

113TH CONGRESS  
1ST SESSION

# S. 1083

To provide high-quality public charter school options for students by enabling such public charter schools to expand and replicate.

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IN THE SENATE OF THE UNITED STATES

MAY 23, 2013

Mr. DURBIN (for himself and Mr. KIRK) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To provide high-quality public charter school options for students by enabling such public charter schools to expand and replicate.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “All Students Achieving  
5 through Reform Act of 2013” or “All-STAR Act of 2013”.

6 **SEC. 2. CHARTER SCHOOL EXPANSION AND REPLICATION.**

7 (a) IN GENERAL.—Subpart 1 of part B of title V of  
8 the Elementary and Secondary Education Act of 1965 (20  
9 U.S.C. 7221 et seq.) is amended—

1 (1) by striking section 5211;

2 (2) by redesignating section 5210 as section  
3 5211; and

4 (3) by inserting after section 5209 the fol-  
5 lowing:

6 **“SEC. 5210. CHARTER SCHOOL EXPANSION AND REPLICA-**  
7 **TION.**

8 “(a) PURPOSE.—It is the purpose of this section to  
9 support State efforts to expand and replicate high-quality  
10 public charter schools to enable such schools to serve addi-  
11 tional students, with a priority to serve those students who  
12 attend identified schools or schools with a low graduation  
13 rate.

14 “(b) SUPPORT FOR PROVEN CHARTER SCHOOLS AND  
15 INCREASING THE SUPPLY OF HIGH-QUALITY CHARTER  
16 SCHOOLS.—

17 “(1) GRANTS AUTHORIZED.—From the  
18 amounts appropriated under section 5200 for any  
19 fiscal year, the Secretary shall award grants, on a  
20 competitive basis, to eligible entities to enable the el-  
21 igible entities to make subgrants to eligible public  
22 charter schools under subsection (e)(1) and carry  
23 out the other activities described in subsection (e),  
24 in order to allow the eligible public charter schools

1 to serve additional students through the expansion  
2 and replication of such schools.

3 “(2) AMOUNT OF GRANTS.—In determining the  
4 grant amount to be awarded under this subsection  
5 to an eligible entity, the Secretary shall consider—

6 “(A) the number of eligible public charter  
7 schools under the jurisdiction or in the service  
8 area of the eligible entity that are operating;

9 “(B) the number of new openings for stu-  
10 dents that could be created in such schools with  
11 such grant;

12 “(C) the number of students attending  
13 identified schools or schools with a low gradua-  
14 tion rate in the State or area where an eligible  
15 entity intends to replicate or expand eligible  
16 public charter schools; and

17 “(D) the success of the eligible entity in  
18 overseeing public charter schools and the likeli-  
19 hood of continued or increased success because  
20 of the grant under this section.

21 “(3) DURATION OF GRANTS.—

22 “(A) IN GENERAL.—A grant under this  
23 section shall be for a period of not more than  
24 3 years, except that—

1           “(i) an eligible entity receiving such  
2           grant may, at the discretion of the Sec-  
3           retary, continue to expend grant funds  
4           after the end of the grant period; and

5           “(ii) the Secretary may renew such  
6           grant for 1 additional 2-year period, if the  
7           Secretary determines that the eligible enti-  
8           ty is meeting the goals of the grant.

9           “(B) SUBSEQUENT GRANTS.—An eligible  
10          entity that has received a grant under this sec-  
11          tion may receive subsequent grants under this  
12          section.

13          “(c) APPLICATION REQUIREMENTS.—

14           “(1) APPLICATION REQUIREMENTS.—To be  
15          considered for a grant under this section, an eligible  
16          entity shall submit an application to the Secretary at  
17          such time, in such manner, and containing such in-  
18          formation as the Secretary may require.

19           “(2) CONTENTS.—The application described in  
20          paragraph (1) shall include, at a minimum, the fol-  
21          lowing:

22           “(A) RECORD OF SUCCESS.—Documenta-  
23          tion of the record of success of the eligible enti-  
24          ty in overseeing or operating public charter  
25          schools, including—

1           “(i) the performance of the students  
2 of such public charter schools on the stu-  
3 dent academic assessments described in  
4 section 1111(b)(3) of the State where such  
5 school is located (including a measurement  
6 of the students’ average academic longitu-  
7 dinal growth at each such school, if such  
8 measurement is required by a Federal or  
9 State law applicable to the entity),  
10 disaggregated by—

11                   “(I) economic disadvantage;

12                   “(II) race and ethnicity;

13                   “(III) disability status; and

14                   “(IV) status as a student with  
15 limited English proficiency;

16           “(ii)(I) the status of such schools in  
17 making adequate yearly progress, as de-  
18 fined in a State’s plan in accordance with  
19 section 1111(b)(2)(C) or, in the case of  
20 schools for which the Secretary has waived  
21 the applicability of such section pursuant  
22 to the authority under section 9401, the  
23 status of such schools under the account-  
24 ability standards authorized by such waiv-  
25 er; and

1           “(II) the status of such schools as  
2 identified schools;

3           “(iii) documentation of demonstrated  
4 success by such public charter schools in  
5 closing historic achievement gaps between  
6 groups of students; and

7           “(iv) in the case of such public char-  
8 ter schools that are secondary schools—

9                   “(I) the number of students en-  
10 rolled in dual enrollment, Advanced  
11 Placement, International Baccalaureate, or other college level courses;

12                   “(II) the number of students  
13 earning a professional certificate or li-  
14 cense through the school;

15                   “(III) student graduation rates;  
16 and

17                   “(IV) rates of student accept-  
18 ance, enrollment, and persistence in  
19 institutions of higher education, where  
20 possible.

21           “(B) PLAN.—A plan for—

22                   “(i) replicating and expanding eligible  
23 public charter schools operated or overseen  
24 by the eligible entity;  
25

1           “(ii) identifying eligible public charter  
2 schools, or networks of eligible public char-  
3 ter schools, to receive subgrants under this  
4 section;

5           “(iii) increasing the number of open-  
6 ings in eligible public charter schools for  
7 students attending identified schools and  
8 schools with a low graduation rate;

9           “(iv) ensuring that eligible public  
10 charter schools receiving a subgrant under  
11 this section enroll students through a ran-  
12 dom lottery for admission, unless the char-  
13 ter school is using the subgrant to expand  
14 the school to serve additional grades, in  
15 which case such school may reserve seats  
16 in the additional grades for—

17           “(I) each student enrolled in the  
18 grade preceding each such additional  
19 grade;

20           “(II) siblings of students enrolled  
21 in the charter school, if such siblings  
22 desire to enroll in such grade; and

23           “(III) children of the charter  
24 school’s founders, staff, or employees;

1           “(v)(I) in the case of an eligible entity  
2           described in subparagraph (A) or (C) of  
3           subsection (k)(4), the manner in which the  
4           eligible entity will work with identified  
5           schools and schools with a low graduation  
6           rate that are eligible to enroll students in  
7           a public charter school receiving a  
8           subgrant under this section and that are  
9           under the eligible entity’s jurisdiction, and  
10          the local educational agencies serving such  
11          schools (as applicable), to—

12                   “(aa) engage in community out-  
13                   reach, provide information in a lan-  
14                   guage that the parents can under-  
15                   stand, and communicate with parents  
16                   of students at identified schools and  
17                   schools with a low graduation rate  
18                   who are eligible to attend a public  
19                   charter school receiving a subgrant  
20                   under this section about the oppor-  
21                   tunity to enroll in or transfer to such  
22                   school, in a manner consistent with  
23                   section 444 of the General Education  
24                   Provisions Act (commonly known as



1 the ‘Family Educational Rights and  
2 Privacy Act of 1974’); and

3 “(bb) ensure that a student can  
4 transfer to an eligible public charter  
5 school if the public charter school  
6 such student was attending in the  
7 previous school year is no longer an  
8 eligible public charter school; and

9 “(II) in the case of an eligible entity  
10 described in subparagraph (B) or (D) of  
11 subsection (k)(4), the manner in which the  
12 eligible entity will work with the local edu-  
13 cational agency to carry out the activities  
14 described in items (aa) and (bb) of sub-  
15 clause (I);

16 “(vi) disseminating to public schools  
17 under the jurisdiction or in the service  
18 area of the eligible entity, in a manner  
19 consistent with section 444 of the General  
20 Education Provisions Act (commonly  
21 known as the ‘Family Educational Rights  
22 and Privacy Act of 1974’), the best prac-  
23 tices, programs, or strategies learned by  
24 awarding subgrants to eligible public char-  
25 ter schools under this section, with par-

1 particular emphasis on the best practices with  
2 respect to—

3 “(I) focusing on closing achieve-  
4 ment gaps; or

5 “(II) successfully addressing the  
6 education needs of low-income stu-  
7 dents; and

8 “(vii) in the case of an eligible entity  
9 described in subsection (k)(4)(D)—

10 “(I) supporting the short-term  
11 and long-term success of the proposed  
12 project, by—

13 “(aa) developing a multi-  
14 year financial and operating  
15 model for the eligible entity; and

16 “(bb) including, with the  
17 plan, evidence of the dem-  
18 onstrated commitment of current  
19 partners, as of the time of the  
20 application, for the proposed  
21 project and of broad support  
22 from stakeholders critical to the  
23 project’s long-term success;

1           “(II) closing public charter  
2 schools that do not meet acceptable  
3 standards of performance; and

4           “(III) achieving the objectives of  
5 the proposed project on time and  
6 within budget, which shall include the  
7 use of clearly defined responsibilities,  
8 timelines, and milestones for accom-  
9 plishing project tasks.

10           “(C) CHARTER SCHOOL INFORMATION.—

11           The number of—

12           “(i) eligible public charter schools that  
13 are operating in the State in which the eli-  
14 gible entity intends to award subgrants  
15 under this section;

16           “(ii) public charter schools approved  
17 to open or likely to open during the grant  
18 period in such State;

19           “(iii) available openings in eligible  
20 public charter schools in such State that  
21 could be created through the replication or  
22 expansion of such schools if the grant is  
23 awarded to the eligible entity;

1                   “(iv) students on public charter school  
2                   waiting lists (if such lists are available)  
3                   in—

4                               “(I) the State in which the eligi-  
5                               ble entity intends to award subgrants  
6                               under this section; and

7                               “(II) each local educational agen-  
8                               cy serving an eligible public charter  
9                               school that may receive a subgrant  
10                              under this section from the eligible  
11                              entity; and

12                             “(v) students, and the percentage of  
13                             students, in a local educational agency who  
14                             are attending eligible public charter schools  
15                             that may receive a subgrant under this  
16                             section from the eligible entity.

17                           “(D) TRADITIONAL PUBLIC SCHOOL IN-  
18                           FORMATION.—In the case of an eligible entity  
19                           described in subparagraph (A) or (C) of sub-  
20                           section (k)(4), a list of the following schools  
21                           under the jurisdiction of the eligible entity, in-  
22                           cluding the name and location of each such  
23                           school, the number and percentage of students  
24                           under the jurisdiction of the eligible entity who  
25                           are attending such school, and such demo-

1 graphic and socioeconomic information as the  
2 Secretary may require:

3 “(i) Identified schools.

4 “(ii) Schools with a low graduation  
5 rate.

6 “(E) ASSURANCE.—In the case of an eligi-  
7 ble entity described in subsection (k)(4)(A), an  
8 assurance that the eligible entity will include in-  
9 formation (in a language that the parents can  
10 understand) about the eligible public charter  
11 schools receiving subgrants under this section—

12 “(i) in the notifications provided  
13 under section 1116(e)(6) to parents of  
14 each student enrolled in a school served by  
15 a local educational agency identified for  
16 school improvement or corrective action  
17 under paragraph (1) or (7) of section  
18 1116(e); or

19 “(ii) in any case where the require-  
20 ments under section 1116(e) have been  
21 waived in whole or in part by the Secretary  
22 under the authority of section 9401, to  
23 parents of each student enrolled in a  
24 school served by a local educational agency  
25 that has been identified as in need of addi-

1            tional assistance under any accountability  
2            system established under such section.

3            “(3) MODIFICATIONS.—The Secretary may  
4            modify or waive any information requirement under  
5            paragraph (2)(C) for an eligible entity that dem-  
6            onstrates that the eligible entity cannot reasonably  
7            obtain the information.

8            “(d) PRIORITIES FOR AWARDING GRANTS.—

9            “(1) IN GENERAL.—In awarding grants under  
10           this section, the Secretary shall give priority to an  
11           eligible entity that—

12                    “(A) serves or plans to serve a large per-  
13                    centage of low-income students from identified  
14                    schools or public schools with a low graduation  
15                    rate;

16                    “(B) oversees or plans to oversee one or  
17                    more eligible public charter schools;

18                    “(C) provides evidence of effective moni-  
19                    toring of the academic success of students who  
20                    attend public charter schools under the jurisdic-  
21                    tion of the eligible entity;

22                    “(D) has established goals, objectives, and  
23                    outcomes for the proposed project that are  
24                    clearly specified, measurable, and attainable;

1           “(E) in the case of an eligible entity that  
2 is a local educational agency under State law,  
3 has a cooperative agreement under section  
4 1116(b)(11); and

5           “(F) is under the jurisdiction of, or plans  
6 to award subgrants under this section in, a  
7 State that—

8           “(i) ensures that all public charter  
9 schools (including such schools served by a  
10 local educational agency and such schools  
11 considered to be a local educational agency  
12 under State law) receive, in a timely man-  
13 ner, the Federal, State, and local funds to  
14 which such schools are entitled under ap-  
15 plicable law;

16           “(ii) provides funding (such as capital  
17 aid distributed through a formula or access  
18 to revenue generated bonds, and including  
19 funding for school facilities) on a per-pupil  
20 basis to public charter schools commensu-  
21 rate with the amount of funding (including  
22 funding for school facilities) provided to  
23 traditional public schools;

24           “(iii) provides strong evidence of sup-  
25 port for public charter schools and has in

1 place innovative policies that support aca-  
2 demically successful charter school growth;

3 “(iv) authorizes public charter schools  
4 to offer early childhood education pro-  
5 grams, including prekindergarten, in ac-  
6 cordance with State law;

7 “(v) authorizes or allows public char-  
8 ter schools to serve as school food authori-  
9 ties;

10 “(vi) ensures that each public charter  
11 school in the State—

12 “(I) has a high degree of auton-  
13 omy over the public charter school’s  
14 budget and expenditures;

15 “(II) has a written performance  
16 contract with an authorized public  
17 chartering agency that ensures that  
18 the school has an independent gov-  
19 erning board with a high degree of  
20 autonomy; and

21 “(III) in the case of an eligible  
22 public charter school receiving a  
23 subgrant under this section, amends  
24 its charter to reflect the growth activi-  
25 ties described in subsection (e);



1           “(vii) has an appeals process for the  
2 denial of an application for a public char-  
3 ter school;

4           “(viii) provides that an authorized  
5 public chartering agency that is not a local  
6 educational agency, such as a State char-  
7 tering board, is available for each indi-  
8 vidual or entity seeking to operate a public  
9 charter school pursuant to such State law;

10           “(ix) allows any public charter school  
11 to be a local educational agency in accord-  
12 ance with State law;

13           “(x) ensures that each authorized  
14 public chartering agency in the State sub-  
15 mits annual reports to the State edu-  
16 cational agency, and makes such reports  
17 available to the public, on the performance  
18 of the schools authorized or approved by  
19 such public chartering agency, which re-  
20 ports shall include—

21           “(I) the authorized public char-  
22 tering agency’s strategic plan for au-  
23 thORIZING or approving public charter  
24 schools and any progress toward

1 achieving the objectives of the stra-  
2 tegic plan;

3 “(II) the authorized public char-  
4 tering agency’s policies for authorizing  
5 or approving public charter schools,  
6 including how such policies examine a  
7 school’s—

8 “(aa) financial plan and  
9 policies, including financial con-  
10 trols and audit requirements;

11 “(bb) plan for identifying  
12 and successfully (in compliance  
13 with all applicable laws and regu-  
14 lations) serving students with  
15 disabilities, students who are  
16 English language learners, stu-  
17 dents who are academically be-  
18 hind their peers, and gifted stu-  
19 dents; and

20 “(cc) capacity and capability  
21 to successfully launch and subse-  
22 quently operate a public charter  
23 school, including the backgrounds  
24 of the individuals applying to the  
25 agency to operate such school

1 and any record of such individ-  
2 uals operating a school;

3 “(III) the authorized public char-  
4 tering agency’s policies for renewing,  
5 not renewing, and revoking a public  
6 charter school’s charter, including the  
7 role of student academic achievement  
8 in such decisions;

9 “(IV) the authorized public char-  
10 tering agency’s transparent, timely,  
11 and effective process for closing down  
12 academically unsuccessful public char-  
13 ter schools;

14 “(V) the academic performance  
15 of each operating public charter  
16 school authorized or approved by the  
17 authorized public chartering agency,  
18 including the information reported by  
19 the State in the State annual report  
20 card under section 1111(h)(1)(C) for  
21 such school (or any similar reporting  
22 requirement authorized by the Sec-  
23 retary through a waiver under section  
24 9401);

1           “(VI) the status of the author-  
2           ized public chartering agency’s charter  
3           school portfolio, by identifying all  
4           charter schools served by the public  
5           chartering agency in each of the fol-  
6           lowing categories: approved (but not  
7           yet open), operating, renewed, trans-  
8           ferred, revoked, not renewed, volun-  
9           tarily closed, or never opened;

10           “(VII) the authorizing functions  
11           provided by the authorized public  
12           chartering agency to the public char-  
13           ter schools under its purview, includ-  
14           ing such agency’s operating costs and  
15           expenses as detailed through annual  
16           auditing of financial statements that  
17           conform with general accepted ac-  
18           counting principles; and

19           “(VIII) the services purchased  
20           (such as accounting, transportation,  
21           and data management and analysis)  
22           from the authorized public chartering  
23           agency by the public charter schools  
24           authorized or approved by such agen-  
25           cy, including an itemized accounting

1 of the actual costs of such services;  
2 and

3 “(xi) has or will have (within 1 year  
4 after receiving a grant under this section)  
5 a State policy and process for overseeing  
6 and reviewing the effectiveness and quality  
7 of the State’s authorized public chartering  
8 agencies, including—

9 “(I) a process for reviewing and  
10 evaluating the performance of the au-  
11 thORIZED public chartering agencies in  
12 authorizing or approving public char-  
13 ter schools, including a process that  
14 enables the authorized public char-  
15 tering agencies to respond to any  
16 State concerns; and

17 “(II) any other necessary policies  
18 to ensure effective charter school au-  
19 thORIZING in the State in accordance  
20 with the principles of quality charter  
21 school authorizing, as determined by  
22 the State in consultation with the  
23 charter school community and stake-  
24 holders.

1           “(2) SPECIAL RULE.—In awarding grants  
2           under this section, the Secretary may determine how  
3           the priorities described in paragraph (1) will apply  
4           to the different types of eligible entities defined in  
5           subsection (k)(4).

6           “(e) USE OF FUNDS.—An eligible entity receiving a  
7           grant under this section shall use the grant funds for the  
8           following:

9           “(1) SUBGRANTS.—

10           “(A) IN GENERAL.—An eligible entity shall  
11           award subgrants, in such amount as the eligible  
12           entity determines is appropriate, to eligible pub-  
13           lic charter schools to replicate or expand such  
14           schools.

15           “(B) APPLICATION.—An eligible public  
16           charter school desiring to receive a subgrant  
17           under this subsection shall submit an applica-  
18           tion to the eligible entity at such time, in such  
19           manner, and containing such information as the  
20           eligible entity may require.

21           “(C) USES OF FUNDS.—An eligible public  
22           charter school receiving a subgrant under this  
23           subsection shall use the subgrant funds to pro-  
24           vide for an increase in the school’s enrollment  
25           of students through the replication or expansion

1 of the school, which may include use of funds  
2 to—

3 “(i) support the physical expansion of  
4 school buildings, including financing the  
5 development of new buildings and cam-  
6 puses to meet increased enrollment needs;

7 “(ii) pay costs associated with hiring  
8 additional teachers to serve additional stu-  
9 dents;

10 “(iii) provide transportation to addi-  
11 tional students to and from the school (in-  
12 cluding providing transportation to stu-  
13 dents who transfer to the school under a  
14 cooperative agreement established under  
15 section 1116(b)(11)), as long as the eligi-  
16 ble public charter school demonstrates to  
17 the eligible entity, in the application re-  
18 quired under subparagraph (B), that the  
19 public charter school has the capability to  
20 continue providing such transportation  
21 after the expiration of the subgrant funds;

22 “(iv) purchase instructional materials,  
23 implement teacher and principal profes-  
24 sional development programs, and hire ad-  
25 ditional non-teaching staff; and

1           “(v) support any necessary activities  
2           associated with the school carrying out the  
3           purposes of this section, including data col-  
4           lection and management.

5           “(D) PRIORITY.—In awarding subgrants  
6           under this subsection, an eligible entity shall  
7           give priority to an eligible public charter school  
8           that—

9                   “(i)(I) has significantly closed any  
10                  achievement gaps on the State academic  
11                  assessments described in section  
12                  1111(b)(3) among the groups of students  
13                  described in section 1111(b)(2)(C)(v) by  
14                  improving scores; or

15                   “(II) in the case of a school in a State  
16                  for which the Secretary has granted a  
17                  waiver under section 9401, has signifi-  
18                  cantly closed any achievement gaps among  
19                  groups of students, as determined by the  
20                  Secretary in accordance with any account-  
21                  ability standards that the Secretary has  
22                  authorized through such waiver; and

23                   “(ii) has been in operation for not less  
24                  than 3 consecutive years and has dem-  
25                  onstrated overall success, including—



1           “(I) substantial progress in im-  
2           proving student achievement, as meas-  
3           ured—

4                   “(aa) for tested grades and  
5                   subjects, by a student’s score on  
6                   State academic assessments re-  
7                   quired under this Act, and other  
8                   rigorous measures of student  
9                   learning that are comparable  
10                  across classrooms, such as the  
11                  measures described in item (bb);  
12                  and

13                  “(bb) for non-tested grades  
14                  and subjects, alternative meas-  
15                  ures of student learning and per-  
16                  formance, such as student scores  
17                  on pretests and end-of-course  
18                  tests, student performance on  
19                  English language proficiency as-  
20                  sessments; and other measures of  
21                  student achievement that are rig-  
22                  orous and comparable across  
23                  classrooms; and

24                  “(II) the management and lead-  
25                  ership necessary to overcome initial

1 start-up problems and establish a  
2 thriving, financially viable charter  
3 school.

4 “(E) DURATION OF SUBGRANT.—A  
5 subgrant under this subsection shall be awarded  
6 for a period of not more than 3 years, except  
7 that an eligible public charter school receiving a  
8 subgrant under this subsection may, at the dis-  
9 cretion of the eligible entity, continue to expend  
10 subgrant funds after the end of the subgrant  
11 period.

12 “(2) FACILITY FINANCING AND REVOLVING  
13 LOAN FUND.—An eligible entity may use not more  
14 than 25 percent of the amount of the grant funds  
15 received under this section to establish a reserve ac-  
16 count described in subsection (f) to facilitate public  
17 charter school facility acquisition and development  
18 by—

19 “(A) conducting credit enhancement initia-  
20 tives (as referred to in subpart 2) in support of  
21 the development of facilities for eligible public  
22 charter schools serving students;

23 “(B) establishing a revolving loan fund for  
24 use by an eligible public charter school receiving  
25 a subgrant under this subsection from the eligi-

1           ble entity under such terms as may be deter-  
 2           mined by the eligible entity to allow such school  
 3           to expand to serve additional students;

4           “(C) facilitating, through direct expendi-  
 5           ture or financing, the acquisition or develop-  
 6           ment of public charter school buildings by the  
 7           eligible entity or an eligible public charter  
 8           school receiving a subgrant under this sub-  
 9           section from the eligible entity, which may be  
 10          used as both permanent locations for eligible  
 11          public charter schools or incubators for growing  
 12          charter schools; or

13          “(D) establishing a partnership with 1 or  
 14          more community development financial institu-  
 15          tions (as defined in section 103 of the Commu-  
 16          nity Development Banking and Financial Insti-  
 17          tutions Act of 1994 (12 U.S.C. 4702)) or other  
 18          mission-based financial institutions to carry out  
 19          the activities described in subparagraphs (A),  
 20          (B), and (C).

21          “(3) ADMINISTRATIVE TASKS, DISSEMINATION  
 22          ACTIVITIES, RESEARCH, AND DATA COLLECTION.—

23          “(A) IN GENERAL.—An eligible entity may  
 24          use not more than 7.5 percent of the grant  
 25          funds awarded under this section to cover ad-

1           ministrative tasks, dissemination activities, and  
2           outreach, including data collection and manage-  
3           ment.

4           “(B) NONPROFIT ASSISTANCE.—In car-  
5           rying out the administrative tasks, dissemina-  
6           tion activities, and outreach described in sub-  
7           paragraph (A), an eligible entity may contract  
8           with an organization described in section  
9           501(c)(3) of the Internal Revenue Code of 1986  
10          (26 U.S.C. 501(c)(3)) and exempt from tax  
11          under section 501(a) of such Code (26 U.S.C.  
12          501(a)).

13          “(f) RESERVE ACCOUNT.—

14           “(1) IN GENERAL.—To assist eligible entities in  
15          the development of new public charter school build-  
16          ings or facilities for eligible public charter schools,  
17          an eligible entity receiving a grant under this section  
18          may, in accordance with State and local law, directly  
19          or indirectly, alone or in collaboration with others,  
20          deposit the amount of funds described in subsection  
21          (e)(2) in a reserve account established and main-  
22          tained by the eligible entity.

23           “(2) INVESTMENT.—Funds received under this  
24          section and deposited in the reserve account estab-  
25          lished under this subsection shall be invested in obli-

1 gations issued or guaranteed by the United States or  
2 a State, or in other similarly low-risk securities.

3 “(3) REINVESTMENT OF EARNINGS.—Any earn-  
4 ings on funds received under this subsection shall be  
5 deposited in the reserve account established under  
6 this subsection and used in accordance with the pur-  
7 pose described in subsection (a).

8 “(4) RECOVERY OF FUNDS.—

9 “(A) IN GENERAL.—The Secretary, in ac-  
10 cordance with chapter 37 of title 31, United  
11 States Code, shall collect—

12 “(i) all funds in a reserve account es-  
13 tablished by an eligible entity under this  
14 subsection if the Secretary determines, not  
15 earlier than 2 years after the date the eli-  
16 gible entity first received funds under this  
17 section, that the eligible entity has failed to  
18 make substantial progress carrying out the  
19 purpose described in paragraph (1); or

20 “(ii) all or a portion of the funds in  
21 a reserve account established by an eligible  
22 entity under this subsection if the Sec-  
23 retary determines that the eligible entity  
24 has permanently ceased to use all or a por-

1                   tion of funds in such account to accomplish  
2                   the purpose described in paragraph (1).

3                   “(B) EXERCISE OF AUTHORITY.—The Sec-  
4                   retary shall not exercise the authority provided  
5                   under subparagraph (A) to collect from any eli-  
6                   gible entity any funds that are being properly  
7                   used to achieve such purpose.

8                   “(C) PROCEDURES.—Sections 451, 452,  
9                   and 458 of the General Education Provisions  
10                  Act shall apply to the recovery of funds under  
11                  subparagraph (A).

12                  “(D) CONSTRUCTION.—This paragraph  
13                  shall not be construed to impair or affect the  
14                  authority of the Secretary to recover funds  
15                  under part D of the General Education Provi-  
16                  sions Act.

17                  “(5) REALLOCATION.—Any funds collected by  
18                  the Secretary under paragraph (4) shall be awarded  
19                  to eligible entities receiving grants under this section  
20                  in the next fiscal year.

21                  “(g) FINANCIAL RESPONSIBILITY.—The financial  
22                  records of each eligible entity and eligible public charter  
23                  school receiving a grant or subgrant, respectively, under  
24                  this section shall be maintained in accordance with gen-

1 erally accepted accounting principles and shall be subject  
2 to an annual audit by an independent public accountant.

3 “(h) NATIONAL EVALUATION.—

4 “(1) NATIONAL EVALUATION.—From the  
5 amounts appropriated under section 5200, the Sec-  
6 retary shall conduct an independent, comprehensive,  
7 and scientifically sound evaluation, by grant or con-  
8 tract and using the highest quality research design  
9 available, of the impact of the activities carried out  
10 under this section on—

11 “(A) student achievement, including State  
12 standardized assessment scores and, if avail-  
13 able, student academic longitudinal growth (as  
14 described in subsection (c)(2)(A)(i)) based on  
15 such assessments; and

16 “(B) other areas, as determined by the  
17 Secretary.

18 “(2) REPORT.—Not later than 4 years after the  
19 date of the enactment of the All Students Achieving  
20 through Reform Act of 2013, and biannually there-  
21 after, the Secretary shall submit to Congress a re-  
22 port on the results of the evaluation described in  
23 paragraph (1).

1       “(i) REPORTS.—Each eligible entity receiving a grant  
2 under this section shall prepare and submit to the Sec-  
3 retary the following:

4               “(1) REPORT.—A report that contains such in-  
5 formation as the Secretary may require concerning  
6 use of the grant funds by the eligible entity, includ-  
7 ing the academic achievement of the students at-  
8 tending eligible public charter schools as a result of  
9 the grant. Such report shall be submitted before the  
10 end of the 3-year period beginning on the date of en-  
11 actment of the All Students Achieving through Re-  
12 form Act of 2013 and every 2 years thereafter.

13               “(2) PERFORMANCE INFORMATION.—Such per-  
14 formance information as the Secretary may require  
15 for the national evaluation conducted under sub-  
16 section (h)(1).

17       “(j) INAPPLICABILITY.—The provisions of sections  
18 5201 through 5209 shall not apply to the program under  
19 this section.

20       “(k) DEFINITIONS.—In this section:

21               “(1) ADEQUATE YEARLY PROGRESS.—The term  
22 ‘adequate yearly progress’ has the meaning given  
23 such term in a State’s plan in accordance with sec-  
24 tion 1111(b)(2)(C).



1           “(2) ADMINISTRATIVE TASKS, DISSEMINATION  
2           ACTIVITIES, AND OUTREACH.—The term ‘adminis-  
3           trative tasks, dissemination activities, and outreach’  
4           includes costs and activities associated with—

5                   “(A) recruiting and selecting students to  
6                   attend eligible public charter schools;

7                   “(B) outreach to parents of students en-  
8                   rolled in identified schools or schools with low  
9                   graduation rates;

10                   “(C) providing information to such parents  
11                   and school officials at such schools regarding el-  
12                   igible public charter schools receiving subgrants  
13                   under subsection (e);

14                   “(D) necessary oversight of the grant pro-  
15                   gram under this section; and

16                   “(E) initiatives and activities to dissemi-  
17                   nate the best practices, programs, or strategies  
18                   learned in eligible public charter schools to  
19                   other public schools operating in the State  
20                   where the eligible entity intends to award sub-  
21                   grants under this section.

22           “(3) CHARTER SCHOOL.—The term ‘charter  
23           school’ means—

24                   “(A) a charter school, as defined in section  
25                   5211(1); or

1           “(B) a school that meets the requirements  
2 of such section, except for subparagraph (D) of  
3 the section, and provides prekindergarten or  
4 adult education services.

5           “(4) ELIGIBLE ENTITY.—The term ‘eligible en-  
6 tity’ means—

7           “(A) a State educational agency;

8           “(B) an authorized public chartering agen-  
9 cy;

10           “(C) a local educational agency that has  
11 authorized or is planning to authorize a public  
12 charter school;

13           “(D) an organization (including a non-  
14 profit charter management organization) that  
15 has an organizational mission and record of  
16 success supporting the replication and expan-  
17 sion of high-quality charter schools and is—

18           “(i) described in section 501(c)(3) of  
19 the Internal Revenue Code of 1986 (26  
20 U.S.C. 501(c)(3)); and

21           “(ii) exempt from tax under section  
22 501(a) of such Code (26 U.S.C. 501(a));  
23 or

24           “(E) a consortium of organizations de-  
25 scribed in subparagraph (D).

1           “(5) ELIGIBLE PUBLIC CHARTER SCHOOL.—

2           The term ‘eligible public charter school’ means a  
3           charter school that has no significant compliance  
4           issue and shows evidence of strong academic results  
5           for the past three years (or over the life of the  
6           school if the school has been open for fewer than  
7           three years), based on—

8                   “(A) increased student academic achieve-  
9                   ment and attainment for all students, including,  
10                  as applicable, educationally disadvantaged stu-  
11                  dents served by the charter school;

12                  “(B)(i) demonstrated success in closing  
13                  historic achievement gaps for the subgroups of  
14                  students           described           in           section  
15                  1111(b)(2)(C)(v)(II) at the charter school or, in  
16                  the case of a school in a State for which the  
17                  Secretary has granted a waiver under section  
18                  9401, demonstrated success in closing achieve-  
19                  ment gaps among groups of students, as deter-  
20                  mined by the Secretary in accordance with any  
21                  accountability standards that the Secretary has  
22                  authorized through such waiver; or

23                  “(ii) no significant achievement gaps be-  
24                  tween any of the subgroups of students de-  
25                  scribed in section 1111(b)(2)(C)(v)(II) (or as

1 determined by the Secretary in accordance with  
2 any accountability standards authorized  
3 through a waiver under section 9401) and sig-  
4 nificant gains in student achievement with all  
5 populations of students served by the charter  
6 school; and

7 “(C) results (including, where applicable  
8 and available, performance on statewide tests,  
9 attendance and retention rates, secondary  
10 school graduation rates, and attendance and  
11 persistence rates at institutions of higher edu-  
12 cation) for low-income and other educationally  
13 disadvantaged students served by the charter  
14 school that are above the average achievement  
15 results for such students in the State.

16 “(6) GRADUATION RATE.—The term ‘gradua-  
17 tion rate’ has the meaning given the term in section  
18 1111(b)(2)(C)(vi), as clarified in section  
19 200.19(b)(1) of title 34, Code of Federal Regula-  
20 tions.

21 “(7) IDENTIFIED SCHOOL.—The term ‘identi-  
22 fied school’ means a school—

23 “(A) identified for school improvement,  
24 corrective action, or restructuring under para-  
25 graph (1), (7), or (8) of section 1116(b); or

1           “(B) in the case of a school for which the  
2           Secretary has waived the applicability of such  
3           paragraphs pursuant to section 9401, identified  
4           as a priority school, a focus school, or a school  
5           otherwise in need of significant assistance, as  
6           determined by the accountability standards au-  
7           thorized by such waiver

8           “(8) LOCAL EDUCATIONAL AGENCY.—The term  
9           ‘local educational agency’ includes any charter school  
10          that is a local educational agency, as determined by  
11          State law.

12          “(9) LOW-INCOME STUDENT.—The term ‘low-  
13          income student’ means a student eligible for free or  
14          reduced price lunches under the Richard B. Russell  
15          National School Lunch Act (42 U.S.C. 1751 et  
16          seq.).

17          “(10) SCHOOL FOOD AUTHORITY.—The term  
18          ‘school food authority’ has the meaning given the  
19          term in section 250.3 of title 7, Code of Federal  
20          Regulations (or any corresponding similar regulation  
21          or ruling).

22          “(11) SCHOOL YEAR.—The term ‘school year’  
23          has the meaning given such term in section 12(d) of  
24          the Richard B. Russell National School Lunch Act  
25          (42 U.S.C. 1760(d)).

1           “(12) TRADITIONAL PUBLIC SCHOOL.—The  
2           term ‘traditional public school’ does not include any  
3           charter school, as defined in section 5211.”.

4           (b) AUTHORIZATION OF APPROPRIATIONS.—Part B  
5           of title V of the Elementary and Secondary Education Act  
6           of 1965 (20 U.S.C. 7221 et seq.) is amended—

7                   (1) by striking section 5231; and

8                   (2) by inserting before subpart 1 the following:

9           **“SEC. 5200. AUTHORIZATION OF APPROPRIATIONS FOR**  
10                                   **SUBPARTS 1 AND 2.**

11           “(a) IN GENERAL.—There are authorized to be ap-  
12           propriated to carry out subparts 1 and 2, \$700,000,000  
13           for fiscal year 2014 and such sums as may be necessary  
14           for each of the 5 succeeding fiscal years.

15           “(b) ALLOCATION.—In allocating funds appropriated  
16           under this section for any fiscal year, the Secretary shall  
17           consider—

18                   “(1) the relative need among the programs car-  
19           ried out under sections 5202, 5205, 5210, and sub-  
20           part 2; and

21                   “(2) the quality of the applications submitted  
22           for such programs.”.

23           (c) CONFORMING AMENDMENTS.—The Elementary  
24           and Secondary Education Act of 1965 (20 U.S.C. 6301  
25           et seq.) is amended—

1 (1) in section 2102(2) (20 U.S.C. 6602(2)), by  
2 striking “5210” and inserting “5211”;

3 (2) in section 5204(e) (20 U.S.C. 7221c(e)), by  
4 striking “5210(1)” and inserting “5211(1)”;

5 (3) in section 5211(1) (as redesignated by sub-  
6 section (a)(2)) (20 U.S.C. 7221i(1)), by striking  
7 “The term” and inserting “Except as otherwise pro-  
8 vided, the term”;

9 (4) in section 5230(1) (20 U.S.C. 7223i(1)), by  
10 striking “5210” and inserting “5211”; and

11 (5) in section 5247(1) (20 U.S.C. 7225f(1)), by  
12 striking “5210” and inserting “5211”.

13 (d) TABLE OF CONTENTS.—The table of contents in  
14 section 2 of the Elementary and Secondary Education Act  
15 of 1965 is amended—

16 (1) by inserting before the item relating to sub-  
17 part 1 of part B of title V the following:

“Sec. 5200. Authorization of appropriations for subparts 1 and 2.”;

18 (2) by striking the items relating to sections  
19 5210 and 5211;

20 (3) by inserting after the item relating to sec-  
21 tion 5209 the following:

“Sec. 5210. Charter school expansion and replication.

“Sec. 5211. Definitions.”;

22 and

- 1 (4) by striking the item relating to section
- 2 5231.

○