such State's number of immigrant children and youth who are enrolled in public elementary or secondary schools under the jurisdiction of each local educational agency described in paragraph (2) within

such State, and in nonpublic elementary or secondary schools within the district served by each such local educational agency, relative to the total number of immigrant children and youth so enrolled in all the States participating in the program assisted under this part.

"(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—The local educational agencies referred to in paragraph (1) are those local educational agencies in which the sum of the number of immigrant children and youth who are enrolled in public elementary or secondary schools under the jurisdiction of such agencies, and in nonpublic elementary or secondary schools within the districts served by such agencies, during the fiscal year for which the payments are to be made under this part, is equal to—

"(A) at least 500; or

"(B) at least 3 percent of the total number of students enrolled in such public or nonpublic schools during such fiscal year,

whichever number is less.

"(c) DETERMINATIONS OF NUMBER OF CHILDREN AND YOUTH.—

"(1) IN GENERAL.—Determinations by the Secretary under this section for any period with respect

to the number of immigrant children and youth shall be made on the basis of data or estimates provided to the Secretary by each State educational agency in accordance with criteria established by the Secretary, unless the Secretary determines, after notice and opportunity for a hearing to the affected State educational agency, that such data or estimates are clearly erroneous.

"(2) SPECIAL RULE.—No such determination with respect to the number of immigrant children and youth shall operate because of an underestimate or overestimate to deprive any State educational agency of the allocation under this section that such State would otherwise have received had such determination been made on the basis of accurate data.

"(d) REALLOCATION.—Whenever the Secretary determines that any amount of a payment made to a State under this part for a fiscal year will not be used by such State for carrying out the purpose for which the payment was made, the Secretary shall make such amount available for carrying out such purpose to one or more other States to the extent the Secretary determines that such other States will be able to use such additional amount for carrying out such purpose. Any amount made available to a State from any appropriation for a fiscal year in accord-

ance with the preceding sentence shall, for purposes of this part, be regarded as part of such State's payment (as determined under subsection (b)) for such year, but shall remain available until the end of the succeeding fiscal year.

"(e) RESERVATION OF FUNDS.—

"(1) IN GENERAL.—Notwithstanding any other provision of this part, if the amount appropriated to carry out this part exceeds $50,000,000 for a fiscal year, a State educational agency may reserve not more than 20 percent of such agency's payment under this part for such year to award grants, on a competitive basis, to local educational agencies within the State as follows:

"(A) At least one-half of such grants shall be made available to eligible local educational agencies (as described in subsection (b)(2)) within the State with the highest numbers and percentages of immigrant children and youth.

"(B) Funds reserved under this paragraph and not made available under subparagraph (A) may be distributed to local educational agencies within the State experiencing a sudden influx of immigrant children and youth which are otherwise not eligible for assistance under this part.

"(2) USE OF GRANT FUNDS.—Each local educational agency receiving a grant under paragraph (1) shall use such grant funds to carry out the activities described in section 7207.

"(3) INFORMATION.—Local educational agencies with the highest number of immigrant children and youth receiving funds under paragraph (1) may make information available on serving immigrant children and youth to local educational agencies in the State with sparse numbers of such children.

"SEC. 7205. STATE APPLICATIONS.

"(a) SUBMISSION.—No State educational agency shall receive any payment under this part for any fiscal year unless such agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require. Each such application shall—

"(1) provide that the educational programs, services, and activities for which payments under this part are made will be administered by or under the supervision of the agency;

"(2) provide assurances that payments under this part will be used for purposes set forth in sections 7201(b) and 7207, including a description of how local educational agencies receiving funds under

this part will use such funds to meet such purposes and will coordinate with other programs assisted under this Act and other Acts as appropriate;

''(3) provide an assurance that local educational agencies receiving funds under this part will coordinate the use of such funds with programs assisted under part A or title I;

''(4) provide assurances that such payments, with the exception of payments reserved under section 7204(e), will be distributed among local educational agencies within that State on the basis of the number of immigrant children and youth counted with respect to each such local educational agency under section 7204(b)(1);

''(5) provide assurances that the State educational agency will not finally disapprove in whole or in part any application for funds received under this part without first affording the local educational agency submitting an application for such funds reasonable notice and opportunity for a hearing;

''(6) provide for making such reports as the Secretary may reasonably require to perform the Secretary's functions under this part;

''(7) provide assurances—

"(A) that to the extent consistent with the number of immigrant children and youth enrolled in the nonpublic elementary or secondary schools within the district served by a local educational agency, such agency, after consultation with appropriate officials of such schools, shall provide for the benefit of such children and youth secular, neutral, and nonideological services, materials, and equipment necessary for the education of such children and youth;

"(B) that the control of funds provided under this part to any materials, equipment, and property repaired, remodeled, or constructed with those 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; and

"(C) that the provision of services pursuant to this paragraph shall be provided by employees of a public agency or through contract by such public agency with a person, association, agency, or corporation who or which, in the provision of such services, is independent of such nonpublic elementary or secondary school and of any religious organization, and such em-

ployment or contract shall be under the control and supervision of such public agency, and the funds provided under this paragraph shall not be commingled with State or local funds;

''(8) provide that funds reserved under section 7204(e) be awarded on a competitive basis based on merit and need in accordance with such subsection; and

''(9) provide an assurance that State and local educational agencies receiving funds under this part will comply with the requirements of section 1120(b).

''(b) APPLICATION REVIEW.—

''(1) IN GENERAL.—The Secretary shall review all applications submitted pursuant to this section by State educational agencies.

''(2) APPROVAL.—The Secretary shall approve any application submitted by a State educational agency that meets the requirements of this section.

''(3) DISAPPROVAL.—The Secretary shall disapprove any application submitted by a State educational agency which does not meet the requirements of this section, but shall not finally disapprove an application except after providing reasonable no-

tice, technical assistance, and an opportunity for a hearing to the State.

"SEC. 7206. ADMINISTRATIVE PROVISIONS.

"(a) NOTIFICATION OF AMOUNT.—The Secretary, not later than June 1 of each year, shall notify each State educational agency that has an application approved under section 7205 of the amount of such agency's allocation under section 7204 for the succeeding year.

"(b) SERVICES TO CHILDREN ENROLLED IN NONPUBLIC SCHOOLS.—If by reason of any provision of law a local educational agency is prohibited from providing educational services for children enrolled in elementary and secondary nonpublic schools, as required by section 7205(a)(7), or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in such schools, the Secretary may waive such requirement and shall arrange for the provision of services, subject to the requirements of this part, to such children. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with the provisions of title I.

"SEC. 7207. USES OF FUNDS.

"(a) USE OF FUNDS.—Funds awarded under this part shall be used to pay for enhanced instructional oppor-

tunities for immigrant children and youth, which may include—

"(1) family literacy, parent outreach, and training activities designed to assist parents to become active participants in the education of their children;

"(2) salaries of personnel, including teacher aides who have been specifically trained, or are being trained, to provide services to immigrant children and youth;

"(3) tutorials, mentoring, and academic or career counseling for immigrant children and youth;

"(4) identification and acquisition of curricular materials, educational software, and technologies to be used in the program;

"(5) basic instructional services which are directly attributable to the presence in the school district of immigrant children, including the costs of providing additional classroom supplies, overhead costs, costs of construction, acquisition or rental of space, costs of transportation, or such other costs as are directly attributable to such additional basic instructional services; and

"(6) such other activities, related to the purposes of this part, as the Secretary may authorize.

"(b) CONSORTIA.—A local educational agency that receives a grant under this part may collaborate or form a consortium with one or more local educational agencies, institutions of higher education, and nonprofit organizations to carry out the program described in an application approved under this part.

"(c) SUBGRANTS.—A local educational agency that receives a grant under this part 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 a program described in an application approved under this part, including a program to serve out-of-school youth.

"(d) CONSTRUCTION.—Nothing in this part shall be construed to prohibit a local educational agency from serving immigrant children simultaneously with students with similar educational needs, in the same educational settings where appropriate.

"SEC. 7208. REPORTS.

"(a) BIENNIAL REPORT.—Each State educational agency receiving funds under this part shall submit, once every 2 years, a report to the Secretary concerning the expenditure of funds by local educational agencies under this part. Each local educational agency receiving funds

under this part shall submit to the State educational agency such information as may be necessary for such report.

''(b) REPORT TO CONGRESS.—The Secretary shall submit, once every 2 years, a report to the appropriate committees of the Congress concerning programs assisted under this part in accordance with section 10501.

''SEC. 7209. AUTHORIZATION OF APPROPRIATIONS.

''For the purpose of carrying out this part, there are authorized to be appropriated $200,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 4 succeeding fiscal years.

''PART C—GENERAL PROVISIONS

''SEC. 7301. DEFINITIONS.

''For purposes of this title:

''(1) CHILDREN AND YOUTH.—The term 'children and youth' means individuals aged 3 through 21.

''(2) COMMUNITY-BASED ORGANIZATION.—The term 'community-based organization' means a private nonprofit organization of demonstrated effectiveness or Indian tribe or tribally sanctioned educational authority which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community. Such term includes a

Native Hawaiian or Native American Pacific Islander native language educational organization.

"(3) IMMIGRANT CHILDREN AND YOUTH.—The term 'immigrant children and youth' means individuals who—

"(A) are aged 3 through 21;

"(B) were not born in any State; and

"(C) have not been attending one or more schools in any one or more States for more than three full academic years.

"(4) LIMITED ENGLISH PROFICIENT.—The term 'limited English proficient', when used with reference to an individual, means an individual—

"(A) aged 3 through 21;

"(B) who—

"(i) was not born in the United States;

"(ii) comes from an environment where a language other than English is dominant and who normally uses a language other than English;

"(iii) is a Native American or Alaska Native or who is a native resident of the outlying areas and who normally uses a language other than English; or

"(iv) is migratory and whose native language is other than English and who normally uses a language other than English; and

"(C) who has sufficient difficulty speaking, reading, writing, or understanding the English language that the difficulty may deny the individual the opportunity—

"(i) to learn successfully in a classroom where the language of instruction is English; or

"(ii) to participate fully in society.

"(5) NATIVE AMERICAN AND NATIVE AMERICAN LANGUAGE.—The terms 'Native American' and 'Native American language' shall have the same meaning given such terms in section 103 of the Native American Languages Act of 1990.

"(6) NATIVE HAWAIIAN OR NATIVE AMERICAN PACIFIC ISLANDER NATIVE LANGUAGE EDUCATIONAL ORGANIZATION.—The term 'Native Hawaiian or Native American Pacific Islander native language educational organization' means a nonprofit organization with a majority of its governing board and employees consisting of fluent speakers of the traditional Native American languages used in their edu-

cational programs and with not less than 5 years successful experience in providing educational services in traditional Native American languages.

"(7) NATIVE LANGUAGE.—The term 'native language', when used with reference to an individual who is limited English proficient, means the language normally used by such individual.

"(8) OUTLYING AREA.—The term 'outlying area' means any of the following:

"(A) The Virgin Islands of the United States.

"(B) Guam.

"(C) American Samoa.

"(D) The Commonwealth of the Northern Mariana Islands.

"(9) PARAPROFESSIONAL.—The term 'paraprofessional' means an individual who is employed in preschool, elementary or secondary school under the supervision of a certified or licensed teacher, including individuals employed in educational programs serving limited English proficient children, special education and migrant education.

"(10) STATE.—The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or any outlying area.

"(11) TRIBALLY SANCTIONED EDUCATIONAL AUTHORITY.—The term 'tribally sanctioned educational authority' means—

"(A) any department or division of education operating within the administrative structure of the duly constituted governing body of an Indian tribe; and

"(B) any nonprofit institution or organization that is—

"(i) chartered by the governing body of an Indian tribe to operate a school described in section 7113(a) or otherwise to oversee the delivery of educational services to members of the tribe; and

"(ii) approved by the Secretary for the purpose of carrying out programs under subpart 1 of part A for individuals served by a school described in section 7113(a).

"SEC. 7302. CONSTRUCTION.

"Nothing in part A shall be construed—

"(1) to prohibit a local educational agency from serving limited English proficient children and youth simultaneously with students with similar edu-

cational needs, in the same educational settings where appropriate;

''(2) as requiring a State or a local educational agency to establish, continue, or eliminate a program of native language instruction; and

''(3) to limit the preservation or use of Native American languages as defined in the Native American Languages Act or Alaska Native languages.

''SEC. 7303. EVALUATION.

''(a) IN GENERAL.—Each eligible entity that receives a subgrant from a State or a grant from the Secretary under subpart 1 of part A shall provide the Secretary, at the conclusion of every second fiscal year during which the subgrant or grant is received, with an evaluation, in a form prescribed by the State or the Secretary, of—

''(1) the programs and activities conducted by the entity with funds received under such subpart during the two immediately preceding fiscal years;

''(2) the progress made by students in learning the English language and meeting challenging State content standards and challenging State student performance standards;

''(3) the number and percentage of students in the programs and activities attaining English language proficiency by the end of each school year, as

determined by a valid and reliable assessment of English proficiency; and

"(4) the progress made by students in meeting challenging State content and challenging State performance standards for each of the 2 years after such students are no longer receiving services under this part.

"(b) USE OF EVALUATION.—An evaluation provided by an eligible entity under subsection (a) shall be used by the entity and the Secretary—

"(1) for improvement of programs and activities;

"(2) to determine the effectiveness of programs and activities in assisting children who are limited English proficient to attain English proficiency (as measured consistent with subsection (d)) and meet challenging State content standards and challenging State student performance standards; and

"(3) in determining whether or not to continue funding for specific programs or projects.

"(c) EVALUATION COMPONENTS.—An evaluation provided by an eligible entity under subsection (a) shall include—

"(1) an evaluation of whether students enrolling in a program or activity conducted by the entity

with funds received under subpart 1 of part A have progressed in attaining English proficiency and are meeting challenging State content standards and challenging State student performance standards; and

"(2) such other information as the State or the Secretary may require.

"(d) EVALUATION MEASURES.—In prescribing the form of an evaluation provided by an entity under subsection (a), a State or the Secretary shall approve evaluation measures, as applicable, for use under subsection (c) that are designed to assess—

"(1) oral language proficiency in kindergarten;

"(2) oral language proficiency, including speaking and listening skills, in first grade;

"(3) both oral language proficiency, including speaking and listening skills, and reading and writing proficiency in grades 2 and higher; and

"(4) attainment of challenging State performance standards.

"SEC. 7304. LIMITATION ON FEDERAL REGULATIONS.

"The Secretary shall issue regulations under this title only to the extent that such regulations are necessary to ensure compliance with the specific requirements of this title.

"SEC. 7305. CIVIL RIGHTS.

''Nothing in this title shall be construed in a manner inconsistent with any Federal law guaranteeing a civil right.

"SEC. 7306. REPORT.

''The Secretary shall prepare, and 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 on—

''(1) the activities carried out part A and the effectiveness of such activities in increasing the English proficiency of limited English proficient children and helping them to meet challenging State content standards and challenging State performance standards;

''(2) the types of instructional programs used under subpart 1 of part A to teach limited English proficient children;

''(3) the number of programs, if any, which were terminated from the program because they were not able to reach program goals; and

''(4) other information gathered as part of the evaluation conducted under section 7303.

"SEC. 7307. PROGRAMS FOR NATIVE AMERICANS AND PUERTO RICO.

''Programs authorized under subparts 1 and 2 of part A that serve Native American children, Native Pacific Island children, and children in the Commonwealth of Puerto Rico, notwithstanding any other provision of part A may include programs of instruction, teacher training, curriculum development, evaluation, and testing designed for Native American children learning and studying Native American languages and children of limited Spanish proficiency, except that a primary outcome of programs serving such children shall be increased English proficiency among such children.''.

TITLE VIII—INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

SEC. 801. AMENDMENTS.

Part A of title IX (20 U.S.C. 7801 et seq.) is amended—

(1) in section 9125(e), by striking ''1995 through 1999'' and inserting ''2002 through 2006''; and

(2) in section 9162—

(A) by striking ''1995'' each place it appears and inserting ''2002''; and

(B) by striking ''$61,300,000'', ''$26,000,000'', and ''$3,775,000'' and inserting ''$250,000,000'', $30,000,000'', and ''$8,000,000'', respectively.

SEC. 802. NATIVE HAWAIIAN EDUCATION.

Sections 9204(j), 9205(c), 9206(e), 9208(c), 9209(d), and 9210(d) are each amended by striking ''1995'' and inserting ''2002''.

SEC. 803. ALASKA NATIVE EDUCATION.

Part C of title IX (20 U.S.C. 7931 et seq.) is amended—

(1) by repealing sections 9304 through 9306 and inserting the following:

''SEC. 9304. PROGRAM AUTHORIZED.

''(a) GENERAL AUTHORITY.—

''(1) PROGRAM AUTHORIZED.—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 purpose of this part.

''(2) PERMISSIBLE ACTIVITIES.—Programs 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) recruiting and preparing teachers who are Alaska Natives, reside in communities with high concentrations of Alas-

ka Native students, or are likely to succeed as teachers in isolated, rural communities and engage in cross-cultural instruction;

"(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 high 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 program;

"(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 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 under paragraph (2)(D) may include—

"(A) programs for parents and their infants, from prenatal 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) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 5 percent of funds provided to a grantee under this section for any fiscal year may be used for administrative purposes.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $20,000,000 for fiscal year 2002, and such sums as may be necessary for each of the fiscal years 2003 through 2006 to carry out this part.";

(2) in section 9307—

(A) by amending subsection (b) to read as follows:

"(b) APPLICATIONS.—State and local educational agencies may apply for an award under this part only as part of a consortium involving an Alaska Native organization. This consortium may include other eligible applicants.";

(B) by amending subsection (d) to read as follows:

"(d) LOCAL EDUCATIONAL AGENCY COORDINATION.—Each applicant for an award under this part shall inform each local educational agency serving students who would participate in the project about its application."; and

(C) by striking subsection (e); and

(3) by redesignating sections 9307 and 9308 as sections 9305 and 9306, respectively.

TITLE IX—GENERAL PROVISIONS

SEC. 901. GENERAL PROVISIONS.

Title XIV is redesignated as title X and is amended to read as follows:

"TITLE X—GENERAL PROVISIONS

"PART A—DEFINITIONS

"SEC. 10001. DEFINITIONS.

''Except as otherwise provided, for the purposes of this Act, the following terms have the following meanings:

''(1) AVERAGE DAILY ATTENDANCE.—

''(A) 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) 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) 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) 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 disabilities, as defined in section 602(a)(1) 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 pre-

ceding 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 10404.

"(6) CONSOLIDATED LOCAL PLAN.—The term 'consolidated local plan' means a plan submitted by a local educational agency pursuant to section 10404.

"(7) CONSOLIDATED STATE APPLICATION.—The term 'consolidated State application' means an application submitted by a State educational agency pursuant to section 10402.

"(8) CONSOLIDATED STATE PLAN.—The term 'consolidated State plan' means a plan submitted by a State educational agency pursuant to section 10402.

"(9) CORE ACADEMIC SUBJECTS.—The term 'core academic subjects' means—

"(A) mathematics;

"(B) science;

"(C) reading (or language arts) and English;

"(D) social studies (history, civics/government, geography, and economics);

"(E) foreign languages; and

"(F) fine arts (music, dance, drama, and the visual arts).

"(10) COUNTY.—The term 'county' means 1 of the divisions of a State used by the Secretary of Commerce in compiling and reporting data regarding counties.

"(11) 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 B of title III;

"(E) part A of title IV (other than section 4114);

"(F) title VI; and

"(G) Comprehensive School Reform.

"(12) CURRENT EXPENDITURES.—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.

"(13) DEPARTMENT.—The term 'Department' means the Department of Education.

"(14) EDUCATIONAL SERVICE AGENCY.—The term 'educational service agency' means a regional public multiservice agency authorized by State statute to develop, manage, and provide services or programs to local educational agencies.

"(15) 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.

"(16) 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 or secondary school education as determined under applicable State law, except that such term does not include any education provided beyond grade 12.

"(17) FULLY QUALIFIED.—The term 'fully qualified'—

"(A) when used with respect to an elementary or secondary school teacher, means that the teacher has obtained certification or passed the State licensing exam and holds a license; and

"(B) when used with respect to—

"(i) an elementary school teacher, means that the teacher holds a bachelor's degree and demonstrates general knowledge, teaching skill, and subject matter knowledge required to teach at the elementary school level in the core academic subjects; or

"(ii) a middle or secondary school teacher, means that the teacher holds a bachelor's degree and demonstrates a high level of competency in all subject areas in which he or she teaches through—

"(I) a high level of performance on a rigorous academic subject area test; or

"(II) completion of an academic major in each of the subject areas in which he or she provides instruction.

"(18) 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 performance 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.

"(19) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given that term in section 101 of the Higher Education Act of 1965.

"(20) LOCAL EDUCATIONAL AGENCY.—

"(A) 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 or secondary schools in a city, county, township, school district, or other political subdivision of a State, or for such combination of local educational agencies or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools.

"(B) The term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

"(C) The term includes an elementary 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.

''(21) 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 youths ability to excel in school and become a responsible citizen.

''(22) OTHER STAFF.—The term 'other staff' means pupil services personnel, librarians, career guidance and counseling personnel, education aides, and other instructional and administrative personnel.

''(23) OUTLYING AREA.—The term 'outlying area' means the 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.

"(24) PARENT.—The term 'parent' includes a legal guardian or other person standing in loco parentis.

"(25) POVERTY LINE.—The term 'poverty line' is defined as such term is defined by the Office of Management and Budget and revised annually in accordance with section 672(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

"(26) PROFESSIONAL DEVELOPMENT.—The term 'professional development' means sustained and intensive activities that improve teachers' content knowledge and teaching skills and that—

"(A) enhance the ability of teachers to help all students, including females, minorities, children with disabilities, children with limited English proficiency and economically disadvantaged children, reach high State and local content and student performance standards;

"(B) advance teacher understanding of one or more of the core academic subject areas and effective instructional strategies for improving student achievement in those areas, including technology;

"(C) are directly related to the subject area in which the teacher provides instruction;

"(D) are of sufficient duration to have a positive and lasting impact on classroom instruction;

"(E) are an integral part of broader school and district-wide plans for raising student achievement to State and local standards;

"(F) are aligned with State content and student performance standards;

"(G) are based on the best available research on teaching and learning;

"(H) include professional development activities that involve collaborative groups of teachers and administrators from the same school or district and, to the greatest extent possible, include follow-up and school-based support such as coaching or study groups; and

"(I) as a whole, are regularly evaluated for their impact on increased teacher effectiveness and improved student achievement, with the findings of such evaluations used to improve the quality of professional development.

"(27) PUBLIC TELECOMMUNICATION ENTITY.—The term 'public telecommunication entity' has the same meaning given to such term in section 397(12) of the Communications Act of 1934.

"(28) PUPIL SERVICES PERSONNEL; PUPIL SERVICES.—

"(A) 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(a)(17) of the Individuals with Disabilities Education Act) as part of a comprehensive program to meet student needs.

"(B) The term 'pupil services' means the services provided by pupil services personnel.

"(29) SCIENTIFICALLY BASED RESEARCH.—The term 'scientifically based research'—

"(A) means the application of rigorous, systematic, and objective procedures in the development of comprehensive school reform models; and

"(B) shall include research that—

"(i) employs systematic, empirical methods that draw on observation or experiment;

"(ii) involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn;

"(iii) relies on measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations; and

"(iv) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review.

"(30) 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.

"(31) SECRETARY.—The term 'Secretary' means the Secretary of Education.

"(32) 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.

"(33) STATE EDUCATIONAL AGENCY.—The term 'State educational agency' means the agency primarily responsible for the State supervision of public elementary and secondary schools.

"(34) 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 CDROM disks, video and audio tapes, including interactive forms of such products and services, or other technologies.

"SEC. 10002. APPLICABILITY OF THIS TITLE.

"Parts B, C, D, E, and F of this title do not apply to title VIII of this Act.

"SEC. 10003. APPLICABILITY TO BUREAU OF INDIAN AFFAIRS OPERATED SCHOOLS.

"For purposes of any competitive program under this Act, a consortia of schools operated by the Bureau of Indian Affairs, a school operated under a contract or grant with the Bureau of Indian Affairs in consortia with another contract or grant school or tribal or community organization, or a Bureau of Indian Affairs school in consortia with an institution of higher education, a contract

or grant school and tribal or community organization shall be given the same consideration as a local educational agency.

"PART B—FLEXIBILITY IN THE USE OF ADMINISTRATIVE AND OTHER FUNDS

"SEC. 10101. 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—

"(A) programs under title I and those programs described in subparagraphs (C), (D), (E), (F), and (G) of section 10101(10);

"(B) the Carl D. Perkins Vocational and Technical Education Act of 1998; and

"(C) such other programs as the Secretary may designate.

"(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 the 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) State-level activities designed to carry out this title, including part B;

"(B) the coordination of those programs with other Federal and non-Federal programs;

"(C) the establishment and operation of peer-review mechanisms under this Act;

"(D) collaborative activities with other State educational agencies to improve administration under this Act;

"(E) the dissemination of information regarding model programs and practices;

"(F) technical assistance under the programs specified in subsection (a)(2);

"(G) training personnel engaged in audit and other monitoring activities; and

"(H) implementation of the Cooperative Audit Resolution and Oversight Initiative.

"(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).

"SEC. 10102. 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. 10103. 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.—Each State educational agency shall, in collaboration with local educational agencies in the State, implement 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 10201(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. 10104. 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 of this Act, 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) 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) The agreement shall—

"(i) set forth the plans of the Secretary of the Interior for the use of the amount transferred 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 departments costs related to the administration of the funds transferred under this section.

"SEC. 10105. MOST EFFECTIVE USE OF 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 title I) would be more effective in helping all its students achieve the State's challenging standards if used under another covered program, may use those funds, not to exceed 5 percent of the local educational agency's total allotment for that fiscal year, to carry out programs and activities under that other covered program.

"PART C—COORDINATION OF PROGRAMS; CONSOLIDATED STATE AND LOCAL PLANS AND APPLICATIONS

"SEC. 10201. 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. 10202. OPTIONAL CONSOLIDATED STATE PLANS AND APPLICATIONS.

"(a) IN GENERAL.—

"(1) PURPOSE AND AUTHORITY.—In order to promote continuing, standards-based education reform, encourage the integration and coordination of resources, and simplify application requirements and reduce burden for State educational agencies under this Act, the Secretary, in accordance with sub-

section (b), shall establish procedures and criteria under which a State educational agency may submit a consolidated State plan meeting the requirements of this section for any or all of—

"(A) 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—

"(A) the Even Start program under part B of title I;

"(B) the State Agency Programs for Children and Youth Who Are Neglected or Delinquent under part D of title I;

"(C) programs under part A of title II of the Carl D. Perkins Vocational and Technical Education Act of 1998; and

"(D) such other programs as the Secretary may designate.

"(3) STATE DEVELOPMENT AND SUBMISSION.—

"(A) A State educational agency desiring to receive a grant under 2 or more of the programs to which this section applies may submit

a consolidated State plan for those programs that satisfies the procedures and criteria established under this section.

"(B) A State educational agency that submits a consolidated State plan shall not be required to submit separate State plans or applications for the programs included in the consolidated State plan.

"(C) A State educational agency that submits a consolidated State plan shall comply with all the requirements applicable to the programs in the consolidated State plan as if it had submitted separate State plans.

"(4) CONSOLIDATED STATE PLANS.—A State educational agency that desires to receive funds under a program to which this section applies for fiscal year 2002 and the succeeding 4 fiscal years shall submit to the Secretary a new consolidated plan that meets the requirements of this section within the time specified by the Secretary.

"(b) PLAN CONTENTS.—

"(1) COLLABORATIVE PROCESS.—

"(A) 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 non-profit agencies, organizations, and institutions, private schools, and representatives of parents, students, and teachers.

"(B)(i) Through the collaborative process described in subparagraph (A), the Secretary shall establish, for each program under the Act to which this section applies, the descriptions and information that must be included in a consolidated State plan.

"(ii) In carrying out clause (i), the Secretary shall ensure that a consolidated State plan contains, for each program included in the plan, the descriptions and information needed to ensure proper and effective administration of that program in accordance with its purposes.

"(2) INTEGRATION AND COORDINATION OF RESOURCES.—In its consolidated plan under this section, a State educational agency shall describe how—

"(A) funds under the programs included in the plan will be integrated as appropriate to best serve the students and teachers intended to benefit from those programs; and

"(B) those programs will be coordinated at the State, school district, and school levels with other covered programs not included in the plan.

"(c) PEER REVIEW AND SECRETARIAL APPROVAL.—

"(1) The Secretary shall—

"(A) establish a peer-review process to assist in the review, and provide recommendations for the revision, of consolidated State plans under this section; and

"(B) appoint individuals to the peer-review process who—

"(i) are knowledgeable about the programs, and the populations they serve, included in the plans;

"(ii) to the extent practicable are representative of State educational agencies, local educational agencies, teachers, and parents of students served under those programs; and

"(iii) have expertise on educational standards, assessments, and accountability.

"(2)(A) Following such peer review, the Secretary shall approve a consolidated State plan if the

Secretary determines that the plan meets the requirements of this section.

"(B) The Secretary may accompany such approval with one or more conditions that the State educational agency shall meet.

"(3) If the Secretary determines that the plan does not meet the requirements of this section, the Secretary shall notify the State of that determination and the reasons for it.

"(4) The Secretary shall not finally disapprove a consolidated State plan before—

"(A) offering the State an opportunity to revise its plan;

"(B) providing technical assistance to assist the State to meet the requirements; and

"(C) providing a hearing.

"(d) REVISION AND AMENDMENT.—A State educational agency shall periodically review its consolidated State plan to ensure that it accurately reflects its strategies and activities under the programs covered by the plan. If the State educational agency makes significant changes to its strategies and activities, it shall submit an amendment to its plan to the Secretary for approval in accordance with this section.

"SEC. 10203. 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 10302, 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, orga-

nizations, 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 monitor performance by local educational agencies to ensure compliance with the requirements of this Act and—

"(A) maintain proper documentation of monitoring activities;

"(B) provide technical assistance when appropriate and undertake enforcement activities when needed; and

"(C) systematically analyze the results of audits and other monitoring activities to identify trends in funding and to develop strategies to correct problems;

"(5) the data used by the State to measure its performance (and that of its local educational agencies) under this Act are complete, reliable, accurate, or if not, that the State will take such steps as are

necessary to make those data complete, reliable, and accurate.

"(6) the State will cooperate in carrying out any evaluation of each such program conducted by or for the Secretary or other Federal officials;

"(7) 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;

"(8) 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

"(9) 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 programs under this Act.

"SEC. 10204. CONSOLIDATED LOCAL PLANS OR APPLICATIONS.

"(a) GENERAL AUTHORITY.—A local educational agency receiving funds under more than 1 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 10302 may require local educational agencies in the State receiving funds under more than 1 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, informa-

tion, assurances, and other material that are absolutely necessary for the consideration of the local educational agency plan or application.

"SEC. 10205. OTHER GENERAL ASSURANCES.

"(a) ASSURANCES.—Any applicant other than a State educational agency that submits a plan or application under this Act 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 does not apply to programs under this Act.

"PART D—WAIVERS

"SEC. 10301. 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) 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) 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 C of title X; or

"(9) the prohibitions regarding—

"(A) State aid in section 10502; or

"(B) use of funds for religious worship or instruction in section 10507.

"(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 3 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 1997 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 an annual 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 E—UNIFORM PROVISIONS

"SEC. 10401. 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 student 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. 10402. 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. 10403. 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 children, 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 programs under—

"(A) part C of title I (migrant education);

"(B) title II;

"(C) title VII;

"(D) title III; and

"(E) part A of title IV (other than section 4114).

"(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 childrens' 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. 10404. 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, or if the Secretary determines that such agency or consortium has substantially failed or is unwilling to provide for such participation, as required by section 10503, 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 requirements of this section and of sections 10503, 10505, and 10506.

"SEC. 10405. 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 10503 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 sup-

porting the appeal. The Secretary shall investigate and resolve each such appeal not later than 120 days after receipt of the appeal.

"SEC. 10406. BY-PASS DETERMINATION PROCESS.

"(a) REVIEW.—

"(1) IN GENERAL.—

"(A) The Secretary shall not take any final action under section 10504 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 affected agency or consortium is dissatisfied with the Secretary's final action after a proceeding under paragraph (1), such agency or consortium 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.

"(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) FINDINGS 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 10503 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 the enactment of the Excellence and Accountability in Education Act shall remain in effect to the extent the Secretary determines that such determination is consistent with the purpose of this section.

"SEC. 10407. PROHIBITION AGAINST FUNDS FOR RELIGIOUS WORSHIP OR INSTRUCTION AND VOUCHERIZED ASSISTANCE.

"(a) Nothing contained in this Act shall be construed to authorize the making of any payment under this Act for religious worship or instruction.

"(b) Notwithstanding any other provision of this Act, no services under this Act may be provided through voucher or certificate.

"SEC. 10408. APPLICABILITY TO HOME SCHOOLS.

''Nothing in this Act shall be construed to affect home schools.

"SEC. 10409. GENERAL PROVISION REGARDING NON-RECIPIENT 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. 10410. 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. 10411. 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;

"(2) to distribute or to aid in the distribution by any organization of legally obscene materials to minors on school grounds;

"(3) to purchase unsafe needles;

"(4) to provide sex education or HIV prevention education in schools unless such instruction is age appropriate and includes the health benefits of abstinence; or

"(5) 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 educational agency, or school's 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. 10412. 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 schools 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. 10413. REPORT.

"The Secretary shall report to the Congress not later than 180 days after the date of the enactment of the Excellence and Accountability in Education Act 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 Excellence and Accountability in Education Act, particularly with respect to permitting children with similar educational needs to be served in the same educational settings, where appropriate.

"SEC. 10414. 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. 10415. PRIVACY FOR STUDENTS.

''(a) IN GENERAL.—No State educational agency or local educational agency that receives funds under this Act may enter into an agreement, or allow a school under its supervision to enter into an agreement, with any person or entity that allows such person or entity to monitor, gather, or obtain information used to advertise, sell, or develop a product from any student under 18 years of age unless such agreement requires the written permission of the parent of such student prior to monitoring, gathering, or obtaining such information.

''(b) NATURE OF INFORMATION COLLECTED.—Before a school, local educational agency, or State educational agency, as the case may be, enters into an agreement to allow a person or entity to monitor, gather, or obtain information used to advertise, sell, or develop a product from any student under 18 years, the school, agency, or State shall ascertain the nature of the information to be collected, how the information will be used, if

the information will be sold, distributed, or transferred to any person or entity, and the amount of class time, if any, that will be consumed by such activity.

"(c) CONSENT FORM.—The written permission required by subsection (a) shall clearly disclose to the parent the nature of the agreement between a school, local educational agency, or State educational agency, as the case may be, and the person or entity, including—

"(1) the dollar amount of any consideration paid under the agreement;

"(2) the nature of the information to be gathered;

"(3) how the information will be used;

"(4) whether the information will be sold, distributed, or transferred to any other entity; and

"(5) the amount of class time, if any, that will be consumed by such activity.

"(d) EXCEPTIONS.—This section shall not apply to—

"(1) the recruitment activities of any institution of higher education, as such term is defined in section 102 of the Higher Education Act of 1965;

"(2) the development and administration of tests and assessments used by elementary and secondary schools to provide cognitive, evaluative, diagnostic, aptitude, or achievement information about

students (or for normalizing data), and the subsequent analysis and public release of aggregate data, if—

"(A) the information is not used to sell, advertise, or develop another product; and

"(B) the tests are conducted in accordance with applicable Federal, State, and local policies;

"(3) the development and administration of educational curriculum and instructional materials used by elementary and secondary schools to teach core academic subjects, if—

"(A) the information is not used to sell, advertise, or develop another product; and

"(B) the curriculum and instructional materials are used in accordance with applicable Federal, State, and local policies; or

"(4) contact information collected from a student that is used only to respond directly to a specific request from the student for a transaction, if the information—

"(A) is not used for any purpose other than as required in order to effect the transaction with the student; and

"(B) is not used to recontact the student in order to advertise, sell, or develop any other product or service to the student.

"PART F—EVALUATIONS

"SEC. 10501. 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 related Federal preschool, elementary and secondary programs under other Federal law; 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) Paragraph (1) shall not apply to any program under title I.

"(B) 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 subsection (a)(1) to evaluate such program, but shall coordinate the evaluation of such program with the national evaluation described in subsection (b).

"(b) NATIONAL EVALUATION.—The Secretary shall use funds reserved under subsection (a) to conduct independent studies of programs under this Act and the effectiveness of those programs in achieving their purposes, to determine whether those programs (or the administration of those programs) are—

"(1) contributing to improved student academic performance;

"(2) supporting the development of challenging standards and aligned assessments that guide other

elements of school reform, including teacher certification, curriculum frameworks, instruction, and professional development;

"(3) assisting efforts in schools and classrooms to improve teaching and the climate for learning, particularly in high-poverty schools, including efforts related to technology, professional development, school violence and drug prevention, and public school choice;

"(4) promoting flexibility with accountability;

"(5) supporting efforts to strengthen family and community involvement in education;

"(6) targeting their resources effectively;

"(7) contributing to reform efforts and continuous improvement; and

"(8) achieving other goals consistent with the purposes of this Act.

"(c) INDEPENDENT PANEL.—The Secretary shall establish an independent panel to review studies under subsection (b) to advise the Secretary on their progress, and to comment, if the panel chooses, on the final report described in subsection (d).

"(d) REPORTS.—The Secretary shall submit an interim report on the evaluation described in subsection (b) not later than 3 years after the date of the enactment of

the Excellence and Accountability in Education Act and a final report not later than 4 years after such date 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.

"(e) PARTNERSHIPS TO STRENGTHEN PERFORMANCE INFORMATION FOR IMPROVEMENT.—The Secretary may provide technical assistance to recipients of assistance under this Act in order to strengthen the collection and assessment of information relating to program performance and quality assurance at the State and local levels. Such technical assistance shall be designed to promote the development, measurement, use, and reporting of data on valid, reliable, timely, and consistent performance indicators, within and across programs, and may include one-time grants, from funds reserved under subsection (a), to recipients to develop their data systems with the goal of helping recipients make continuous program improvement.

"SEC. 10502. PERFORMANCE MEASURES.

"(a) IN GENERAL.—The Secretary is authorized to establish performance indicators, benchmarks, and targets for each program under this Act and subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act, to assist in measuring program performance. Indicators, benchmarks, and targets under this section shall be con-

sistent with the Government Performance and Results Act of 1993 (and strategic plans adopted by the Secretary under that Act).

"(b) COLLABORATION.—The Secretary shall collaborate with State educational agencies, local educational agencies, and other recipients under this Act in establishing performance indicators, benchmarks, and targets under this section.

"(c) PLANS AND APPLICATIONS.—The Secretary may require any applicant for funds under this Act or subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act to—

"(1) include in its plan or application information relating to how it will use performance indicators, benchmarks, and targets under this section to improve its program performance; and

"(2) report data relating to such performance indicators, benchmarks, and targets to the Secretary.

"PART G—SENSE OF CONGRESS

"SEC. 10601. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

"(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial

assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

"(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

"PART H—DROPOUT PREVENTION

"SEC. 10701. DROPOUT PREVENTION.

"In order to receive any assistance under this Act, a State educational agency shall comply with the following provisions regarding school dropouts:

"(1) UNIFORM DATA COLLECTION.—Within 1 year after the date of the enactment of the Excellence and Accountability in Education Act, a State educational agency shall report to the Secretary and statewide, all school district and school data regarding school dropout rates in the State, and demographic breakdowns, according to procedures that conform with the National Center for Education Statistics' Common Core of Data.

"(2) ATTENDANCE-NEUTRAL FUNDING POLICIES.—Within 2 years after the date of the enact-

ment of the Excellence and Accountability in Education Act, a State educational agency 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—

"(A) a student count methodology that does not determine annual budgets based on attendance on a single day early in the academic year; and

"(B) specific incentives for retaining enrolled students throughout each year.

"(3) SUSPENSION AND EXPULSION POLICIES.—Within 2 years after the date of the enactment of the Excellence and Accountability in Education Act, a State educational agency shall develop uniform, long-term suspension and expulsion 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.".

TITLE X—REPEALS; EFFECTIVE DATE

SEC. 1001. REPEALS; EFFECTIVE DATE.

(a) REPEAL OF SCHOOL FACILITIES INFRASTRUCTURE IMPROVEMENT ACT AND SUPPORT AND ASSIST-

ANCE PROGRAMS TO IMPROVE EDUCATION.—Title XII and XIII are repealed.

(b) EFFECTIVE DATE.—This Act and the amendments made by this Act shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever occurs later.

TITLE XI—AMENDMENTS TO OTHER ACTS

SEC. 1101. AMENDMENTS TO EDUCATION AMENDMENTS OF 1978.

Part B of title XI of the Education Amendments of 1978 (25 U.S.C. 2001 et seq.) is amended—

(1) in section 1121—

(A) by inserting ''**ACCREDITATION AND**'' before ''**STANDARDS**'' in the heading;

(B) by striking subsections (a) through (g) of section 1121 and inserting the following:

''(a) PURPOSE; DECLARATIONS OF PURPOSES.—

''(1) PURPOSE.—The purpose of the standards implemented under this section shall be to afford Indian students being served by a school funded by the Bureau of Indian Affairs the same opportunities as all other students in the United States to achieve the same challenging State performance standards expected of all students.

"(2) DECLARATIONS OF PURPOSES.—Local school boards for schools operated by the Bureau of Indian Affairs, in cooperation and consultation with their tribal governing bodies and their communities, are encouraged to adopt declarations of purposes of education for their communities taking into account the implications of such purposes on education in their communities and for their schools. In adopting such declarations of purpose, the school boards shall consider the effect those declarations may have on the motivation of students and faculties. Such declarations shall represent the aspirations of the community for the kinds of people the community would like its children to become, and shall include assurances that all learners will become accomplished in things and ways important to them and respected by their parents and communities, shaping worthwhile and satisfying lives for themselves, exemplifying the best values of the community and humankind, and becoming increasingly effective in shaping the character and quality of the world all learners share. These declarations of purpose shall influence the standards for accreditation to be accepted by the schools.

"(b) STUDIES AND SURVEYS RELATING TO STANDARDS.—Not later than 1 year after the date of the enactment of the Excellence and Accountability in Education Act, the Secretary, in consultation with the Secretary of Education, consortia of education organizations, and Indian organizations and tribes, and making the fullest use possible of other existing studies, surveys, and plans, shall carry out by contract with an Indian organization, studies and surveys 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.

"(c) REVISION OF MINIMUM ACADEMIC STANDARDS.—

"(1) IN GENERAL.—Not later than 2 years after the date of the enactment of the Excellence and Accountability in Education Act, the Secretary shall—

"(A) propose revisions to the minimum academic standards published in the Federal Register on September 9, 1995 (50 Fed. Reg.

174) for the basic education of Indian children attending Bureau funded schools in accordance with the purpose described in subsection (a) and the findings of the studies and surveys conducted under subsection (b);

"(B) publish such proposed revisions to such standards in the Federal Register for the purpose of receiving comments from the tribes, tribal school boards, Bureau funded schools, and other interested parties; and

"(C) consistent with the provisions of this section and section 1131, take such actions as are necessary to coordinate standards implemented under this section with the Comprehensive School Reform Plan developed by the Bureau and—

"(i) with the standards of the improvement plans for the States in which any school operated by the Bureau of Indian Affairs is located; or

"(ii) in the case where schools operated by the Bureau are within the boundaries of reservation land of 1 tribe but within the boundaries of more than 1 State, with the standards of the State im-

provement plan of 1 such State selected by the tribe.

"(2) FURTHER REVISIONS.—Not later than 180 days after the close of the comment period, the Secretary shall establish final standards, distribute such standards to all tribes and publish such final standards in the Federal Register. The Secretary shall revise such standards periodically as necessary. Prior to any revision of such final standards, the Secretary shall distribute such proposed revision to all the tribes, and publish such proposed revision in the Federal Register, for the purpose of receiving comments from the tribes and other interested parties.

"(3) APPLICABILITY OF STANDARDS.—Except as provided in subsection (e), the final standards published under paragraph (2) shall apply to all Bureau funded schools not accredited under subsection (f), and may also serve as a model for educational programs for Indian children in public schools.

"(4) CONSIDERATIONS WHEN ESTABLISHING AND REVISING STANDARDS.—In establishing and revising such standards, the Secretary shall take into account the unique needs of Indian students and support and reinforcement of the specific cultural heritage of each tribe.

"(d) ALTERNATIVE OR MODIFIED STANDARDS.—The Secretary shall provide alternative or modified standards in lieu of the standards established under subsection (c), where necessary, so that the programs of each school are in compliance with the minimum accreditation standards required for schools in the State or region where the school is located.

"(e) WAIVER OF STANDARDS; ALTERNATIVE STANDARDS.—A tribal governing body, or the local school board so designated by the tribal governing body, shall have the local authority to waive, in part or in whole, the standards established under subsection (c) and (d) if such standards are deemed by such body to be inappropriate. The tribal governing body or designated school board shall, not later than 60 days after a waiver under this subsection, submit to the Secretary a proposal for alternative standards that take into account the specific needs of the tribe's children. Such alternative standards shall be established by the Secretary unless specifically rejected by the Secretary for good cause and in writing to the affected tribes or local school board, which rejection shall be final and not subject to review.

"(f) ACCREDITATION AND IMPLEMENTATION OF STANDARDS.—

"(1) DEADLINE FOR MEETING STANDARDS.—Not later the second academic year after publication of the standards, to the extent necessary funding is provided, all Bureau funded schools shall meet the standards established under subsections (c) and (d) or shall be accredited—

"(A) by a tribal accrediting body, if the accreditation standards of the tribal accrediting body have been accepted by formal action of the tribal governing body and are equal to or exceed the accreditation standards of the State or region in which the school is located;

"(B) by a regional accreditation agency; or

"(C) by State accreditation standards for the State in which it is located.

"(2) DETERMINATION OF STANDARDS TO BE APPLIED.—The accreditation type or standards applied for each school shall be determined by the school board of the school, in consultation with the Administrator of the school, provided that in the case where the School Board and the Administrator fail to agree on the type of accreditation and standards to apply, the decision of the school board with the approval of the tribal governing body shall be final.

"(3) ASSISTANCE TO SCHOOL BOARDS.—The Secretary, through contracts and grants, shall assist school boards of contract or grant schools in implementation of the standards established under subsections (c) and (d), if the school boards request that such standards, in part or in whole, be implemented.

"(4) FISCAL CONTROL AND FUND ACCOUNTING STANDARDS.—The Bureau shall, either directly or through contract with an Indian organization, establish a consistent system of reporting standards for fiscal control and fund accounting for all contract and grant schools. Such standards shall provide data comparable to those used by Bureau operated schools.

"(g) ANNUAL PLAN FOR MEETING OF STANDARDS.—Except as provided in subsections (e) and (f), the Secretary shall begin to implement the standards established under this section immediately upon the date of their establishment. On an annual basis, the Secretary shall submit to the appropriate committees of Congress, all Bureau funded schools, and the tribal governing bodies of such schools a detailed plan to bring all Bureau schools and contract or grant schools up to the level required by the applicable standards established under this section.

Such plan shall include detailed information on the status of each school's educational program in relation to the applicable standards established under this section, specific cost estimates for meeting such standards at each school and specific timelines for bringing each school up to the level required by such standards.''; and

(C) by adding at the end the following:

''(m) STATUTORY CONSTRUCTION.—Nothing in this section shall be read so as to preclude the expansion of grades and related facilities at a Bureau funded school where such expansion and the maintenance of such expansion is occasioned or paid for with non-Bureau funds.

''(n) GENERAL USE OF FUNDS.—Funds received by Bureau funded schools from the Bureau of Indian Affairs and under any program from the Department of Education or any other Federal agency for the purpose of providing education or related services may be used for schoolwide projects to improve the educational program for all Indian students.

''(o) STUDY ON ADEQUACY OF FUNDS AND FORMULAS.—The Comptroller General of the United States shall conduct a study, in consultation with Indian tribes and local school boards, to determine the adequacy of funding, and formulas used by the Bureau to determine funding, for programs operated by Bureau funded schools,

taking into account unique circumstances applicable to Bureau funded schools, as well as expenditures for comparable purposes in public schools nationally. Upon completion of the study, the Secretary of the Interior shall take such action as necessary to ensure distribution of the findings of the study to all affected Indian tribes, local school boards, and associations of local school boards.'';

(2) by striking section 1122 and inserting the following:

''SEC. 1122. NATIONAL CRITERIA FOR HOME LIVING SITUATIONS.

''(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Education, Indian organizations and tribes, and Bureau funded schools, shall revise the national standards for home-living (dormitory) situations to include such factors as heating, lighting, cooling, adult-child ratios, needs for counselors (including special needs related to off-reservation home-living (dormitory) situations), therapeutic programs, space, and privacy. Such standards shall be implemented in Bureau operated schools, and shall serve as minimum standards for contract or grant schools.

''(b) IMPLEMENTATION.—The Secretary shall implement the revised standards established under this section immediately upon their completion.

"(c) PLAN.—At the time of each annual budget submission for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress, the tribes, and the affected schools, and publish in the Federal Register, a detailed plan to bring all Bureau funded schools that provide home-living (dormitory) situations up to the standards established under this section. Such plan shall include a statement of the relative needs of each Bureau funded home-living (dormitory) school, projected future needs of each Bureau funded home-living (dormitory) school, detailed information on the status of each school in relation to the standards established under this section, specific cost estimates for meeting each standard for each such school, aggregate cost estimates for bringing all such schools into compliance with the criteria established under this section, and specific timelines for bringing each school into compliance with such standards.

"(d) WAIVER.—The criteria established under this section may be waived in the same manner as the standards provided under section 1121(e) may be waived.

"(e) CLOSURE FOR FAILURE TO MEET STANDARDS PROHIBITED.—No school in operation on or before January 1, 1987 (regardless of compliance or noncompliance with the criteria established under this section), may be

closed, transferred to another authority, consolidated, or have its program substantially curtailed for failure to meet the criteria.";

(3) by striking sections 1124 and 1125 and inserting the following:

"SEC. 1124. SCHOOL BOUNDARIES.

"(a) ESTABLISHMENT BY SECRETARY.—The Secretary shall establish, by regulation, separate geographical attendance areas for each Bureau funded school.

"(b) ESTABLISHMENT BY TRIBAL BODY.——In any case where there is more than 1 Bureau funded school located on an Indian reservation, at the direction of the tribal governing body, the relevant school boards of the Bureau funded schools on the reservation may, by mutual consent, establish the relevant attendance areas for such schools, subject to the approval of the tribal governing body. Any such boundaries so established shall be accepted by the Secretary.

"(c) BOUNDARY REVISIONS.—

"(1) IN GENERAL.—On or after the date of the enactment of the Excellence and Accountability in Education Act, no geographical attendance area shall be revised or established with respect to any Bureau funded school unless the tribal governing body or the local school board concerned (if so des-

ignated by the tribal governing body) has been afforded—

"(A) at least 180 days notice of the intention of the Bureau to revise or establish such attendance area; and

"(B) the opportunity to propose alternative boundaries.

Any tribe may petition the Secretary for revision of existing attendance area boundaries. The Secretary shall accept such proposed alternative or revised boundaries unless the Secretary finds, after consultation with the affected tribe or tribes, that such revised boundaries do not reflect the needs of the Indian students to be served or do not provide adequate stability to all of the affected programs. The Secretary shall cause such revisions to be published in the Federal Register.

"(2) TRIBAL RESOLUTION DETERMINATION.—Nothing in this section shall be interpreted as denying a tribal governing body the authority, on a continuing basis, to adopt a tribal resolution allowing parents the choice of the Bureau funded school their children may attend, regardless of the attendance boundaries established under this section.

"(d) FUNDING RESTRICTIONS.—The Secretary shall not deny funding to a Bureau funded school for any eligible Indian student attending the school solely because that student's home or domicile is outside of the geographical attendance area established for that school under this section. No funding shall be made available without tribal authorization to enable a school to provide transportation for any student to or from the school and a location outside the approved attendance area of the school.

"(e) RESERVATION AS BOUNDARY.—In any case where there is only 1 Bureau funded program located on an Indian reservation, the attendance area for the program shall be the boundaries (established by treaty, agreement, legislation, court decisions, or executive decisions and as accepted by the tribe) of the reservation served, and those students residing near the reservation shall also receive services from such program.

"(f) OFF-RESERVATION HOME-LIVING (DORMITORY) SCHOOLS.—Notwithstanding any geographical attendance areas, attendance at off-reservation home-living (dormitory) schools shall include students requiring special emphasis programs to be implemented at each off-reservation home-living (dormitory) school. Such attendance shall be coordinated between education line officers, the family, and the referring and receiving programs.

"SEC. 1125. FACILITIES CONSTRUCTION.

"(a) COMPLIANCE WITH HEALTH AND SAFETY STANDARDS.—The Secretary shall immediately begin to bring all schools, dormitories, and other Indian education-related facilities operated by the Bureau or under contract or grant with the Bureau into compliance with all applicable tribal, Federal, or State health and safety standards, whichever provides greater protection (except that the tribal standards to be applied shall be no greater than any otherwise applicable Federal or State standards), with section 504 of the Rehabilitation Act of 1973, and with the Americans with Disabilities Act of 1990. Nothing in this section shall require termination of the operations of any facility which does not comply with such provisions and which is in use on the date of the enactment of the Excellence and Accountability in Education Act.

"(b) COMPLIANCE PLAN.—At the time that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress a detailed plan to bring all facilities covered under subsection (a) of this section into compliance with the standards referred to in subsection (a). Such plan shall include detailed information on the status of each facility's compliance with such standards, specific cost estimates for meeting such standards at each school,

and specific timelines for bringing each school into compliance with such standards.

"(c) CONSTRUCTION PRIORITIES.—

"(1) SYSTEM TO ESTABLISH PRIORITIES.—On an annual basis the Secretary shall submit to the appropriate committees of Congress and cause to be published in the Federal Register, the system used to establish priorities for replacement and construction projects for Bureau funded schools and home-living schools, including boarding schools and dormitories. At the time any budget request for education is presented, the Secretary shall publish in the Federal Register and submit with the budget request the current list of all Bureau funded school construction priorities.

"(2) LONG-TERM CONSTRUCTION AND REPLACEMENT LIST.—In addition to the plan submitted under subsection (b), the Secretary shall—

"(A) not later than 18 months after the date of the enactment of the Excellence and Accountability in Education Act, establish a long-term construction and replacement list for all Bureau funded schools;

"(B) using the list prepared under subparagraph (A), propose a list for the orderly re-

placement of all Bureau funded education-related facilities over a period of 40 years to enable planning and scheduling of budget requests;

"(C) cause the list prepared under subsection (B) to be published in the Federal Register and allow a period of not less than 120 days for public comment;

"(D) make such revisions to the list prepared under subparagraph (B) as are appropriate based on the comments received; and

"(E) cause the final list to be published in the Federal Register.

"(3) EFFECT ON OTHER LIST.—Nothing in this section shall be construed as interfering with or changing in any way the construction priority list as it exists on the date of the enactment of the Excellence and Accountability in Education Act.

"(d) HAZARDOUS CONDITION AT BUREAU SCHOOL.—

"(1) CLOSURE OR CONSOLIDATION.—A Bureau funded school may be closed or consolidated, and the programs of a Bureau funded school may be substantially curtailed by reason of plant conditions that constitute an immediate hazard to health and

safety only if a health and safety officer of the Bureau determines that such conditions exist at the Bureau funded school.

''(2) INSPECTION.—(A) After making a determination described in paragraph (1), the Bureau health and safety officer shall conduct an inspection of the condition of such plant accompanied by an appropriate tribal, county, municipal, or State health and safety officer in order to determine whether conditions at such plant constitute an immediate hazard to health and safety. Such inspection shall be completed by not later than the date that is 30 days after the date on which the action described in paragraph (1) is taken. No further negative action may be taken unless the findings are concurred in by the second, non-Bureau of Indian Affairs inspector.

''(B) If the health and safety officer conducting the inspection of a plant required under subparagraph (A) determines that conditions at the plant do not constitute an immediate hazard to health and safety, any consolidation or curtailment that was made under paragraph (1) shall immediately cease and any school closed by reason of conditions at the plant shall be reopened immediately.

"(C) If a Bureau funded school is temporarily closed or consolidated or the programs of a Bureau funded school are substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the Congress, by not later than 180 days after the date on which the closure, consolidation, or curtailment was initiated, a report which sets forth the reasons for such temporary actions, the actions the Secretary is taking to eliminate the conditions that constitute the hazard, and an estimated date by which such actions will be concluded.

"(e) FUNDING REQUIREMENT.—

"(1) DISTRIBUTION OF FUNDS.—Beginning with the fiscal year following the year of the date of the enactment of the Excellence and Accountability in Education Act, all funds appropriated for the operations and maintenance of Bureau funded schools shall be distributed by formula to the schools. No funds from this account may be retained or segregated by the Bureau to pay for administrative or other costs of any facilities branch or office, at any level of the Bureau.

"(2) REQUIREMENTS FOR CERTAIN USES.—No funds shall be withheld from the distribution to the budget of any school operated under contract or grant by the Bureau for maintenance or any other facilities or road related purpose, unless such school has consented, as a modification to the contract or in writing for grants schools, to the withholding of such funds, including the amount thereof, the purpose for which the funds will be used, and the timeline for the services to be provided. The school may, at the end of any fiscal year, cancel an agreement under this paragraph upon giving the Bureau 30 days notice of its intent to do so.

"(f) NO REDUCTION IN FEDERAL FUNDING.—Nothing in this section shall be construed to diminish any Federal funding due to the receipt by the school of funding for facilities improvement or construction from a State or any other source.";

(4) in section 1143(f), by striking "$10,000,000" and all that follows through the period and inserting "$12,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 4 succeeding fiscal years."; and

(5) in section 1144(e), by striking "$2,000,000' and all that follows through the period and inserting

"$2,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

SEC. 1102. AMENDMENTS TO TRIBALLY CONTROLLED SCHOOLS ACT OF 1988.

The Tribally Controlled Schools Act of 1988 (Public Law 100–297; 25 U.S.C. 2501 et seq.) is amended—

(1) by redesignating section 5212 as section 5213; and

(2) by inserting after section 5211 the following:

"SEC. 5212. THE TRIBALLY CONTROLLED GRANT SCHOOL ENDOWMENT PROGRAM.

"(a) IN GENERAL.—

"(1) Each school receiving grants under this part may establish, at a Federally insured banking and savings institution, a trust fund for the purposes of this section.

"(2) The school may provide—

"(A) for the deposit into the trust fund, only funds from non-Federal sources, except that the interest on funds received from grants under this part may be used for this purpose;

"(B) for the deposit in the account of any earnings on funds deposited in the account; and

"(C) for the sole use of the school any noncash, in-kind contributions of real or personal property, such property may at any time be converted to cash.

"(b) INTEREST.—Interest from the fund established under subsection (a) may periodically be withdrawn and used, at the discretion of the school, to defray any expenses associated with the operation of the school.".

SEC. 1103. AMENDMENTS TO STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.

Subtitle B of title VII of the Stewart B. McKinney Homeless Act (42 U.S.C. 11431 et seq.) is amended—

(1) in section 722(e), by adding at the end the following:

"(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 solely on such child or youth's status as homeless.";

(2) by striking section 722(g)(1)(H) and inserting the following:

"(H) contain assurances that State and local educational agencies shall—

"(i) adopt policies and practices to ensure that homeless children and youth are not segregated solely on the basis of their status as homeless; 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) in section 722(g)(3)(A)(i)—

(A) by redesignating subclause (II) as subclause (III); and

(B) by striking subclause (I) and inserting the following:

"(I) for the duration of their homelessness;

"(II) if the child becomes permanently housed, for the remainder of the academic year; or";

(4) by striking section 722(g)(3)(C) and inserting the following:

"(C) ENROLLMENT.—(i) A school that a homeless child seeks to enroll in shall, in accordance with this paragraph, 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, proof of residency, or other documentation.

"(ii) The enrolling school shall immediately contact the school last attended by the child or youth to obtain relevant academic and other records.

"(iii) If the child or youth needs to obtain immunizations or immunization records, the enrolling school shall immediately refer the parent or guardian of the child or youth to the liaison who shall assist in obtaining necessary immunizations or immunization records in accordance with subparagraph (E).

"(D) RECORDS.—Any record ordinarily kept by the school, including immunization records, academic records, birth certificates, guardianship records, and evaluations for special services or programs, of each homeless child or youth shall be maintained—

"(i) so that the records are available, in a timely fashion, when a child or youth enters a new school district; and

"(ii) in a manner consistent with section 444 of the General Education Provisions Act.

"(E) ENROLLMENT DISPUTES.—If there is a dispute over school selection or enrollment—

"(i) the child or youth shall be immediately admitted to the school in which enrollment is sought, pending resolution of the dispute;

"(ii) the parent or guardian shall be provided with a written explanation of the school's decision regarding enrollment, including the right to appeal the decision; and

"(iii) the parent or guardian shall be referred to the liaison, who shall carry out the dispute resolution process as described in paragraph (6)(D) as expeditiously as possible, after receiving notice of the dispute.

"(F) PLACEMENT CHOICE.—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.

"(G) DEFINITION.—For the 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.

"(H) CONTACT INFORMATION.—Nothing in this subtitle shall prohibit a local educational agency from requiring a parent or guardian of a homeless child to submit contact information required by the local educational agency of a parent or guardian of a nonhomeless child.";

(5) by striking section 722(g)(7) and inserting the following:

"(7) LIAISON.—

"(A) DUTIES.—Each local liaison for homeless children and youth, designated pursuant to subsection (g)(1)(H)(ii), shall ensure that—

"(i) homeless children and youth enroll in, and have an equal opportunity to succeed in, schools of that 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 disseminated where such children and youth receive services under this Act (such as family shelters and soup kitchens).

''(B) NOTICE.—State coordinators and local educational agencies shall inform school personnel, service providers, and advocates working with homeless families of the duties of the liaisons.

''(C) LOCAL AND STATE COORDINATION.—Local educational agency liaisons for homeless children and youth shall, as a part of their duties, coordinate and collaborate with State coor-

dinators 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 educational agency liaisons for homeless children and youth shall provide resource information and assist in resolving disputes under this subtitle, should they arise."; and

(6) by striking section 726 and inserting the following:

"SEC. 726. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this subtitle, there are authorized to be appropriated $50,000,000 for fiscal year 2002 and such sums as may be necessary for each of the fiscal years 2003 through 2006.".

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