

(A) Section 135(d)(2)(B) is amended by striking "section 530(d)(2)" and inserting "sections 529(c)(3)(B)(i) and 530(d)(2)".

(B) Section 221(e)(2)(A) is amended by inserting "529." after "135."

(C) ROLLOVER TO DIFFERENT PROGRAM FOR BENEFIT OF SAME DESIGNATED BENEFICIARY.—Section 529(c)(3)(C) (relating to change in beneficiaries) is amended—

(1) by striking "transferred to the credit" in clause (i) and inserting "transferred—

"(I) to another qualified tuition program for the benefit of the designated beneficiary, or

"(II) to the credit".

(2) by adding at the end the following new clause:

"(iii) LIMITATION ON CERTAIN ROLLOVERS.—Clause (i)(I) shall only apply to the first 3 transfers with respect to a designated beneficiary.", and

(3) by inserting "OR PROGRAMS" after "BENEFICIARIES" in the heading.

(D) MEMBER OF FAMILY INCLUDES FIRST COUSIN.—Section 529(e)(2) (defining member of family) is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and by inserting "; and", and by adding at the end the following new subparagraph:

"(D) any first cousin of such beneficiary."

(E) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

AMENDMENT NO. 2833

Beginning on page 18, line 15, strike all through page 19, line 9, and insert:

SEC. 201. EXTENSION OF EXCLUSION FOR EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE.

(A) IN GENERAL.—Section 127(d) (relating to termination of exclusion for educational assistance programs) is amended by striking "December 31, 2001" and inserting "June 30, 2004".

(B) REPEAL OF LIMITATION ON GRADUATE EDUCATION.—

(1) IN GENERAL.—The last sentence of section 127(c)(1) is amended by striking ", and such term also does not include any payment for, or the provision of any benefits with respect to, any graduate level course of a kind normally taken by an individual pursuing a program leading to a law, business, medical, or other advanced academic or professional degree".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to expenses relating to courses beginning after December 31, 2000.

AMENDMENT NO. 2834

Beginning on page 21, line 4, strike all through page 27, line 10, and insert:

TITLE III—LIBERALIZATION OF TAX-EXEMPT FINANCING RULES FOR PUBLIC SCHOOL CONSTRUCTION

SEC. 301. ADDITIONAL INCREASE IN ARBITRAGE REBATE EXCEPTION FOR GOVERNMENTAL BONDS USED TO FINANCE EDUCATIONAL FACILITIES.

(A) IN GENERAL.—Section 148(f)(4)(D)(vii) (relating to increase in exception for bonds financing public school capital expenditures) is amended by striking "\$5,000,000" the second place it appears and inserting "\$10,000,000".

(B) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued in calendar years beginning after December 31, 2000.

SEC. 302. TREATMENT OF QUALIFIED PUBLIC EDUCATIONAL FACILITY BONDS AS EXEMPT FACILITY BONDS.

(A) TREATMENT AS EXEMPT FACILITY BOND.—Subsection (a) of section 142 (relating

to exempt facility bond) is amended by striking "or" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", or", and by adding at the end the following new paragraph:

"(13) qualified public educational facilities."

(B) QUALIFIED PUBLIC EDUCATIONAL FACILITIES.—Section 142 (relating to exempt facility bond) is amended by adding at the end the following new subsection:

"(k) QUALIFIED PUBLIC EDUCATIONAL FACILITIES.—

"(1) IN GENERAL.—For purposes of subsection (a)(13), the term 'qualified public educational facility' means any school facility which is—

"(A) part of a public elementary school or a public secondary school, and

"(B) owned by a private, for-profit corporation pursuant to a public-private partnership agreement with a State or local educational agency described in paragraph (2).

"(2) PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED.—A public-private partnership agreement is described in this paragraph if it is an agreement—

"(A) under which the corporation agrees—

"(i) to do 1 or more of the following: construct, rehabilitate, refurbish, or equip a school facility, and

"(ii) at the end of the term of the agreement, to transfer the school facility to such agency for no additional consideration, and

"(B) the term of which does not exceed the term of the issue to be used to provide the school facility.

"(3) SCHOOL FACILITY.—For purposes of this subsection, the term 'school facility' means—

"(A) school buildings,

"(B) functionally related and subordinate facilities and land with respect to such buildings, including any stadium or other facility primarily used for school events, and

"(C) any property, to which section 168 applies (or would apply but for section 179), for use in the facility.

"(4) PUBLIC SCHOOLS.—For purposes of this subsection, the terms 'elementary school' and 'secondary school' have the meanings given such terms by section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801), as in effect on the date of the enactment of this subsection.

"(5) ANNUAL AGGREGATE FACE AMOUNT OF TAX-EXEMPT FINANCING.—

"(A) IN GENERAL.—An issue shall not be treated as an issue described in subsection (a)(13) if the aggregate face amount of bonds issued by the State pursuant thereto (when added to the aggregate face amount of bonds previously so issued during the calendar year) exceeds an amount equal to the greater of—

"(i) \$10 multiplied by the State population, or

"(ii) \$5,000,000.

"(B) ALLOCATION RULES.—

"(1) IN GENERAL.—Except as otherwise provided in this subparagraph, the State may allocate the amount described in subparagraph (A) for any calendar year in such manner as the State determines appropriate.

"(ii) RULES FOR CARRYFORWARD OF UNUSED LIMITATION.—A State may elect to carry forward an unused limitation for any calendar year for 3 calendar years following the calendar year in which the unused limitation arose under rules similar to the rules of section 146(f), except that the only purpose for which the carryforward may be elected is the issuance of exempt facility bonds described in subsection (a)(13)."

(C) EXEMPTION FROM GENERAL STATE VOLUME CAPS.—Paragraph (3) of section 146(g) (relating to exception for certain bonds) is amended—

(1) by striking "or (12)" and inserting "(12, or (13)", and

(2) by striking "and environmental enhancements of hydroelectric generating facilities" and inserting "environmental enhancements of hydroelectric generating facilities, and qualified public educational facilities".

(D) EXEMPTION FROM LIMITATION ON USE FOR LAND ACQUISITION.—Section 147(h) (relating to certain rules not to apply to mortgage revenue bonds, qualified student loan bonds, and qualified 501(c)(3) bonds) is amended by adding at the end the following new paragraph:

"(3) EXEMPT FACILITY BONDS FOR QUALIFIED PUBLIC-PRIVATE SCHOOLS.—Subsection (c) shall not apply to any exempt facility bond issued as part of an issue described in section 142(a)(13) (relating to qualified public educational facilities)."

(E) CONFORMING AMENDMENT.—The heading for section 147(h) is amended by striking "MORTGAGE REVENUE BONDS, QUALIFIED STUDENT LOAN BONDS, AND QUALIFIED 501(c)(3) BONDS" and inserting "CERTAIN BONDS".

(F) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after December 31, 2000.

SEC. 303. FEDERAL GUARANTEE OF SCHOOL CONSTRUCTION BONDS BY FEDERAL HOUSING FINANCE BOARD.

(A) IN GENERAL.—Section 149(b)(3) (relating to exceptions) is amended by adding at the end the following new subparagraph:

"(E) CERTAIN GUARANTEED SCHOOL CONSTRUCTION BONDS.—Any bond issued as part of an issue 95 percent or more of the net proceeds of which are used for public school construction shall not be treated as federally guaranteed for any calendar year by reason of any guarantee by the Federal Housing Finance Board (through any Federal Home Loan Bank) under the Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.), as in effect on the date of the enactment of this subparagraph, to the extent the face amount of such bond, when added to the aggregate face amount of such bonds previously so guaranteed for such year, does not exceed \$500,000,000."

(B) EFFECTIVE DATE.—The amendment made by this section shall apply to bonds issued after December 31, 2000.

AMENDMENT NO. 2835

Beginning on page 27, line 11, strike all through page 51, line 3.

AMENDMENT NO. 2836

On page 19, line 21, strike "December 31, 1999" and insert "December 31, 2000".

THE TEACHER PROFESSIONAL DEVELOPMENT ACT

DORGAN AMENDMENT NO. 2837

(Ordered to be referred to the Committee on Finance.)

Mr. DORGAN submitted an amendment intended to be proposed by him to the bill (S. 1124) to amend the Internal Revenue Code of 1986 to eliminate the 2-percent floor on miscellaneous itemized deductions for qualified professional development expenses of elementary and secondary school teachers; as follows:

At the end, add the following:

TITLE —STANDARDIZED SCHOOL REPORT CARDS

SEC. 01. SHORT TITLE.

This title may be cited as the "Standardized School Report Card Act".

SEC. 02. FINDINGS.

Congress makes the following findings:

(1) According to the report "Quality Counts 99", by Education Week, 36 States require the publishing of annual report cards on individual schools, but the content of the report cards varies widely.

(2) The content of most of the report cards described in paragraph (1) does not provide parents with the information the parents need to measure how their school or State is doing compared with other schools and States.

(3) Ninety percent of taxpayers believe that published information about individual schools would motivate educators to work harder to improve the schools' performance.

(4) More than 60 percent of parents and 70 percent of taxpayers have not seen an individual report card for their area school.

(5) Dissemination of understandable information about schools can be an important tool for parents and taxpayers to measure the quality of the schools and to hold the schools accountable for improving performance.

SEC. 03. PURPOSE.

The purpose of this title is to provide parents, taxpayers, and educators with useful, understandable school report cards.

SEC. 04. REPORT CARDS.

(a) **STATE REPORT CARDS.**—Each State educational agency receiving assistance under the Elementary and Secondary Education Act of 1965 shall produce and widely disseminate an annual report card for parents, the general public, teachers and the Secretary of Education, in easily understandable language, with respect to elementary and secondary education in the State. The report card shall contain information regarding—

(1) student performance in language arts and mathematics, plus any other subject areas in which the State requires assessments, including comparisons with students from different school districts within the State, and, to the extent possible, comparisons with students throughout the Nation;

(2) attendance and graduation rates;

(3) professional qualifications of teachers in the State, the number of teachers teaching out of field, and the number of teachers with emergency certification;

(4) average class size in the State;

(5) school safety, including the safety of school facilities, incidents of school violence and drug and alcohol abuse, and the number of instances in which a student was determined to have brought a firearm to school under the State law described in the Gun-Free Schools Act of 1994;

(6) to the extent practicable, parental involvement, as measured by the extent of parental participation in school parental involvement policies described in section 1118(b) of the Elementary and Secondary Education Act of 1965;

(7) the annual school dropout rate, as calculated by procedures conforming with the National Center for Education Statistics Common Core of Data;

(8) student access to technology, including the number of computers for educational purposes, the number of computers per classroom, and the number of computers connected to the Internet; and

(9) other indicators of school performance and quality.

(b) **SCHOOL REPORT CARDS.**—Each school receiving assistance under the Elementary and Secondary Education Act of 1965, or the local educational agency serving that school, shall produce and widely disseminate an annual report card for parents, the general public, teachers and the State educational agency, in easily understandable language, with respect to elementary or secondary education,

as appropriate, in the school. The report card shall contain information regarding—

(1) student performance in the school in language arts and mathematics, plus any other subject areas in which the State requires assessments, including comparisons with other students within the school district, in the State, and, to the extent possible, in the Nation;

(2) attendance and graduation rates;

(3) professional qualifications of the school's teachers, the number of teachers teaching out of field, and the number of teachers with emergency certification;

(4) average class size in the school;

(5) school safety, including the safety of the school facility, incidents of school violence and drug and alcohol abuse, and the number of instances in which a student was determined to have brought a firearm to school under the State law described in the Gun-Free Schools Act of 1994;

(6) parental involvement, as measured by the extent of parental participation in school parental involvement policies described in section 1118(b) of the Elementary and Secondary Education Act of 1965;

(7) the annual school dropout rate, as calculated by procedures conforming with the National Center for Education Statistics Common Core of Data;

(8) student access to technology, including the number of computers for educational purposes, the number of computers per classroom, and the number of computers connected to the Internet; and

(9) other indicators of school performance and quality.

(c) **MODEL SCHOOL REPORT CARDS.**—The Secretary of Education shall use funds made available to the Office of Educational Research and Improvement to develop a model school report card for dissemination, upon request, to a school, local educational agency, or State educational agency.

(d) **DISAGGREGATION OF DATA.**—Each State educational agency or school producing an annual report card under this section shall disaggregate the student performance data reported under section 4(a)(1) or 4(b)(1), as appropriate, in the same manner as results are disaggregated under section 1111(b)(3)(l) of the Elementary and Secondary Education Act of 1965.

THE AFFORDABLE EDUCATION ACT

COVERDELL AMENDMENTS NOS. 2838-2840

(Ordered to lie on the table.)

Mr. COVERDELL submitted three amendments intended to be proposed by him to the bill, S. 1134, supra; as follows:

AMENDMENT No. 2838

At the appropriate place, insert the following:

TITLE —STUDENT SAFETY AND FAMILY CHOICE

SEC. . STUDENT SAFETY AND FAMILY SCHOOL CHOICE.

(a) **IN GENERAL.**—Subpart 1 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) is amended by inserting after section 1115A of such Act (20 U.S.C. 6316) the following:

"SEC. 1115B. STUDENT SAFETY AND FAMILY SCHOOL CHOICE.

"(a) **IN GENERAL.**—Notwithstanding any other provision of law, if a student is eligible to be served under section 1115(b), or attends a school eligible for a schoolwide program

under section 1114, and becomes a victim of a violent criminal offense, including drug-related violence, while in or on the grounds of a public elementary school or secondary school that the student attends and that receives assistance under this part, then the local educational agency may use funds provided under this part or under any other Federal education program to pay the supplementary costs for such student to attend another school. The agency may use the funds to pay for the supplementary costs of such student to attend any other public or private elementary school or secondary school, including a religious school, in the same State as the school where the criminal offense occurred, that is selected by the student's parent. The State educational agency shall determine what actions constitute a violent criminal offense for purposes of this section.

"(b) **SUPPLEMENTARY COSTS.**—The supplementary costs referred to in subsection (a) shall not exceed—

"(1) in the case of a student for whom funds under this section are used to enable the student to attend a public elementary school or secondary school served by a local educational agency that also serves the school where the violent criminal offense occurred, the costs of supplementary educational services and activities described in section 1114(b) or 1115(c) that are provided to the student;

"(2) in the case of a student for whom funds under this section are used to enable the student to attend a public elementary school or secondary school served by a local educational agency that does not serve the school where the violent criminal offense occurred but is located in the same State—

"(A) the costs of supplementary educational services and activities described in section 1114(b) or 1115(c) that are provided to the student; and

"(B) the reasonable costs of transportation for the student to attend the school selected by the student's parent; and

"(3) in the case of a student for whom funds under this section are used to enable the student to attend a private elementary school or secondary school, including a religious school, the costs of tuition, required fees, and the reasonable costs of such transportation.

"(c) **CONSTRUCTION.**—Nothing in this Act or any other Federal law shall be construed to prevent a parent assisted under this section from selecting the public or private, including religious, elementary school or secondary school that a child of the parent will attend within the State.

"(d) **CONSIDERATION OF ASSISTANCE.**—Subject to subsection (h), assistance made available under this section that is used to pay the costs for a student to attend a private or religious school shall not be considered to be Federal aid to the school, and the Federal Government shall have no authority to influence or regulate the operations of a private or religious school as a result of assistance received under this section.

"(e) **CONTINUING ELIGIBILITY.**—A student assisted under this section shall remain eligible to continue receiving assistance under this section for at least 3 academic years without regard to whether the student is eligible for assistance under section 1114 or 1115(b).

"(f) **TUITION CHARGES.**—Assistance under this section may not be used to pay tuition or required fees at a private elementary school or secondary school in an amount that is greater than the tuition and required fees paid by students not assisted under this section at such school.

"(g) **SPECIAL RULE.**—Any school receiving assistance provided under this section shall