

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 10) TO AMEND THE CHARTER SCHOOL PROGRAM UNDER THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965; RELATING TO CONSIDERATION OF THE BILL (H.R. 4438) TO AMEND THE INTERNAL REVENUE CODE OF 1986 TO SIMPLIFY AND MAKE PERMANENT THE RESEARCH CREDIT; AND FOR OTHER PURPOSES

MAY 7, 2014.—Referred to the House Calendar and ordered to be printed

Ms. FOXX, from the Committee on Rules,
submitted the following

R E P O R T

[To accompany H. Res. 576]

The Committee on Rules, having had under consideration House Resolution 576, by a vote of 6–2, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 10, the Success and Opportunity through Quality Charter Schools Act, under a structured rule. The resolution provides 90 minutes of general debate equally divided and controlled by the chair and ranking minority member of the Committee on Education and the Workforce. The resolution waives all points of order against consideration of the bill. The resolution makes in order as original text for the purpose of amendment the amendment in the nature of a substitute recommended by the Committee on Education and the Workforce now printed in the bill and provides that it shall be considered as read. The resolution waives all points of order against the amendment in the nature of a substitute. The resolution makes in order only those further amendments printed in part A of this report. Each such amendment may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The resolution waives all points of order against the amendments printed in part A of this report.

The resolution provides one motion to recommit with or without instructions.

Section 2 of the resolution provides that on any legislative day during the period from May 12, 2014, through May 16, 2014: the Journal of the proceedings of the previous day shall be considered as approved; and the Chair may at any time declare the House adjourned to meet at a date and time to be announced by the Chair in declaring the adjournment.

Section 3 of the resolution provides that the Speaker may appoint Members to perform the duties of the Chair for the duration of the period addressed by section 2.

Section 4 of the resolution provides that it shall be in order at any time on the legislative day of May 8, 2014, for the Speaker to entertain motions that the House suspend the rules relating to H.R. 4366, the Strengthening Education through Research Act.

Section 5 of the resolution provides that the Committee on Appropriations may, at any time before 5 p.m. on Thursday, May 15, 2014, file privileged reports to accompany measures making appropriations for the fiscal year ending September 30, 2015.

Section 6 of the resolution provides that during consideration of the bill (H.R. 4438) to amend the Internal Revenue Code of 1986 to simplify and make permanent the research credit, pursuant to House Resolution 569, the further amendment printed in part B of this report shall be considered as adopted.

Section 7 of the resolution provides that House Resolution 569 is amended by striking “90 minutes” and inserting “one hour”.

EXPLANATION OF WAIVERS

Although the resolution waives all points of order against consideration of the bill, the Committee is not aware of any points of order. The waiver of all points of order is prophylactic in nature.

Although the resolution waives all points of order against the amendment in the nature of a substitute made in order as original text, the Committee is not aware of any points of order. The waiver of all points of order is prophylactic in nature.

Although the resolution waives all points of order against the amendments printed in part A of this report, the Committee is not aware of any points of order. The waiver of all points of order is prophylactic in nature.

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 136

Motion by Mr. McGovern to make in order and provide the appropriate waivers for amendment #6 by Rep. Grijalva (AZ) and Rep. Honda (CA), which requires public disclosure of all private contributions to support accountability and transparency in the charter sector; amendment #7 by Rep. Grijalva (AZ) and Rep. Honda (CA), which requires the state entity to create conflict of interest guidelines. Requires charter school board meetings to be open and transparent to parents, educators and the public; amendment #10 by Rep. Tierney (MA), which seeks to increase trans-

parency and recognizes the critical importance of parental involvement in educational outcomes for children by requiring an assurance in the grant application that charter school board meetings be open to parents and the public; amendment #11 by Rep. Tierney (MA), which seeks to increase transparency and promote accountability by ensuring appropriate access to financial records, budget statements, audit reports and other relevant documents relating to the operation and management of the charter school within the custody or control of an education management organization; amendment #13 by Rep. Langevin which adds comprehensive career counseling to the criteria that the Secretary will take into account when prioritizing grants to LEAs; amendment #19 by Rep. Kaptur (OH), which requires that all charter schools receiving public funding as described in this bill provide full public disclosure of information on school demographics and student attrition rates in the annual audit report to the Secretary. The disclosure of this information will be made in accordance with current state and Federal Law; amendment #21 by Rep. Reichert (WA) and Rep. Larsen (WA) and Rep. DelBene (WA), protect states' rights to design their own charter school systems by striking language that places states with charter school caps at a disadvantage when competing for federal grants; amendment #24 by Rep. Meeks (NY), which provides states with caps on charter school funding equitable consideration for federal funding as states without caps. Defeated: 2–6

Majority Members	Vote	Minority Members	Vote
Ms. Foxx	Nay	Ms. Slaughter .....	.....
Mr. Bishop of Utah .....	.....	Mr. McGovern	Yea
Mr. Cole	Nay	Mr. Hastings of Florida	Yea
Mr. Woodall	Nay	Mr. Polis .....	.....
Mr. Nugent .....	.....	
Mr. Webster	Nay		
Ms. Ros-Lehtinen .....	.....	
Mr. Burgess	Nay		
Mr. Sessions, Chairman	Nay		

Rules Committee record vote No. 137

Motion by Ms. Foxx to report the rule. Adopted: 6–2

Majority Members	Vote	Minority Members	Vote
Ms. Foxx	Yea	Ms. Slaughter .....	.....
Mr. Bishop of Utah .....	.....	Mr. McGovern	Nay
Mr. Cole	Yea	Mr. Hastings of Florida	Nay
Mr. Woodall	Yea	Mr. Polis .....	.....
Mr. Nugent .....	.....	
Mr. Webster	Yea		
Ms. Ros-Lehtinen .....	.....	
Mr. Burgess	Yea		
Mr. Sessions, Chairman	Yea		

SUMMARY OF THE AMENDMENTS TO H.R. 10 IN PART A MADE IN ORDER

1. Kline (MN): Makes technical corrections and improvements to the underlying bill text. (10 minutes)
2. Cassidy (LA): Requires GAO to audit/track the dollars and examine if the money allocated from administrative costs is appropriate. (10 minutes)

3. Castor (FL): Requires the Secretary of the Department of Education to develop and enforce conflict of interest guidelines for all charter schools receiving federal assistance. Guidelines must include disclosures from anyone affiliated with the charter school that has a financial interest in the school. (10 minutes)

4. Moore, Gwen (WI): Establishes a two percent set-aside within state funds to provide oversight of the use of funds by charter schools. (10 minutes)

5. Bass (CA), Marino (PA), McDermott (WA), Bachmann (MN): Adds on p. 14, line 16 after all students “, including eliminating any barriers to enrollment for foster youth or unaccompanied homeless youth.”. This will ensure that there are no unnecessary barriers for foster youth in charter school enrollment and ensure the inclusion and retention of all students no matter the involvement or lack of involvement of parents. (10 minutes)

6. Messer, Luke (IN): Requires state entities applying for Charter School Program grant funds to explain how they will work with eligible applicants within the state to encourage the opening, replication, and expansion of secondary charter schools (10 minutes)

7. Grayson (FL), Clarke (NY), Wilson (FL): Ensures that an application by a state entity to receive grants through the Charter School Program contains an assurance that charter schools will also measure student retention rates in their annual performance assessments—as well as graduation rates and student academic growth, as currently required by this bill. (10 minutes)

8. Jackson Lee (TX): Directs the website publication of materials on the websites of Charter Schools regarding student recruitment, orientation materials, enrollment criteria, student discipline policies, behavior codes, and parent contract requirements, which should include any financial obligations such as fees for tutoring, extra-circular activity etc. (10 minutes)

9. Wilson (FL), Davis, Rodney (IL), Duckworth (IL), Grayson (FL), McKinley (WV), Fudge (OH): Ensures collection and public dissemination of information that will help parents make informed decisions about education options for their children. (10 minutes)

10. Langevin (RI), Thompson, Glenn (PA): Adds comprehensive career counseling to the criteria that the Secretary will take into account when prioritizing grants to LEAs. (10 minutes)

11. Bonamici (OR): Clarifies the reporting requirements of State entities by asking State entities to include, to the extent known, whether efforts to share best and promising practices between charter schools and other schools led to the adoption and implementation of best practices by such other public schools. (10 minutes)

12. Sanchez, Loretta (CA): Requires State entities to report on how they have worked with funded charter schools to foster community involvement. (10 minutes)

SUMMARY OF THE AMENDMENT TO H.R. 4438 IN PART B CONSIDERED
AS ADOPTED

Inserts PAYGO scorecard language.

PART A—TEXT OF AMENDMENTS TO H.R. 10 MADE IN ORDER

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KLINE OF MINNESOTA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 4, beginning line 15, strike “limited English proficient students” and insert “English learners”.

Page 10, beginning line 1, amend subparagraph (B) to read as follows:

“(B) prior to the start of the final year of the grant period of each grant awarded under this section to a State entity, review whether the State entity is using the grant funds for the agreed upon uses of funds and whether the full amount of the grant will be needed for the remainder of the grant period and may, as determined necessary based on that review, terminate or reduce the amount of the grant and reallocate the remaining grant funds to other State entities during the succeeding grant competition under this section.”.

Page 11, beginning line 5, amend paragraph (1) to read as follows:

“(1) GRANTS.—The Secretary shall not award a grant to a State entity under this section in a case in which such award would result in more than 1 grant awarded under this section being carried out in a State at the same time.”.

Page 14, line 14, insert “, including supporting the use of charter schools to improve, or in turning around, struggling schools” after “improvement”.

Page 14, line 18, insert “including through the use of fair disciplinary practices” after “retention”.

Page 19, line 16, strike “(1)(A)(x)” and insert “(1)(A)(xi)”.

Page 20, line 8, strike “(vii) and (viii)” and insert “(viii) and (ix)”.

Page 20, line 22, strike “and student” and insert “, student”.

Page 20, line 23, insert “, and rates of student attrition” after “growth”.

Page 21, line 17, strike “make” and insert “makes”.

Page 22, line 2, insert before the period at the end the following: “, except that such data shall not be made publicly available in a case in which the number of students in a group is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student”.

Page 42, line 13, strike “(4)(C)” and insert “(4)(B)”.

Page 42, line 21, strike “(4)(C)” and insert “(4)(B)”.

Page 42, beginning line 21, strike “give priority to each such eligible applicant that” and inserting “take into consideration whether such an eligible applicant”.

Page 49, line 17, insert “or permitted” after “required”.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE CASSIDY OF LOUISIANA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 6, after line 17, insert the following:

“(d) GAO REPORT.—Not later than 3 years after the date of enactment of the Success and Opportunity through Quality Charter

Schools Act, the Comptroller General of the United States shall submit a report to the Secretary and Congress that—

“(1) examines whether the funds authorized to be reserved by State entities for administrative costs under section 5203(b)(1)(C) is appropriate; and

“(2) if determined not to be appropriate, makes recommendations on the appropriate reservation of funding for such administrative costs.”.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE CASTOR OF FLORIDA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 6, after line 17, insert the following:

“(d) CONFLICTS OF INTEREST.—The Secretary shall develop and enforce conflict of interest guidelines for any charter school receiving assistance under this subpart, which shall include disclosures of any person affiliated with the charter school that has a financial interest in the charter school.”.

4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MOORE OF WISCONSIN OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 8, line 1, strike “7 percent” and insert “5 percent”.

Page 8, line 3, strike “and”.

Page 8, line 6, strike the period at the end and insert “; and”.

Page 8, after line 6, insert the following:

“(D) reserve not less than 2 percent of such funds for oversight of the use of public funds (which shall cover Federal, State, and local funds) and private funds by each public chartering agency in the State of the State entity for each charter school authorized by such agency, by each local educational agency in the State for each charter school served by such agency, and by the State as a whole for each charter school in the State, which shall include the investigation of fraud, waste, mismanagement and misconduct, including monitoring the annual filing and public reporting of independently audited financial statements (including disclosure of amount and duration of any Federal, State, and local, and private financial and in-kind contributions of support, and expenditures of such support).”.

5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BASS OF CALIFORNIA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 14, line 16, insert “, including eliminating any barriers to enrollment for foster youth or unaccompanied homeless youth,” after “students”.

6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MESSER OF INDIANA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 16, line 7, strike “and”.

Page 16, line 13, insert “and” at the end.

Page 16, after line 13, insert the following:

“(xv) will work with eligible applicants receiving a subgrant under the State entity’s program to support the opening of charter schools or charter school models described in clause (i) that are secondary schools;”.

7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE GRAYSON OF FLORIDA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 20, line 22, strike “and student” and insert “, student”.

Page 20, line 23, insert before the semicolon at the end the following: “, and student retention rates”.

8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE JACKSON LEE OF TEXAS OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 21, line 15, strike “and”.

Page 22, line 2, strike the period at the end and insert “; and”.

Page 22, after line 2, insert the following:

“(H) the State entity will ensure that charter schools and local educational agencies serving charter schools post on their websites materials with respect to charter school student recruitment, student orientation, enrollment criteria, student discipline policies, behavior codes, and parent contract requirements, including any financial obligations (such as fees for tutoring or extracurricular activity).”.

9. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WILSON OF FLORIDA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 21, beginning line 16, amend subparagraph (G) to read as follows:

“(G) The State entity will ensure that each charter school in the State makes publicly available, consistent with the dissemination requirements of the annual State report card, information to help parents make informed decisions about the education options available to their children, including information for each school on—

“(i) the educational program;

“(ii) student support services;

“(iii) annual performance and enrollment data, disaggregated by the groups of students described in section 1111(b)(2)(C)(v)(II); and

“(iv) any other information the State requires all other public schools to report for purposes of section 1111(h)(1)(D).”.

10. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE LANGEVIN OF RHODE ISLAND OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 25, line 10, strike “or dropout” and inserting “, dropout”.

Page 25, line 11, insert before the period at the end the following: “, or comprehensive career counseling practices”.

11. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BONAMICI
OF OREGON OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 26, line 20, insert before the semicolon at the end the following: “, including how the State entity met the objective of sharing best and promising practices described in subsection (e)(1)(A)(x) in areas such as instruction, professional development, curricula development, and operations between charter schools and other public schools, and the extent to which, if known, such practices were adopted and implemented by such other public schools;”.

12. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SANCHEZ
OF CALIFORNIA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 27, line 3, strike “and”.

Page 27, line 10, strike the period at the end and insert “; and”.

Page 27, after line 10, insert the following:

“(7) how the State entity has worked with charter schools receiving funds under the State entity’s program to foster community involvement in the planning for and opening of such schools.”.

PART B—TEXT OF THE AMENDMENT TO H.R. 4438 CONSIDERED AS
ADOPTED

SEC. 3. PAYGO SCORECARD

(a) PAYGO SCORECARD.—The budgetary effects of this Act shall not be entered on either PAYGO scorecard maintained pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010.

(b) SENATE PAYGO SCORECARD.—The budgetary effects of this Act shall not be entered on any PAYGO scorecard maintained for purposes of section 201 of S. Con. Res. 21 (110th Congress).