

(2) recognizes the achievements of all the players, coaches, and support staff who were instrumental in helping Florida State University win the 1999 Division 1-A collegiate football national championship and invites them to the United States Capitol Building to be honored;

(3) requests that the President recognize the accomplishments and achievements of the 1999 Florida State University football team and invite them to Washington, D.C. for the traditional White House ceremony held for national championship teams; and

(4) directs the Secretary of the Senate to make available enrolled copies of this resolution to Florida State University for appropriate display and to transmit an enrolled copy of the resolution to each coach and member of the 1999 Division 1-A collegiate national championship football team.

AMENDMENTS SUBMITTED

THE AFFORDABLE EDUCATION ACT OF 1999

SCHUMER (AND LANDRIEU) AMENDMENT NO. 2868

Mr. SCHUMER (for himself and Ms. LANDRIEU) proposed an amendment to the bill (S. 1134) to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes; as follows:

At the appropriate place, insert the following:

TITLE ____—21ST CENTURY MASTER TEACHER PROGRAMS

SEC. ____01. MASTER TEACHER PROGRAMS.

Title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6601 et seq.) is amended—

(1) by redesignating part E as part F; and
(2) by inserting after part D the following new part:

“PART E—MASTER TEACHER PROGRAMS

“SEC. 2351. MASTER TEACHER PROGRAMS.

“(a) DEFINITIONS.—In this part:

“(1) BOARD CERTIFIED.—The term ‘board certified’ means successful completion of all requirements to be certified by the National Board for Professional Teaching Standards.

“(2) MASTER TEACHER.—The term ‘master teacher’ means a teacher who is certified by the National Board for Professional Teaching Standards and has been teaching for not less than 3 years.

“(3) NOVICE TEACHER.—The term ‘novice teacher’ means a teacher who has been teaching for not more than 3 years at a public elementary school or secondary school.

“(b) PROGRAM AUTHORIZED.—

“(1) AUTHORITY.—

“(A) IN GENERAL.—The Secretary is authorized to award grants on a competitive basis to local educational agencies to establish master teacher programs as described in paragraph (4).

“(B) DISTRIBUTION.—To the maximum extent practicable, the Secretary shall award grants under subparagraph (A) so that such grants are distributed among the school districts with the highest concentration of teachers who are not certified or licensed or are provisionally certified or licensed.

“(2) DURATION.—A grant under paragraph (1) shall be awarded for a period of 5 years.

“(3) AMOUNT.—The amount of a grant awarded under paragraph (1) shall be determined based on—

“(A) the total amount appropriated for a fiscal year under subsection (h); and

“(B) the extent of the concentration of teachers who are not certified or licensed or are provisionally certified or licensed in the school district involved.

“(4) AUTHORIZED ACTIVITIES.—The master teacher programs described in paragraph (1) shall provide funding assistance to teachers to become board certified, including the provision of the board certification fee.

“(c) APPLICATIONS.—

“(1) IN GENERAL.—A local educational agency desiring a grant under subsection (b) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(2) APPROVAL OF APPLICATION.—The Secretary shall make a determination regarding an application submitted under paragraph (1) based on a recommendation of a peer review panel, as established by the Secretary, and any other criteria that the Secretary determines to be appropriate.

“(d) PAYMENTS.—

“(1) IN GENERAL.—Grant payments shall be made under this section on an annual basis.

“(2) ADMINISTRATIVE COSTS.—Each local educational agency that receives a grant under subsection (b) shall use not more than 2 percent of the amount awarded under the grant for administrative costs.

“(3) DENIAL OF GRANT.—If the Secretary determines that a local educational agency has failed to make substantial progress during a fiscal year in increasing the percentage of teachers who are board certified, or in improving student achievement, such an agency shall not be eligible for a grant payment under this section in the next succeeding year.

“(e) REPORTS.—Not later than March 31, 2004, the Secretary shall prepare and submit 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 a report of program activities funded under this section.

“(f) MATCHING REQUIREMENT.—The Secretary may not award a grant to a local educational agency under subsection (b) unless the local educational agency agrees that, with respect to costs to be incurred by the agency in carrying out activities for which the grant was awarded, the agency shall provide (directly or through donations from public or private entities) non-Federal contributions in an amount equal to 25 percent of the amount of the grant awarded to the agency.

“(g) REPAYMENT OF FUNDS.—

“(1) IN GENERAL.—In the case of any program under this section in which assistance is provided to a teacher to pay the National Board for Professional Teaching Standard board certification fee to become board certified, assistance may only be provided if the teacher makes agreements as follows:

“(A) The teacher will enter and complete the National Board for Professional Teaching Standards board certification program to become board certified.

“(B) Upon becoming board certified, the teacher will teach in the public school system for a period of not less than 2 years.

“(2) BREACH OF AGREEMENTS.—A teacher receiving assistance described in paragraph (1) is liable to the local educational agency that provides such assistance for the amount of the certification fee described in paragraph (1) if such teacher—

“(A) voluntarily withdraws or terminates the certification program before taking the examination for board certification; or

“(B) is dismissed from the certification program before becoming board certified.

“(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$50,000,000 for each of the fiscal years 2001 through 2005.”

ROTH (AND OTHERS) AMENDMENT NO. 2869

Mr. ROTH (for himself, Mr. ASHCROFT, and Mr. VOINOVICH) proposed an amendment to the bill, S. 1134, supra; as follows:

Beginning on page 2, line 4, strike “1999” and all that follows through page 51, line 3, and insert the following: “2000”.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—EDUCATION SAVINGS INCENTIVES

Sec. 101. Modifications to education individual retirement accounts.

Sec. 102. Modifications to qualified tuition programs.

TITLE II—EDUCATIONAL ASSISTANCE

Sec. 201. Permanent extension of exclusion for employer-provided educational assistance.

Sec. 202. Elimination of 60-month limit on student loan interest deduction.

Sec. 203. Exclusion of certain amounts received under the National Health Service Corps Scholarship Program and the F. Edward Hebert Armed Forces Health Professions Scholarship and Financial Assistance Program.

Sec. 204. 2-percent floor on miscellaneous itemized deductions not to apply to qualified professional development expenses of elementary and secondary school teachers.

Sec. 205. Credit to elementary and secondary school teachers who provide classroom materials.

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.

Sec. 302. Treatment of qualified public educational facility bonds as exempt facility bonds.

Sec. 303. Federal guarantee of school construction bonds by Federal Housing Finance Board.

TITLE I—EDUCATION SAVINGS INCENTIVES

SEC. 101. MODIFICATIONS TO EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS.

(a) MAXIMUM ANNUAL CONTRIBUTIONS.—
(1) IN GENERAL.—Section 530(b)(1)(A)(iii) (defining education individual retirement account) is amended by striking “\$500” and inserting “\$2,000”.

(2) CONFORMING AMENDMENT.—Section 4973(e)(1)(A) is amended by striking “\$500” and inserting “\$2,000”.

In subsection (a) of section 101, add at the end the following:

(3) ELIMINATION OF THE MARRIAGE PENALTY IN THE REDUCTION IN PERMITTED CONTRIBUTIONS.—Section 530(c)(1) (relating to reduction in permitted contributions based on adjusted gross income) is amended—

(A) by striking “\$150,000” in subparagraph (A)(ii) and inserting “\$190,000”, and
(B) by striking “\$10,000” in subparagraph (B) and inserting “\$30,000”.

(b) TAX-FREE EXPENDITURES FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.—

(1) IN GENERAL.—Section 530(b)(2) (defining qualified higher education expenses) is amended to read as follows:

“(2) QUALIFIED EDUCATION EXPENSES.—

“(A) IN GENERAL.—The term ‘qualified education expenses’ means—

“(i) qualified higher education expenses (as defined in section 529(e)(3)), and

“(ii) qualified elementary and secondary education expenses (as defined in paragraph (4)).”

“(B) QUALIFIED STATE TUITION PROGRAMS.—Such term shall include any contribution to a qualified State tuition program (as defined in section 529(b)) on behalf of the designated beneficiary (as defined in section 529(e)(1)); but there shall be no increase in the investment in the contract for purposes of applying section 72 by reason of any portion of such contribution which is not includible in gross income by reason of subsection (d)(2).”

(2) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—Section 530(b) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

“(4) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—

“(A) IN GENERAL.—The term ‘qualified elementary and secondary education expenses’ means—

“(i) expenses for tuition, fees, academic tutoring, special needs services, books, supplies, computer equipment (including related software and services), and other equipment which are incurred in connection with the enrollment or attendance of the designated beneficiary of the trust as an elementary or secondary school student at a public, private, or religious school, and

“(ii) expenses for room and board, uniforms, transportation, and supplementary items and services (including extended day programs) which are required or provided by a public, private, or religious school in connection with such enrollment or attendance.

“(B) SPECIAL RULE FOR HOMESCHOOLING.—Such term shall include expenses described in subparagraph (A)(i) in connection with education provided by homeschooling if the requirements of any applicable State or local law are met with respect to such education.

“(C) SCHOOL.—The term ‘school’ means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.”

(3) CONFORMING AMENDMENTS.—Section 530 is amended—

(A) by striking “higher” each place it appears in subsections (b)(1) and (d)(2), and

(B) by striking “HIGHER” in the heading for subsection (d)(2).

(c) WAIVER OF AGE LIMITATIONS FOR CHILDREN WITH SPECIAL NEEDS.—Section 530(b)(1) (defining education individual retirement account) is amended by adding at the end the following flush sentence:

“The age limitations in subparagraphs (A)(ii) and (E) and paragraphs (5) and (6) of subsection (d) shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary).”

(d) ENTITIES PERMITTED TO CONTRIBUTE TO ACCOUNTS.—Section 530(c)(1) (relating to reduction in permitted contributions based on

adjusted gross income) is amended by striking “The maximum amount which a contributor” and inserting “In the case of a contributor who is an individual, the maximum amount the contributor”.

(e) TIME WHEN CONTRIBUTIONS DEEMED MADE.—

(1) IN GENERAL.—Section 530(b) (relating to definitions and special rules), as amended by subsection (b)(2), is amended by adding at the end the following new paragraph:

“(5) TIME WHEN CONTRIBUTIONS DEEMED MADE.—An individual shall be deemed to have made a contribution to an education individual retirement account on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).”

(2) EXTENSION OF TIME TO RETURN EXCESS CONTRIBUTIONS.—Subparagraph (C) of section 530(d)(4) (relating to additional tax for distributions not used for educational expenses) is amended—

(A) by striking clause (i) and inserting the following new clause:

“(i) such distribution is made before the 1st day of the 6th month of the taxable year following the taxable year, and”, and

(B) by striking “DUE DATE OF RETURN” in the heading and inserting “CERTAIN DATE”.

(f) COORDINATION WITH HOPE AND LIFETIME LEARNING CREDITS AND QUALIFIED TUITION PROGRAMS.—

(1) IN GENERAL.—Section 530(d)(2)(C) is amended to read as follows:

“(C) COORDINATION WITH HOPE AND LIFETIME LEARNING CREDITS AND QUALIFIED TUITION PROGRAMS.—For purposes of subparagraph (A)

“(i) CREDIT COORDINATION.—The total amount of qualified higher education expenses with respect to an individual for the taxable year shall be reduced—

“(I) as provided in section 25A(g)(2), and
“(II) by the amount of such expenses which were taken into account in determining the credit allowed to the taxpayer or any other person under section 25A.

“(ii) COORDINATION WITH QUALIFIED TUITION PROGRAMS.—If, with respect to an individual for any taxable year—

“(I) the aggregate distributions during such year to which subparagraph (A) and section 529(c)(3)(B) apply, exceed

“(II) the total amount of qualified higher education expenses (after the application of clause (i)) for such year,

the taxpayer shall allocate such expenses among such distributions for purposes of determining the amount of the exclusion under subparagraph (A) and section 529(c)(3)(B).”

(2) CONFORMING AMENDMENTS.—

(A) Subsection (e) of section 25A is amended to read as follows:

“(e) ELECTION NOT TO HAVE SECTION APPLY.—A taxpayer may elect not to have this section apply with respect to the qualified tuition and related expenses of an individual for any taxable year.”

(B) Section 135(d)(2)(A) is amended by striking “allowable” and inserting “allowed”.

(C) Section 530(d)(2)(D) is amended—

(i) by striking “or credit”, and
(ii) by striking “CREDIT OR” in the heading.

(D) Section 4973(e)(1) is amended by adding “and” at the end of subparagraph (A), by striking subparagraph (B), and by redesignating subparagraph (C) as subparagraph (B).

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

SEC. 102. MODIFICATIONS TO QUALIFIED TUITION PROGRAMS.

(a) ELIGIBLE EDUCATIONAL INSTITUTIONS PERMITTED TO MAINTAIN QUALIFIED TUITION PROGRAMS.—

(1) IN GENERAL.—Section 529(b)(1) (defining qualified State tuition program) is amended by inserting “or by 1 or more eligible educational institutions” after “maintained by a State or agency or instrumentality thereof”.

(2) PRIVATE QUALIFIED TUITION PROGRAMS LIMITED TO BENEFIT PLANS.—Clause (ii) of section 529(b)(1)(A) is amended by inserting “in the case of a program established and maintained by a State or agency or instrumentality thereof,” before “may make”.

(3) CONFORMING AMENDMENTS.—

(A) Sections 72(e)(9), 135(c)(2)(C), 135(d)(1)(D), 529, 530(b)(2)(B), 4973(e), and 6693(a)(2)(C) are each amended by striking “qualified State tuition” each place it appears and inserting “qualified tuition”.

(B) The headings for sections 72(e)(9) and 135(c)(2)(C) are each amended by striking “QUALIFIED STATE TUITION” and inserting “QUALIFIED TUITION”.

(C) The headings for sections 529(b) and 530(b)(2)(B) are each amended by striking “QUALIFIED STATE TUITION” and inserting “QUALIFIED TUITION”.

(D) The heading for section 529 is amended by striking “state”.

(E) The item relating to section 529 in the table of sections for part VIII of subchapter F of chapter 1 is amended by striking “State”.

(b) EXCLUSION FROM GROSS INCOME OF EDUCATION DISTRIBUTIONS FROM QUALIFIED TUITION PROGRAMS.—

(1) IN GENERAL.—Section 529(c)(3)(B) (relating to distributions) is amended to read as follows:

“(B) DISTRIBUTIONS FOR QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of this paragraph—

“(i) IN-KIND DISTRIBUTIONS.—No amount shall be includible in gross income under subparagraph (A) by reason of a distribution which consists of providing a benefit to the distributee which, if paid for by the distributee, would constitute payment of a qualified higher education expense.

“(ii) CASH DISTRIBUTIONS.—In the case of distributions not described in clause (i), if—

“(I) such distributions do not exceed the qualified higher education expenses (reduced by expenses described in clause (i)), no amount shall be includible in gross income, and

“(II) in any other case, the amount otherwise includible in gross income shall be reduced by an amount which bears the same ratio to such amount as such expenses bear to such distributions.

“(iii) EXCEPTION FOR INSTITUTIONAL PROGRAMS.—In the case of any taxable year beginning before January 1, 2004, clauses (i) and (ii) shall not apply with respect to any distribution during such taxable year under a qualified tuition program established and maintained by 1 or more eligible educational institutions.

“(iv) TREATMENT AS DISTRIBUTIONS.—Any benefit furnished to a designated beneficiary under a qualified tuition program shall be treated as a distribution to the beneficiary for purposes of this paragraph.

“(v) COORDINATION WITH HOPE AND LIFETIME LEARNING CREDITS.—The total amount of qualified higher education expenses with respect to an individual for the taxable year shall be reduced—

“(I) as provided in section 25A(g)(2), and
“(II) by the amount of such expenses which were taken into account in determining the credit allowed to the taxpayer or any other person under section 25A.

“(vi) COORDINATION WITH EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS.—If, with respect to an individual for any taxable year—

“(I) the aggregate distributions to which clauses (i) and (ii) and section 530(d)(2)(A) apply, exceed

“(II) the total amount of qualified higher education expenses otherwise taken into account under clauses (i) and (ii) (after the application of clause (iv)) for such year, the taxpayer shall allocate such expenses among such distributions for purposes of determining the amount of the exclusion under clauses (i) and (ii) and section 530(d)(2)(A).”

(2) CONFORMING AMENDMENTS.—

(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.

TITLE II—EDUCATIONAL ASSISTANCE

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

(a) IN GENERAL.—Section 127 (relating to exclusion for educational assistance programs) is amended by striking subsection (d).

(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.

SEC. 202. ELIMINATION OF 60-MONTH LIMIT ON STUDENT LOAN INTEREST DEDUCTION.

(a) IN GENERAL.—Section 221 (relating to interest on education loans) is amended by striking subsection (d) and by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

(b) CONFORMING AMENDMENT.—Section 6050S(e) is amended by striking “section 221(e)(1)” and inserting “section 221(d)(1)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to any loan interest paid after December 31, 2000.

SEC. 203. EXCLUSION OF CERTAIN AMOUNTS RECEIVED UNDER THE NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM AND THE F. EDWARD HEBERT ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

(a) IN GENERAL.—Section 117(c) (relating to the exclusion from gross income amounts received as a qualified scholarship) is amended—

(1) by striking “Subsections (a)” and inserting the following:

“(1) IN GENERAL.—Except as provided in paragraph (2), subsections (a)”, and

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

“(2) EXCEPTIONS.—Paragraph (1) shall not apply to any amount received by an individual under—

“(A) the National Health Service Corps Scholarship Program under section 338A(g)(1)(A) of the Public Health Service Act, or

“(B) the Armed Forces Health Professions Scholarship and Financial Assistance program under subchapter I of chapter 105 of title 10, United States Code.”

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to amounts received in taxable years beginning after December 31, 1993.

SEC. 204. 2-PERCENT FLOOR ON MISCELLANEOUS ITEMIZED DEDUCTIONS NOT TO APPLY TO QUALIFIED PROFESSIONAL DEVELOPMENT EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Section 67(b) (defining miscellaneous itemized deductions) is amended by striking “and” at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting “, and”, and by adding at the end the following new paragraph:

“(13) any deduction allowable for the qualified professional development expenses paid or incurred by an eligible teacher.”

(b) DEFINITIONS.—Section 67 (relating to 2-percent floor on miscellaneous itemized deductions) is amended by adding at the end the following new subsection:

“(g) QUALIFIED PROFESSIONAL DEVELOPMENT EXPENSES OF ELIGIBLE TEACHERS.—For purposes of subsection (b)(13)—

“(1) QUALIFIED PROFESSIONAL DEVELOPMENT EXPENSES.—

“(A) IN GENERAL.—The term ‘qualified professional development expenses’ means expenses—

“(i) for tuition, fees, books, supplies, equipment, and transportation required for the enrollment or attendance of an individual in a qualified course of instruction, and

“(ii) with respect to which a deduction is allowable under section 162 (determined without regard to this section).

“(B) QUALIFIED COURSE OF INSTRUCTION.—The term ‘qualified course of instruction’ means a course of instruction which—

“(i) is—

“(I) directly related to the curriculum and academic subjects in which an eligible teacher provides instruction, or

“(II) designed to enhance the ability of an eligible teacher to understand and use State standards for the academic subjects in which such teacher provides instruction,

“(ii) may—

“(I) provide instruction in how to teach children with different learning styles, particularly children with disabilities and children with special learning needs (including children who are gifted and talented), or

“(II) provide instruction in how best to discipline children in the classroom and identify early and appropriate interventions to help children described in subclause (I) to learn,

“(iii) is tied to challenging State or local content standards and student performance standards,

“(iv) is tied to strategies and programs that demonstrate effectiveness in increasing student academic achievement and student performance, or substantially increasing the knowledge and teaching skills of an eligible teacher,

“(v) is of sufficient intensity and duration to have a positive and lasting impact on the performance of an eligible teacher in the classroom (which shall not include 1-day or short-term workshops and conferences), except that this clause shall not apply to an activity if such activity is 1 component described in a long-term comprehensive professional development plan established by an eligible teacher and the teacher’s supervisor based upon an assessment of the needs of the teacher, the students of the teacher, and the local educational agency involved, and

“(vi) is part of a program of professional development which is approved and certified by the appropriate local educational agency as furthering the goals of the preceding clauses.

“(C) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ has the meaning given such term by section 14101 of the Elementary and Secondary Education Act of 1965, as in effect on the date of the enactment of this subsection.

“(2) ELIGIBLE TEACHER.—

“(A) IN GENERAL.—The term ‘eligible teacher’ means an individual who is a kindergarten through grade 12 classroom teacher in an elementary or secondary school.

“(B) ELEMENTARY OR SECONDARY SCHOOL.—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 so in effect.”

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

SEC. 205. CREDIT TO ELEMENTARY AND SECONDARY SCHOOL TEACHERS WHO PROVIDE CLASSROOM MATERIALS.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 is amended by adding at the end the following new section:

“SEC. 30B. CREDIT TO ELEMENTARY AND SECONDARY SCHOOL TEACHERS WHO PROVIDE CLASSROOM MATERIALS.

“(a) ALLOWANCE OF CREDIT.—In the case of an eligible teacher, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to the qualified elementary and secondary education expenses which are paid or incurred by the taxpayer during such taxable year.

“(b) MAXIMUM CREDIT.—The credit allowed by subsection (a) for any taxable year shall not exceed \$100.

“(c) DEFINITIONS.—

“(1) ELIGIBLE TEACHER.—The term ‘eligible teacher’ means an individual who is a kindergarten through grade 12 classroom teacher, instructor, counselor, aide, or principal in an elementary or secondary school on a full-time basis for an academic year ending during a taxable year.

“(2) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—The term ‘qualified elementary and secondary education expenses’ means expenses for books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by an eligible teacher in the classroom.

“(3) ELEMENTARY OR SECONDARY SCHOOL.—The term ‘elementary or secondary school’ means any school which provides elementary

education or secondary education (through grade 12), as determined under State law.

“(d) SPECIAL RULES.—

“(1) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any expense for which credit is allowed under this section.

“(2) APPLICATION WITH OTHER CREDITS.—The credit allowable under subsection (a) for any taxable year shall not exceed the excess (if any) of—

“(A) the regular tax for the taxable year, reduced by the sum of the credits allowable under subpart A and the preceding sections of this subpart, over

“(B) the tentative minimum tax for the taxable year.

“(e) ELECTION TO HAVE CREDIT NOT APPLY.—A taxpayer may elect to have this section not apply for any taxable year.”.

(b) CLERICAL AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

“Sec. 30B. Credit to elementary and secondary school teachers who provide classroom materials.”.

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

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.—

“(i) 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.

At the appropriate place, add the following:

TITLE ___—TRANSITION TO TEACHING

SEC. ___1. SHORT TITLE.

This title may be cited as the “Transition to Teaching Act”.

SEC. ___2. FINDINGS.

The Congress finds as follows:

(1) School districts will need to hire more than 2,000,000 teachers in the next decade. The need for teachers in the areas of mathematics, science, foreign languages, special education, and bilingual education, and for those 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.

(2) Nearly 28 percent of teachers of academic subjects have neither an undergraduate major nor minor in their main assignment fields. This problem is more acute in high-poverty schools, where the out-of-field percentage is 39 percent.

(3) 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 mathematics. 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 mathematics and science.

(4) One-fourth of high-poverty schools 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.

(5) Many career-changing professionals with strong content-area skills are interested in a teaching career, but need assistance in getting the appropriate pedagogical training and classroom experience.

(6) The Troops to Teachers model has been highly successful in linking high-quality teachers to teach in high-poverty districts.

SEC. ___3. PURPOSE.

The purpose of this title is to address the need of high-poverty school districts for highly qualified teachers in particular subject areas, such as mathematics, science, foreign languages, bilingual education, and special education, needed by those school districts, by recruiting, preparing, placing, and supporting career-changing professionals who have knowledge and experience that will help them become such teachers.

SEC. ___4. PROGRAM AUTHORIZED.

(a) AUTHORITY.—The Secretary is authorized to use funds appropriated under subsection (b) for each fiscal year to award grants, contracts, or cooperative agreements to institutions of higher education and public and private nonprofit agencies or organizations to carry out programs authorized by this title.

(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this title,

there are authorized to be appropriated \$25,000,000 for each of fiscal years 2001 through 2006.

SEC. 5. APPLICATION.

Each applicant that desires an award under section 4(a) shall submit an application to the Secretary containing such information as the Secretary requires, 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 title, 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 title;

(2) a description of how the applicant will identify and recruit program participants;

(3) a description of the training that program participants will receive and how that training will relate to their certification as teachers;

(4) a description of how the applicant will ensure that program participants are placed and teach in high-poverty local educational agencies;

(5) a description of the teacher induction services (which may be provided through existing induction programs) the program participants 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 program participants under this title, 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 Secretary determines necessary to determine the overall effectiveness of programs under this title.

SEC. 6. USES OF FUNDS AND PERIOD OF SERVICE.

(a) **AUTHORIZED ACTIVITIES.**—Funds under this title may be used for—

(1) recruiting program participants, 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 program participants, not to exceed \$5,000 per participant;

(3) assisting institutions of higher education or other providers of teacher training to tailor their training to meet the particular needs of professionals who are changing their careers to teaching;

(4) placement activities, including identifying high-poverty local educational agencies with a need for the particular skills and characteristics of the newly trained program participants and assisting those participants to obtain employment in those local educational agencies; and

(5) post-placement induction or support activities for program participants.

(b) **PERIOD OF SERVICE.**—A program participant in a program under this title who completes his or her training shall serve in a high-poverty local educational agency for at least 3 years.

(c) **REPAYMENT.**—The Secretary shall establish such requirements as the Secretary

determines appropriate to ensure that program participants who receive a training stipend or other financial incentive under subsection (a)(2), but fail to complete their service obligation under subsection (b), repay all or a portion of such stipend or other incentive.

SEC. 7. EQUITABLE DISTRIBUTION.

To the extent practicable, the Secretary shall make awards under this title that support programs in different geographic regions of the Nation.

SEC. 8. DEFINITIONS.

In this title:

(1) **HIGH-POVERTY LOCAL EDUCATIONAL AGENCY.**—The term "high-poverty local educational agency" means a local educational agency in which the percentage of children, ages 5 through 17, from families below the poverty level is 20 percent or greater, or the number of such children exceeds 10,000.

(2) **PROGRAM PARTICIPANTS.**—The term "program participants" means career-changing professionals who—

(A) hold at least a baccalaureate degree;

(B) demonstrate interest in, and commitment to, becoming a teacher; and

(C) have knowledge and experience that are relevant to teaching a high-need subject area in a high-need local educational agency.

SEC. 9. EXPANSION OF DEDUCTION FOR COMPUTER DONATIONS TO SCHOOLS.

(a) **EXTENSION OF AGE OF ELIGIBLE COMPUTERS.**—Section 170(e)(6)(B)(ii) (defining qualified elementary or secondary educational contribution) is amended by striking "2 years" and inserting "3 years".

(b) **REACQUIRED COMPUTERS ELIGIBLE FOR DONATION.**—Section 170(e)(6)(B)(iii) (defining qualified elementary or secondary educational contribution) is amended by inserting "the person from whom the donor reacquires the property," after "the donor".

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to contributions made in taxable years ending after the date of the enactment of this Act.

SEC. 10. CREDIT FOR COMPUTER DONATIONS TO SCHOOLS AND SENIOR CENTERS.

(a) **IN GENERAL.**—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following:

"SEC. 45D. CREDIT FOR COMPUTER DONATIONS TO SCHOOLS AND SENIOR CENTERS.

"(a) **GENERAL RULE.**—For purposes of section 38, the computer donation credit determined under this section is an amount equal to 30 percent of the qualified computer contributions made by the taxpayer during the taxable year as determined after the application of section 170(e)(6)(A).

"(b) **QUALIFIED COMPUTER CONTRIBUTION.**—For purposes of this section, the term 'qualified computer contribution' has the meaning given the term 'qualified elementary or secondary educational contribution' by section 170(e)(6)(B), except that—

"(1) such term shall include the contribution of a computer (as defined in section 168(i)(2)(B)(ii)) only if computer software (as defined in section 197(e)(3)(B)) that serves as a computer operating system has been lawfully installed in such computer, and

"(2) notwithstanding clauses (i) and (iv) of section 170(e)(6)(B), such term shall include the contribution of computer technology or equipment to multipurpose senior centers (as defined in section 102(35) of the Older Americans Act of 1965 (42 U.S.C. 3002(35)) described in section 501(c)(3) and exempt from tax under section 501(a) to be used by individuals who have attained 60 years of age to improve job skills in computers.

"(c) **INCREASED PERCENTAGE FOR CONTRIBUTIONS TO ENTITIES IN EMPOWERMENT ZONES, ENTERPRISE COMMUNITIES, AND INDIAN RES-**

ERVATIONS.—In the case of a qualified computer contribution to an entity located in an empowerment zone or enterprise community designated under section 1391 or an Indian reservation (as defined in section 168(j)(6)), subsection (a) shall be applied by substituting '50 percent' for '30 percent'.

"(d) **CERTAIN RULES MADE APPLICABLE.**—For purposes of this section, rules similar to the rules of paragraphs (1) and (2) of section 41(f) shall apply.

"(e) **TERMINATION.**—This section shall not apply to taxable years beginning on or after the date which is 3 years after the date of the enactment of the New Millennium Classrooms Act."

(b) **CURRENT YEAR BUSINESS CREDIT CALCULATION.**—Section 38(b) (relating to current year business credit) is amended by striking "plus" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", plus", and by adding at the end the following:

"(13) the computer donation credit determined under section 45D(a)."

(c) **DISALLOWANCE OF DEDUCTION BY AMOUNT OF CREDIT.**—Section 280C (relating to certain expenses for which credits are allowable) is amended by adding at the end the following:

"(d) **CREDIT FOR COMPUTER DONATIONS.**—No deduction shall be allowed for that portion of the qualified computer contributions (as defined in section 45D(b)) made during the taxable year that is equal to the amount of credit determined for the taxable year under section 45D(a). In the case of a corporation which is a member of a controlled group of corporations (within the meaning of section 52(a)) or a trade or business which is treated as being under common control with other trades or businesses (within the meaning of section 52(b)), this subsection shall be applied under rules prescribed by the Secretary similar to the rules applicable under subsections (a) and (b) of section 52."

(d) **LIMITATION ON CARRYBACK.**—Subsection (d) of section 39 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

"(9) **NO CARRYBACK OF COMPUTER DONATION CREDIT BEFORE EFFECTIVE DATE.**—No amount of unused business credit available under section 45D may be carried back to a taxable year beginning on or before the date of the enactment of this paragraph."

(e) **CLERICAL AMENDMENT.**—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 45C the following:

"Sec. 45D. Credit for computer donations to schools and senior centers."

(f) **EFFECTIVE DATE.**—The amendments made by this section shall apply to contributions made in taxable years beginning after the date of the enactment of this Act.

SEC. 11. REPORT TO CONGRESS REGARDING EXTENT AND SEVERITY OF CHILD POVERTY.

(a) **IN GENERAL.**—Not later than June 1, 2001 and prior to any reauthorization of the temporary assistance to needy families program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) for any fiscal year after fiscal year 2002, the Secretary of Health and Human Services (in this section referred to as the "Secretary") shall report to Congress on the extent and severity of child poverty in the United States. Such report shall, at a minimum—

(1) determine for the period since the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193; 110 Stat. 2105)—

(A) whether the rate of child poverty in the United States has increased;

(B) whether the children who live in poverty in the United States have gotten poorer; and

(C) how changes in the availability of cash and non-cash benefits to poor families have affected child poverty in the United States;

(2) identify alternative methods for defining child poverty that are based on consideration of factors other than family income and resources, including consideration of a family's work-related expenses; and

(3) contain multiple measures of child poverty in the United States that may include the child poverty gap and the extreme poverty rate.

(b) LEGISLATIVE PROPOSAL.—If the Secretary determines that during the period since the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193; 110 Stat. 2105) the extent or severity of child poverty in the United States has increased to any extent, the Secretary shall include with the report to Congress required under subsection (a) a legislative proposal addressing the factors that led to such increase.

SEC. __. CAREERS TO CLASSROOMS.

(a) DEFINITIONS.—In this section:

(1) IN GENERAL.—The terms "elementary school", "local educational agency", "secondary school", and "Secretary" have the meanings given the terms in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(2) ALTERNATIVE CERTIFICATION OR LICENSURE REQUIREMENTS.—The term "alternative certification or licensure requirements" means State or local teacher certification or licensure requirements that permit a demonstrated competence in appropriate subject areas gained in careers outside of education to be substituted for traditional teacher training course work.

(3) ELIGIBLE INDIVIDUAL.—The term "eligible individual" means an individual who has received—

(A) in the case of an individual applying for assistance for placement as an elementary school or secondary school teacher, a baccalaureate or advanced degree from an institution of higher education; or

(B) in the case of an individual applying for assistance for placement as a teacher's aide in an elementary school or secondary school, an associate, baccalaureate, or advanced degree from an institution of higher education.

(4) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)

(5) STATE.—The term "State" means each of the several States of the United States, the District of Columbia, American Samoa, the Federated States of Micronesia, Guam, the Republic of the Marshall Islands, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, the Republic of Palau, and the United States Virgin Islands.

(b) PLACEMENT PROGRAM.—The Secretary may establish a program of awarding grants to States—

(1) to enable the States to assist eligible individuals to obtain—

(A) certification or licensure as elementary school or secondary school teachers; or

(B) the credentials necessary to serve as teachers' aides; and

(2) to facilitate the employment of the eligible individuals by local educational agencies identified under subsection (c)(2) as experiencing a shortage of teachers or teachers' aides.

(c) STATES WITH ALTERNATIVE CERTIFICATION REQUIREMENTS AND TEACHER AND TEACHER'S AIDE SHORTAGES.—Upon the es-

tablishment of the placement program authorized by subsection (b), the Secretary shall—

(1) conduct a survey of States to identify those States that have alternative certification or licensure requirements for teachers;

(2) periodically request information from States identified under paragraph (1) to identify in these States those local educational agencies that—

(A) are receiving grants under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) as a result of having within their jurisdictions concentrations of children from low-income families; and

(B) are also experiencing a shortage of qualified teachers, in particular a shortage of science, mathematics, computer science, or engineering teachers; and

(3) periodically request information from all States to identify local educational agencies that—

(A) are receiving grants under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) as a result of having within their jurisdictions concentrations of children from low-income families; and

(B) are experiencing a shortage of teachers' aides.

(d) SELECTION OF ELIGIBLE INDIVIDUALS.—

(1) IN GENERAL.—Selection of eligible individuals to participate in the placement program authorized by subsection (b) shall be made on the basis of applications submitted to a State. An application shall be in such form and contain such information as the State may require.

(2) PRIORITY.—In selecting eligible individuals to receive assistance for placement as elementary school or secondary school teachers, the State shall give priority to eligible individuals who—

(A) have substantial, demonstrated career experience in science, mathematics, computer science, or engineering and agree to seek employment as science, mathematics, computer science, or engineering teachers in elementary schools or secondary schools; or

(B) have substantial, demonstrated career experience in another subject area identified by the State as important for national educational objectives and agree to seek employment in that subject area in elementary schools or secondary schools.

(e) AGREEMENT.—An eligible individual selected to participate in the placement program authorized by subsection (b) shall be required to enter into an agreement with the State, in which the eligible individual agrees—

(1) to obtain, within such time as the State may require, certification or licensure as an elementary school or secondary school teacher or the necessary credentials to serve as a teacher's aide in an elementary school or secondary school; and

(2) to accept—

(A) in the case of an eligible individual selected for assistance for placement as a teacher, an offer of full-time employment as an elementary school or secondary school teacher for not less than two school years with a local educational agency identified under subsection (c)(2), to begin the school year after obtaining that certification or licensure; or

(B) in the case of an eligible individual selected for assistance for placement as a teacher's aide, an offer of full-time employment as a teacher's aide in an elementary school or secondary school for not less than 2 school years with a local educational agency identified under subsection (c)(3), to begin the school year after obtaining the necessary credentials.

(f) STIPEND FOR PARTICIPANTS.—

(1) IN GENERAL.—The State shall pay to an eligible individual participating in the placement program a stipend in an amount equal to the lesser of—

(A) \$5,000; or

(B) the total costs of the type described in paragraphs (1), (2), (3), (8), and (9) of section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087l) incurred by the eligible individual while obtaining teacher certification or licensure or the necessary credentials to serve as a teacher's aide and employment as an elementary school or secondary school teacher or teacher aide.

(2) RELATION TO OTHER ASSISTANCE.—A stipend paid under paragraph (1) shall be taken into account in determining the eligibility of the eligible individual for Federal student financial assistance provided under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

(g) GRANTS TO FACILITATE PLACEMENT.—

(1) TEACHERS.—In the case of an eligible individual in the placement program obtaining teacher certification or licensure, the State may offer to enter into an agreement under this subsection with the first local educational agency identified under subsection (b)(2) that employs the eligible individual as a full-time elementary school or secondary school teacher after the eligible individual obtains teacher certification or licensure.

(2) TEACHER'S AIDES.—In the case of an eligible individual in the program obtaining credentials to serve as a teacher's aide, the State may offer to enter into an agreement under this subsection with the first local educational agency identified under subsection (b)(3) that employs the participant as a full-time teacher's aide.

(3) AGREEMENTS CONTRACTS.—Under an agreement referred to in paragraph (1) or (2)—

(A) the local educational agency shall agree to employ the eligible individual full time for not less than 2 consecutive school years (at a basic salary to be certified to the State) in a school of the local educational agency that—

(i) serves a concentration of children from low-income families; and

(ii) has an exceptional need for eligible individuals; and

(B) the State shall agree to pay to the local educational agency for each eligible individual, from amounts provided under this section, \$5,000 per year for a maximum of 2 years.

(h) REIMBURSEMENT UNDER CERTAIN CIRCUMSTANCES.—

(1) IN GENERAL.—If an eligible individual in the placement program fails to obtain teacher certification or licensure, employment as an elementary school or secondary school teacher, or employment as a teacher's aide as required under the agreement or voluntarily leaves, or is terminated for cause, from the employment during the 2 years of required service, the eligible individual shall be required to reimburse the State for any stipend paid to the eligible individual under subsection (f)(1) in an amount that bears the same ratio to the amount of the stipend as the unserved portion of required service bears to the 2 years of required service. A State shall forward the proceeds of any reimbursement received under this paragraph to the Secretary.

(2) OBLIGATION TO REIMBURSE.—The obligation to reimburse the State under this subsection is, for all purposes, a debt owing the United States. A discharge in bankruptcy under title 11 shall not release a participant from the obligation to reimburse the State. Any amount owed by an eligible individual under paragraph (1) shall bear interest at the rate equal to the highest rate being paid by

the United States on the day on which the reimbursement is determined to be due for securities having maturities of 90 days or less and shall accrue from the day on which the eligible individual is first notified of the amount due.

(i) EXCEPTIONS TO REIMBURSEMENT PROVISIONS.—

(1) IN GENERAL.—An eligible individual in the placement program shall not be considered to be in violation of an agreement entered into under subsection (e) during any period in which the participant—

(A) is pursuing a full-time course of study related to the field of teaching at an institution of higher education;

(B) is serving on active duty as a member of the Armed Forces;

(C) is temporarily totally disabled for a period of time not to exceed 3 years as established by sworn affidavit of a qualified physician;

(D) is unable to secure employment for a period not to exceed 12 months by reason of the care required by a spouse who is disabled;

(E) is seeking and unable to find full-time employment as a teacher or teacher's aide in an elementary school or secondary school for a single period not to exceed 27 months; or

(F) satisfies the provisions of additional reimbursement exceptions that may be prescribed by the Secretary.

(2) FORGIVENESS.—An eligible individual shall be excused from reimbursement under subsection (h) if the eligible individual becomes permanently totally disabled as established by sworn affidavit of a qualified physician. The Secretary may also waive reimbursement in cases of extreme hardship to the participant, as determined by the Secretary.

GRAHAM AMENDMENT NO. 2870

Mr. GRAHAM proposed an amendment to amendment No. 2869 proposed by Mr. ROTH to the bill, S. 1134, supra; as follows:

At the end of the amendment add the following:

TITLE IV—REVENUE PROVISIONS

SEC. 401. MODIFICATION TO FOREIGN TAX CREDIT CARRYBACK AND CARRYOVER PERIODS.

(a) IN GENERAL.—Section 904(c) (relating to limitation on credit) is amended—

(1) by striking "in the second preceding taxable year," and

(2) by striking "or fifth" and inserting "fifth, sixth, or seventh".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to credits arising in taxable years beginning after December 31, 2001.

SEC. 402. LIMITATION ON USE OF NON-ACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Section 448(d)(5) (relating to special rule for services) is amended—

(1) by inserting "in fields described in paragraph (2)(A)" after "services by such person", and

(2) by inserting "CERTAIN PERSONAL" before "SERVICES" in the heading.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such first taxable year.

SEC. 403. EXTENSION OF INTERNAL REVENUE SERVICE USER FEES.

(a) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

"SEC. 7527. INTERNAL REVENUE SERVICE USER FEES.

"(a) GENERAL RULE.—The Secretary shall establish a program requiring the payment of user fees for—

"(1) requests to the Internal Revenue Service for ruling letters, opinion letters, and determination letters, and

"(2) other similar requests.

"(b) PROGRAM CRITERIA.—

"(1) IN GENERAL.—The fees charged under the program required by subsection (a)—

"(A) shall vary according to categories (or subcategories) established by the Secretary,

"(B) shall be determined after taking into account the average time for (and difficulty of) complying with requests in each category (and subcategory), and

"(C) shall be payable in advance.

"(2) EXEMPTIONS, ETC.—The Secretary shall provide for such exemptions (and reduced fees) under such program as the Secretary determines to be appropriate.

"(3) AVERAGE FEE REQUIREMENT.—The average fee charged under the program required by subsection (a) shall not be less than the amount determined under the following table:

Category	Average Fee
Employee plan ruling and opinion ..	\$250
Exempt organization ruling	\$350
Employee plan determination	\$300
Exempt organization determination	\$275
Chief counsel ruling	\$200.

"(c) TERMINATION.—No fee shall be imposed under this section with respect to requests made after September 30, 2009."

(b) CONFORMING AMENDMENTS.—

(1) The table of sections for chapter 77 is amended by adding at the end the following new item:

"Sec. 7527. Internal Revenue Service user fees."

(2) Section 10511 of the Revenue Act of 1987 is repealed.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to requests made after the date of the enactment of this Act.

SEC. 404. TRANSFER OF EXCESS DEFINED BENEFIT PLAN ASSETS FOR RETIREE HEALTH BENEFITS.

(a) EXTENSION.—

(1) IN GENERAL.—Section 420(b)(5) (relating to expiration) is amended by striking "in any taxable year beginning after December 31, 2000" and inserting "made after September 30, 2009".

(2) CONFORMING AMENDMENTS.—

(A) Section 101(e)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)(3)) is amended by striking "1995" and inserting "2001".

(B) Section 403(c)(1) of such Act (29 U.S.C. 1103(c)(1)) is amended by striking "1995" and inserting "2001".

(C) Paragraph (13) of section 408(b) of such Act (29 U.S.C. 1108(b)(13)) is amended—

(i) by striking "in a taxable year beginning before January 1, 2001" and inserting "made before October 1, 2009", and

(ii) by striking "1995" and inserting "2001".

(b) APPLICATION OF MINIMUM COST REQUIREMENTS.—

(1) IN GENERAL.—Section 420(c)(3) is amended to read as follows:

"(3) MINIMUM COST REQUIREMENTS.—

"(A) IN GENERAL.—The requirements of this paragraph are met if each group health plan or arrangement under which applicable health benefits are provided provides that the applicable employer cost for each taxable year during the cost maintenance period shall not be less than the higher of the applicable employer costs for each of the 2 taxable years immediately preceding the taxable year of the qualified transfer.

"(B) APPLICABLE EMPLOYER COST.—For purposes of this paragraph, the term 'applicable employer cost' means, with respect to any taxable year, the amount determined by dividing—

"(i) the qualified current retiree health liabilities of the employer for such taxable year determined—

"(I) without regard to any reduction under subsection (e)(1)(B), and

"(II) in the case of a taxable year in which there was no qualified transfer, in the same manner as if there had been such a transfer at the end of the taxable year, by

"(ii) the number of individuals to whom coverage for applicable health benefits was provided during such taxable year.

"(C) ELECTION TO COMPUTE COST SEPARATELY.—An employer may elect to have this paragraph applied separately with respect to individuals eligible for benefits under title XVIII of the Social Security Act at any time during the taxable year and with respect to individuals not so eligible.

"(D) COST MAINTENANCE PERIOD.—For purposes of this paragraph, the term 'cost maintenance period' means the period of 5 taxable years beginning with the taxable year in which the qualified transfer occurs. If a taxable year is in 2 or more overlapping cost maintenance periods, this paragraph shall be applied by taking into account the highest applicable employer cost required to be provided under subparagraph (A) for such taxable year."

(2) CONFORMING AMENDMENTS.—

(A) Section 420(b)(1)(C)(iii) is amended by striking "benefits" and inserting "cost".

(B) Section 420(e)(1)(D) is amended by striking "and shall not be subject to the minimum benefit requirements of subsection (c)(3)" and inserting "or in calculating applicable employer cost under subsection (c)(3)(B)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified transfers occurring after December 31, 2000, and before October 1, 2009.

SEC. 405. LIMITATIONS ON WELFARE BENEFIT FUNDS OF 10 OR MORE EMPLOYER PLANS.

(a) BENEFITS TO WHICH EXCEPTION APPLIES.—Section 419A(f)(6)(A) (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) IN GENERAL.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are 1 or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers."

(b) LIMITATION ON USE OF AMOUNTS FOR OTHER PURPOSES.—Section 4976(b) (defining disqualified benefit) is amended by adding at the end the following new paragraph:

“(5) SPECIAL RULE FOR 10 OR MORE EMPLOYER PLANS EXEMPTED FROM PREFUNDING LIMITS.—For purposes of paragraph (1)(C), if—

“(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide 1 or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

“(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made, then such portion shall be treated as reverting to the benefit of the employers maintaining the fund.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions paid or accrued after the date of the enactment of this Act, in taxable years ending after such date.

DORGAN AMENDMENT NO. 2871

Mr. DORGAN proposed an amendment to the bill S. 1134, supra; as follows:

On page 2 between lines 2 and 3, 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)(I) of the Elementary and Secondary Education Act of 1965.

KENNEDY AMENDMENT NO. 2872

Mr. KENNEDY proposed an amendment to the bill, S. 1134, supra; as follows:

Strike section 101 and insert the following:

SEC. 101. TEACHER QUALITY.

(a) IN GENERAL.—Title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6601 et seq.) is amended by striking the title heading and all that follows through the end of part B and inserting the following:

“TITLE II—QUALIFIED TEACHER IN EVERY CLASSROOM

“PART A—TEACHER QUALITY

“SEC. 2001. PURPOSES.

“The purposes of this part are the following:

“(1) To improve student achievement in order to help every student meet State content and student performance standards.

“(2) To—

“(A) enable States, local educational agencies, and schools to improve the quality and success of the teaching force by providing all teachers, including beginning and veteran teachers, with the support those teachers need to succeed and stay in teaching, by providing professional development and mentoring programs for teachers, by offering incentives for additional qualified individuals to go into teaching, by reducing out-of-field placement of teachers, and by reducing the number of teachers with emergency credentials; and

“(B) hold the States, agencies, and schools accountable for such improvements.

“(3) To support State and local efforts to recruit qualified teachers to address teacher shortages, particularly in communities with the greatest need.

“SEC. 2002. DEFINITIONS.

“In this part:

“(1) BEGINNING TEACHER.—The term ‘beginning teacher’ means a teacher who has taught for 3 years or less.

“(2) CORE ACADEMIC SUBJECTS.—The term ‘core academic subjects’ means—

“(A) mathematics;

“(B) science;

“(C) reading (or language arts) and English;

“(D) social studies (consisting of history, civics, government, geography, and economics);

“(E) foreign languages; and

“(F) fine arts (consisting of music, dance, drama, and the visual arts).

“(3) HIGH-POVERTY.—The term ‘high-poverty’, used with respect to a school, means a school that serves a high number or percentage of children from families with incomes below the poverty line, as determined by the State in which the school is located.

“(4) HIGH-POVERTY LOCAL EDUCATIONAL AGENCY.—The term ‘high-poverty local educational agency’ means a local educational agency for which the number of children served by the agency who are age 5 through 17, and from families with incomes below the poverty line—

“(A) is not less than 20 percent of the number of all children served by the agency; or

“(B) is more than 10,000.

“(5) LOW-PERFORMING SCHOOL.—The term ‘low-performing school’ means—

“(A) a school identified by a local educational agency for school improvement under section 1116(c); or

“(B) a school in which the great majority of students, as determined by the State in which the school is located, fail to meet State student performance standards based on assessments the local educational agency is using under part A of title I.

“(6) MENTORING.—The term ‘mentoring’ means activities described in paragraphs (3) and (4) of section 2017(a).

“(7) MENTOR TEACHER.—The term ‘mentor teacher’ means a teacher who—

“(A) is a highly competent classroom teacher who is formally selected and trained to work effectively with beginning teachers (including corps members described in section 2018);

“(B) is certified or licensed, is full-time, and is assigned and qualified to teach in the content area or grade level in which a beginning teacher (including a corps member described in section 2018), to whom the teacher provides mentoring, intends to teach;

“(C) has been consistently effective in helping diverse groups of students make substantial achievement gains; and

“(D) has been selected to provide mentoring through a peer review process.

“(8) POVERTY LINE.—The term ‘poverty line’ means the income official 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.

“(9) PROFESSIONAL DEVELOPMENT.—The term ‘professional development’ means activities described in paragraphs (1) and (2) of section 2017(a).

“(10) RECRUITMENT ACTIVITIES.—The term ‘recruitment activities’ means activities carried out through a teacher corps program, as described in section 2018.

“(11) RECRUITMENT PARTNERSHIP.—The term ‘recruitment partnership’ means a partnership described in section 2015(b)(2).

“SEC. 2003. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this part \$240,000,000 for each of fiscal years 2001 through 2005, of which—

“(1) \$207,600,000 shall be made available to carry out subpart 1; and

“(2) \$32,400,000 shall be made available to carry out subparts 2, 3, and 4, of which—

“(A) \$25,000,000 shall be made available for fiscal year 2001, and such sums as may be necessary shall be made available for each of fiscal years 2002 through 2005, to carry out subpart 3; and

“(B) \$75,000,000 shall be made available for fiscal year 2001, and such sums as may be necessary shall be made available for each of fiscal years 2002 through 2005, to carry out subpart 4.

“Subpart 1—Grants to States and Local Educational Agencies

“Chapter 1—Grants and Activities

“SEC. 2011. ALLOTMENTS TO STATES.

“(a) IN GENERAL.—The Secretary is authorized to make grants to eligible State educational agencies for the improvement of teaching and learning through sustained and intensive high-quality professional development, mentoring, and recruitment activities at the State and local levels. Each grant shall consist of the allotment determined for the State under subsection (b).

“(b) DETERMINATION OF AMOUNT OF ALLOTMENT.—

“(1) RESERVATION OF FUNDS.—

“(A) IN GENERAL.—From the total amount made available to carry out this subpart under section 2003(1) for any fiscal year, the Secretary shall reserve—

“(i) ½ of 1 percent for allotments for the outlying areas to be distributed among those outlying areas on the basis of their relative

need, as determined by the Secretary, for professional development and mentoring and recruitment activities carried out in accordance with the purposes of this part; and

“(ii) ½ of 1 percent for the Secretary of the Interior for programs carried out in accordance with the purposes of this part to provide professional development and mentoring and recruitment activities for teachers and other staff in schools operated or funded by the Bureau of Indian Affairs.

“(B) LIMITATION.—Notwithstanding subparagraph (A), the Secretary shall not reserve, for either the outlying areas under subparagraph (A)(i) or the schools operated or funded by the Bureau of Indian Affairs under subparagraph (A)(ii), more than the amount reserved for those areas or schools for fiscal year 2000 under the authority described in paragraph (2)(A)(i).

“(2) STATE ALLOTMENTS.—

“(A) HOLD HARMLESS.—

“(i) IN GENERAL.—Subject to subparagraph (B), from the total amount made available to carry out this subpart for any fiscal year and not reserved under paragraph (1), the Secretary shall allot to each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico an amount equal to the amount that the State received for fiscal year 2000 under section 2202(b) of this Act (as in effect on the day before the date of enactment of the Affordable Education Act of 1999).

“(ii) RATABLE REDUCTION.—If the total amount made available to carry out this subpart for any fiscal year and not reserved under paragraph (1) is insufficient to pay the full amounts that all States are eligible to receive under clause (i) for any fiscal year, the Secretary shall ratably reduce such amounts for such fiscal year.

“(B) ALLOTMENT OF ADDITIONAL FUNDS.—

“(i) IN GENERAL.—Subject to clause (ii), for any fiscal year for which the total amount made available to carry out this subpart and not reserved under paragraph (1) exceeds the total amount made available to the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico for fiscal year 2000 under the authority described in subparagraph (A)(i), the Secretary shall allot to each of those States the sum of—

“(I) an amount that bears the same relationship to 50 percent of the excess amount as the number of individuals age 5 through 17 in the State, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in all such States, as so determined; and

“(II) an amount that bears the same relationship to 50 percent of the excess amount as the number of individuals age 5 through 17 from families with incomes below the poverty line in the State, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in all such States, as so determined.

“(ii) EXCEPTION.—No State receiving an allotment under clause (i) may receive less than ½ of 1 percent of the total excess amount allotted under clause (i) for a fiscal year.

“(3) REALLOTMENT.—If any State described in paragraph (2) does not apply for an allotment under paragraph (2) for any fiscal year, the Secretary shall reallocate such amount to the remaining such States in accordance with paragraph (2).

“SEC. 2012. STATE APPLICATIONS.

“(a) APPLICATIONS REQUIRED.—

“(1) IN GENERAL.—Each State desiring to receive a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(2) DEVELOPMENT.—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, 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—

“(1) a description of the State’s teacher shortages relating to high-need school districts and high-need academic subjects (as such districts or subjects are determined by the State);

“(2) an assessment, developed with the involvement of teachers, of the need for professional development for veteran teachers in the State and the need for strong induction programs for beginning teachers;

“(3) a description of how the State educational agency will use funds made available under this part to improve the quality of the State’s teaching force and meet the requirements of this section;

“(4) a description of how the State educational agency will align activities assisted under this subpart with State content and student performance standards, and State assessments;

“(5) a description of how the State educational agency will—

“(A) reduce out-of-field placement of teachers; and

“(B) reduce the number of teachers hired with emergency certification;

“(6) a description of how the State educational agency will coordinate activities funded under this subpart with professional development and mentoring and recruitment activities that are supported with funds from other relevant Federal and non-Federal programs;

“(7) a plan, developed with the extensive participation of teachers, for addressing long-term teacher recruitment, retention, and professional development and mentoring needs, which may include—

“(A) providing technical assistance to help school districts reform hiring practices to support strong teacher recruitment and retention; or

“(B) establishing State or regional partnerships to address teacher shortages;

“(8) a description of how the State educational agency will assist local educational agencies in implementing effective and sustained professional development and mentoring activities and high-quality recruitment activities under this part;

“(9) a description of how the State educational agency will work with recipients of grants awarded for recruitment activities under section 2015(b) to ensure that recruits who successfully complete a teacher corps program will be certified or licensed; and

“(10) the assurances and description referred to in section 2021.

“(c) APPROVAL.—The Secretary shall, using a peer-review process, approve a State application if the application meets the requirements of this section and holds reasonable promise of achieving the purposes of this part.

“SEC. 2013. STATE USE OF FUNDS.

“(a) IN GENERAL.—Of the funds allotted to a State under section 2011 for a fiscal year—

“(1) not more than 10 percent shall be used by the State educational agency to carry out State activities described in section 2014, or for the administration of this subpart (other than the administration of section 2019 but including the administration of State activities under chapter 2), except that not more than 3 percent of the allotted funds may be used for the administration of this subpart;

“(2) 56 percent shall be used by the State educational agency to provide grants to local educational agencies under section 2015(a) for professional development and mentoring;

“(3) 30 percent shall be used by the State educational agency to provide grants to recruitment partnerships under section 2015(b) for recruitment activities; and

“(4) 4 percent (or 4 percent of the amount the State would have been allotted if the appropriation for this subpart were \$346,000,000, whichever is greater) shall be used by the State agency for higher education to provide grants to recruitment partnerships under section 2019.

“(b) PRIORITY FOR PROFESSIONAL DEVELOPMENT AND MENTORING IN MATHEMATICS AND SCIENCE.—

“(1) PRIORITY.—

“(A) APPROPRIATIONS OF NOT MORE THAN \$300,000,000.—For any fiscal year for which the appropriation for this subpart is \$300,000,000 or less, each State educational agency that receives funds under this subpart, working jointly with the State agency for higher education, shall ensure that all funds received under this subpart are used for—

“(i) professional development and mentoring in mathematics and science that is aligned with State content and student performance standards; and

“(ii) recruitment activities involving mathematics and science teachers.

“(B) APPROPRIATION OF MORE THAN \$300,000,000.—For any fiscal year for which the appropriation for this subpart is greater than \$300,000,000, the State educational agency and the State agency for higher education shall jointly ensure that the total amount of funds that the agencies receive under this subpart and that the agencies use for activities described in subparagraph (A) is at least as great as the allotment the State would have received if that appropriation had been \$300,000,000.

“(2) INTERDISCIPLINARY ACTIVITIES.—A State may use funds received under this subpart for activities that focus on more than 1 core academic subject, and apply the funds toward meeting the requirements of paragraph (1), if the activities include a strong focus on improving instruction in mathematics or science.

“(3) ADDITIONAL FUNDS.—Each State educational agency that receives funds under this subpart and the State agency for higher education shall jointly ensure that any portion of the funds that exceeds the amount required by paragraph (1) to be spent on activities described in paragraph (1)(A) is used to provide—

“(A) professional development and mentoring in 1 or more of the core academic subjects that is aligned with State content and student performance standards; and

“(B) recruitment activities involving teachers of 1 or more of the core academic subjects.

“SEC. 2014. STATE LEVEL ACTIVITIES.

“(a) ACTIVITIES.—Each State educational agency that receives a grant described in section 2011 shall use the funds made available under section 2013(a)(1) to carry out statewide strategies and activities to improve teacher quality, including—

“(1) establishing, expanding, or improving alternative routes to State certification or licensing of teachers, for highly qualified individuals with a baccalaureate degree, mid-career professionals from other occupations, or paraprofessionals, that are at least as rigorous as the State’s standards for initial certification or licensing of teachers;

“(2) developing or improving systems of performance measures to evaluate the effectiveness of professional development and mentoring and recruitment activities in im-

proving teacher quality, skills, and content knowledge, and increasing student academic achievement and student performance;

“(3) developing or improving systems to evaluate the impact of teachers on student academic achievement and student performance;

“(4) funding projects to promote reciprocity of teacher certification or licensure between or among States;

“(5) providing assistance to local educational agencies to reduce out-of-field placements and the use of emergency credentials;

“(6) supporting certification by the National Board for Professional Teaching Standards of teachers who are teaching or will teach in high-poverty schools;

“(7) providing assistance to local educational agencies in implementing effective programs of recruitment activities, and professional development and mentoring, including supporting efforts to encourage and train teachers to become mentor teachers;

“(8) increasing the rigor and quality of State certification and licensure tests for individuals entering the field of teaching, including subject matter tests for secondary school teachers; and

“(9) implementing teacher recognition programs.

“(b) COORDINATION.—A State that receives a grant to carry out this subpart and a grant under section 202 of the Higher Education Act of 1965 shall coordinate the activities carried out under this section and the activities carried out under that section 202.

“SEC. 2015. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

“(a) GRANTS FOR PROFESSIONAL DEVELOPMENT AND MENTORING ACTIVITIES.—

“(1) IN GENERAL.—The State educational agency of a State that receives a grant described in section 2011 shall use the funds made available under section 2013(a)(2) to make grants to eligible local educational agencies, from allocations made under paragraph (2), to carry out the activities described in section 2017(a).

“(2) ALLOCATIONS.—The State educational agency shall allocate to each eligible local educational agency the sum of—

“(A) an amount that bears the same relationship to 25 percent of the funds as the number of individuals enrolled in public and private nonprofit elementary schools and secondary schools in the geographic area served by the agency bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State; and

“(B) an amount that bears the same relationship to 75 percent of the funds as the number of individuals age 5 through 17 from families with incomes below the poverty line, in the geographic area served by the agency, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined.

“(3) ELIGIBILITY.—To be eligible to receive a grant from a State educational agency under this subsection, a local educational agency shall serve schools that include—

“(A) high-poverty schools;

“(B) schools that need support for improving teacher quality based on low achievement of students served;

“(C) schools that have low teacher retention rates;

“(D) schools that need to improve or expand the knowledge and skills of new and veteran teachers in high-priority content areas; or

“(E) schools that have high out-of-field placement rates.

“(4) EQUITABLE GEOGRAPHIC DISTRIBUTION.—A State educational agency shall ensure an equitable distribution of grants under this subsection among eligible local educational agencies serving urban and rural areas.

“(b) GRANTS FOR RECRUITMENT ACTIVITIES.—

“(1) IN GENERAL.—The State educational agency of a State that receives a grant under section 2011 shall use the funds made available under section 2013(a)(3) to make grants to eligible recruitment partnerships, on a competitive basis, to carry out the recruitment activities described in section 2017(b).

“(2) ELIGIBILITY.—

“(A) IN GENERAL.—To be eligible to receive a grant from a State educational agency under this subsection, a recruitment partnership—

“(i) shall include an eligible local educational agency, or a consortium of eligible local educational agencies;

“(ii) shall include an institution of higher education, a tribal college, or a community college; and

“(iii) may include other members, such as a nonprofit organization or professional education organization.

“(B) ELIGIBLE LOCAL EDUCATIONAL AGENCY.—In subparagraph (A), the term ‘eligible local educational agency’ means a local educational agency that receives assistance under part A of title I, and meets any additional eligibility criteria that the appropriate State educational agency may establish.

“(3) EQUITABLE GEOGRAPHIC DISTRIBUTION.—A State educational agency shall ensure an equitable distribution of grants under this subsection among eligible recruitment partnerships serving urban and rural areas.

“SEC. 2016. LOCAL APPLICATIONS.

“(a) IN GENERAL.—A local educational agency or a recruitment partnership seeking to receive a grant from a State under section 2015 to carry out activities described in section 2017 shall submit an application to the State at such time, in such manner, and containing such information as the State may reasonably require.

“(b) CONTENTS RELATING TO PROFESSIONAL DEVELOPMENT AND MENTORING ACTIVITIES.—If the local educational agency seeks a grant under section 2015(a) to carry out activities described in section 2017(a), the local application described in subsection (a) shall include, at a minimum, the following:

“(1) A description of how the local educational agency intends to use the funds provided through the grant to carry out activities described in section 2017(a).

“(2) An assurance that the local educational agency will target the funds to high-poverty schools served by the local educational agency that—

“(A) have the lowest proportions of qualified teachers;

“(B) are identified for school improvement and corrective action under section 1116; or

“(C) are identified for school improvement in accordance with other measures of school quality as determined and documented by the local educational agency.

“(3) A description of how the local educational agency will coordinate professional development and mentoring activities described in section 2017(a) with professional development and mentoring activities provided through other Federal, State, and local programs, including programs authorized under—

“(A) titles I, III, and IV, and part A of title VII; and

“(B) where applicable, the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, and title II of the Higher Education Act of 1965.

“(4) A description of how the local educational agency will integrate funds received to carry out activities described in section 2017(a) with funds received under title III that are used for professional development and mentoring in order to carry out professional development and mentoring activities that—

“(A) train teachers, paraprofessionals, counselors, pupil services personnel, administrators, and other school staff, including school library and media specialists, in how to use technology to improve learning and teaching; and

“(B) take into special consideration the different learning needs for, and exposures to, technology for all students, including females, students with disabilities, students who are gifted and talented, students with limited English proficiency, and students who have economic and educational disadvantages.

“(5) A description of how the local application was developed with extensive participation of teachers, paraprofessionals, principals, and parents.

“(6) A description of how the professional development and mentoring activities described in section 2017(a) will address the ongoing professional development and mentoring of teachers, paraprofessionals, counselors, pupil services personnel, administrators, and other school staff, including school library and media specialists.

“(7) A description of how the professional development and mentoring activities described in section 2017(a) will meet the requirements described in section 2017(a).

“(8) A description of how the local educational agency will address the needs of teachers of students with disabilities, students with limited English proficiency, and other students with special needs.

“(9) A description of how the local educational agency will provide training to teachers to enable the teachers to work with parents, involve parents in their child's education, and encourage parents to become collaborators with schools in promoting their child's education.

“(10) The assurances and description referred to in section 2023, with respect to professional development and mentoring activities.

“(c) DEVELOPMENT AND CONTENTS RELATING TO RECRUITMENT ACTIVITIES.—If an eligible local educational agency (as defined in section 2015(b)) seeks a grant under section 2015(b) to carry out activities described in section 2017(b)—

“(1) the eligible local educational agency shall enter into a recruitment partnership, which shall jointly prepare and submit the local application described in subsection (a); and

“(2) at a minimum, the application shall include—

“(A) a description of how the recruitment partnership will meet the teacher corps program requirements described in section 2018;

“(B) a description of the individual and collective responsibilities of members of the recruitment partnership in meeting the requirements and goals of a teacher corps program described in section 2018;

“(C) information demonstrating that the State agency responsible for teacher licensure or certification in the State in which a recruitment partnership is established will—

“(i) ensure that a corps member who successfully completes a teacher corps program will have the academic requirements necessary for certification or licensure as a teacher in the State;

“(ii) ensure that the teacher corps program provides the academic credentials necessary to enable a corps member to obtain permanent teacher certification or licensure; and

“(iii) work with the recruitment partnership to ensure the partnership uses high-quality methods and establishes high-quality requirements concerning alternative routes to certification or licensure, in order to meet State requirements for certification or licensure; and

“(D) the assurances and description referred to in section 2023, with respect to recruitment activities.

“(d) APPROVAL.—A State educational agency shall approve a local educational agency's or recruitment partnership's application under this section only if the State educational agency determines that the application is of high quality and holds reasonable promise of achieving the purposes of this part.

“SEC. 2017. LOCAL ACTIVITIES.

“(a) PROFESSIONAL DEVELOPMENT AND MENTORING ACTIVITIES.—Each local educational agency receiving a grant under section 2015(a) shall use the funds made available through the grant to carry out activities that—

“(1) shall include sustained and intensive activities that—

“(A) are an integral part of broad schoolwide and districtwide educational improvement plans and enhance the ability of teachers and other staff to help all students, including females, students with disabilities, students who are gifted and talented, students with limited English proficiency, and students who have economic and educational disadvantages, meet high State and local content and student performance standards;

“(B) improve teacher knowledge of—

“(i) 1 or more of the core academic subjects; and

“(ii) effective instructional strategies, methods, and skills for improving student achievement in those subjects;

“(C) are of high quality and sufficient duration to have a positive and lasting impact on classroom instruction;

“(D) are based on the best available research on teaching and learning;

“(E) include—

“(i) activities to replicate effective instructional practices that involve collaborative groups of teachers and administrators from the same school or district, such as provision of dedicated time for collaborative lesson planning and curriculum development meetings, consultation with exemplary teachers, and provision of short-term and long-term visits to classrooms and schools; and

“(ii) ongoing and school-based support for such activities, such as support for peer review, coaching, or study groups, and the provision of release time as needed for the activities;

“(F) as a whole, are regularly evaluated for their impact on increased teacher effectiveness and improved student achievement, with the findings of those evaluations used to improve the quality of activities described in this part;

“(G) include strategies for improving classroom management and discipline, integrating technology into a curriculum, and promoting meaningful parental involvement; and

“(H) to the extent practicable, the establishment of a partnership with an institution of higher education, another local educational agency, or another organization, for the purpose of carrying out activities described in this paragraph;

“(2) may include—

“(A) provision of collaborative professional development experiences for veteran teachers based on the standards in the core academic subjects of the National Board for Professional Teaching Standards;

“(B) the participation of teams of teachers in summer institutes and summer immersion activities that are focused on preparing teachers to enable all students to meet high standards in 1 or more of the core academic subjects;

“(C) the establishment and maintenance of local professional networks that provide a forum for interaction among teachers and administrators and that allow for the exchange of information on advances in content knowledge and teaching skills;

“(D) instruction in the use of data and assessments to inform and improve classroom practice;

“(E) provision of activities to train teachers in innovative instructional methodologies designed to meet the diverse learning needs of individual students, including methodologies that integrate academic and technical skills and applied learning (such as service learning), methodologies for interactive and interdisciplinary team teaching, and other alternative teaching strategies, such as strategies for experiential learning, career-related education, and environmental education, that integrate real world applications into the core academic subjects; and

“(F) strategies for identifying and eliminating gender and racial bias in instructional materials, methods, and practices;

“(3) shall include structured guidance and regular and ongoing support for beginning teachers, to help the teachers continue to improve their practice of teaching and to develop their instructional skills, that—

“(A) are part of a multiyear, developmental induction process;

“(B) may include coaching, classroom observation, team teaching, and reduced teaching loads; and

“(C) involve the assistance of a mentor teacher and other appropriate individuals from a school, local educational agency, or institution of higher education;

“(4) may include the establishment of a partnership with an institution of higher education, another local educational agency, or another organization, for the purpose of carrying out activities described in paragraph (3); and

“(5) shall include local activities carried out under chapter 2.

“(b) RECRUITMENT ACTIVITIES.—Each recruitment partnership receiving a grant under section 2015(b) shall use the funds made available through the grant to carry out recruitment activities described in section 2018.

“SEC. 2018. RECRUITMENT ACTIVITIES THROUGH A TEACHER CORPS PROGRAM.

“(a) TEACHER CORPS PROGRAM REQUIREMENTS.—

“(1) RECRUITMENT.—A recruitment partnership that receives a grant under section 2015(b) shall broadly recruit and screen for a teacher corps a highly qualified pool of candidates who demonstrate the potential to become effective teachers. Each candidate shall meet—

“(A) standards to ensure that—

“(i) each corps member possesses appropriate, high-level credentials and presents the likelihood of becoming an effective teacher; and

“(ii) each group of corps members includes people who have expertise in academic subjects and otherwise meet the specific needs of the district to be served; and

“(B) any additional standard that the recruitment partnership establishes to enhance the quality and diversity of candidates and to meet the academic and grade level needs of the partnership.

“(2) REQUIRED CURRICULUM AND PLACEMENT.—Members of the recruitment partnership shall work together to plan and develop a program that includes—

“(A) a curriculum that includes a preservice training program (incorporating innovative approaches to preservice training, such as distance learning), for a period not to exceed 1 year, that provides corps members with the skills and knowledge necessary to become effective teachers, by—

“(i) requiring completed course work in basic areas of teaching, such as principles of learning and child development, effective teaching strategies, assessments, and classroom management, and in the pedagogy related to the academic subjects in which a corps member intends to teach;

“(ii) providing extensive preparation in the pedagogy of reading to corps members who intend to teach in the early elementary grades, including preparation components that focus on—

“(I) understanding the psychology of reading, and human growth and development;

“(II) understanding the structure of the English language; and

“(III) learning and applying the best teaching methods to all aspects of reading instruction;

“(iii) providing training in the use of technology as a tool to enhance a corps member's effectiveness as a teacher and improve the achievement of the corps member's students; and

“(iv) focusing on the teaching skills and knowledge that corps members need to enable all students to meet the State's highest challenging content and student performance standards;

“(B) placement of a corps member with the local educational agency participating in the recruitment partnership, in a teaching internship that—

“(i) includes intensive mentoring;

“(ii) provides a reduced teaching load; and

“(iii) provides regular opportunities for the corps member to co-teach with a mentor teacher, observe other teachers, and be observed and coached by other teachers;

“(C) individualized inservice training over the course of the corps member's first 2 years of full-time teaching that provides—

“(i) high-quality professional development, coordinated jointly by members of the recruitment partnership, and the course work necessary to provide additional or supplementary knowledge to meet the specific needs of the corps member; and

“(ii) ongoing mentoring by a teacher who meets the criteria for a mentor teacher described in paragraph (4)(B), including the requirements of section 2002(7); and

“(D) collaboration between the recruitment partnership, and local community student or parent groups, to assist corps members in enhancing their understanding of the community in which the members are placed.

“(3) EVALUATION.—A recruitment partnership shall evaluate a corps member's progress in course study and classroom practice at regular intervals.

“(4) MENTOR TEACHERS.—

“(A) IN GENERAL.—A recruitment partnership shall develop a plan for the program, which shall include strategies for identifying, recruiting, training, and providing ongoing support to individuals who will serve as mentor teachers to corps members.

“(B) MENTOR TEACHER REQUIREMENTS.—The plan described in subparagraph (A) shall specify the criteria that the recruitment partnership will use to identify and select mentor teachers and, at a minimum, shall—

“(i) require a mentor teacher to meet the requirements of section 2002(7); and

“(ii) require that consideration be given to a teachers with national board certification.

“(C) COMPENSATION.—The plan shall specify the compensation—

“(i) for mentor teachers, including monetary compensation, release time, or a reduced work load to ensure that mentor teachers can provide ongoing support for corps members; and

“(ii) for corps members, including salary levels and the stipends, if any, that will be provided during a corps member's summer or preservice training.

“(5) ASSURANCES.—The plan shall include assurances that—

“(A) a corps member will be assigned to teach only academic subjects and grade levels for which the member is fully qualified;

“(B) corps members, to the extent practicable, will be placed in schools with teams of corps members; and

“(C) every mentor teacher will be provided sufficient time to meet the needs of the corps members assigned to the mentor teacher.

“(b) CORPS MEMBER QUALIFICATIONS.—

“(1) CANDIDATES INTENDING TO TEACH IN ELEMENTARY SCHOOLS.—At a minimum, to be accepted by a teacher corps program, a candidate who intends to teach at the elementary school level shall—

“(A) have a bachelor's degree;

“(B) possess an outstanding commitment to working with children and youth;

“(C) possess a strong professional or postsecondary record of achievement; and

“(D) pass all basic skills and subject matter tests required by the State for teacher certification or licensure.

“(2) CANDIDATES INTENDING TO TEACH IN SECONDARY SCHOOLS.—At a minimum, to be accepted by a teacher corps program, a candidate who intends to teach at the secondary school level shall—

“(A) meet the requirements described in paragraph (1); and

“(B)(i) possess at least an academic major or postsecondary degree in each academic subject in which the candidate intends to teach; or

“(ii) if the candidate did not major or earn a postsecondary degree in an academic subject in which the candidate intends to teach, have completed a rigorous course of instruction in that subject that is equivalent to having majored in the subject.

“(3) SPECIAL RULE.—Notwithstanding paragraph (2)(B), the recruitment partnership may consider the candidate to be an eligible corps member and accept the candidate for a teacher corps program if the candidate has worked successfully and directly in a field and in a position that provided the candidate with direct and substantive knowledge in the academic subject in which the candidate intends to teach.

“(C) THREE-YEAR COMMITMENT TO TEACHING IN ELIGIBLE DISTRICTS.—

“(1) IN GENERAL.—In return for acceptance to a teacher corps program, a corps member shall commit to 3 years of full-time teaching in a school or district served by a local educational agency participating in a recruitment partnership receiving funds under this subpart.

“(2) REIMBURSEMENT.—

“(A) IN GENERAL.—If a corps member leaves the school district to which the corps member has been assigned prior to the end of the 3-year period described in paragraph (1), the corps member shall be required to reimburse the Secretary for the amount of the Federal share of the cost of the corps member's participation in the teacher corps program.

“(B) PARTNERSHIP CLAIMS.—A recruitment partnership that provides a teacher corps program to a corps member who leaves the school district, as discussed in subparagraph (A), may submit a claim to the corps member requiring the corps member to reimburse the recruitment partnership for the amount

of the partnership's share of the cost described in subparagraph (A).

“(C) REDUCTION.—Reimbursements required under this paragraph may be reduced proportionally based on the amount of time a corps member remained in the teacher corps program beyond the corps member's initial 2 years of service.

“(D) WAIVER.—The Secretary may waive reimbursements required under subparagraph (A) in the case of severe hardship to a corps member who leaves the school district, as described in subparagraph (A).

“(d) FEDERAL SHARE; NON-FEDERAL SHARE.—

“(1) PAYMENT OF FEDERAL SHARE.—The Secretary shall pay to each recruitment partnership carrying out a teacher corps program under this section the Federal share of the cost of the activities described in the partnership's application under section 2016(c).

“(2) NON-FEDERAL SHARE.—A recruitment partnership's share of the cost of the activities described in the partnership's application under section 2016(c)—

“(A) may be provided in cash or in kind, fairly evaluated, including plant, equipment, or services; and

“(B)(i) for the first year for which the partnership receives assistance under this subpart, shall be not less than 10 percent;

“(ii) for the second such year, shall be not less than 20 percent;

“(iii) for the third year such year, shall be not less than 30 percent;

“(iv) for the fourth such year, shall be not less than 40 percent; and

“(v) for the fifth such year, shall be not less than 50 percent.

“SEC. 2019. GRANTS TO PARTNERSHIPS OF INSTITUTIONS OF HIGHER EDUCATION AND LOCAL EDUCATIONAL AGENCIES.

“(a) ADMINISTRATION.—A State agency for higher education may use, from the funds made available to the agency under section 2013(a)(4) for any fiscal year, not more than 3½ percent for the expenses of the agency in administering this section, including conducting evaluations of activities on the performance measures described in section 2014(a)(2).

“(b) GRANTS TO PARTNERSHIPS.—

“(1) IN GENERAL.—The State agency for higher education shall use the remainder of the funds, in cooperation with the State educational agency, to make grants to (including entering into contracts or cooperative agreements with) partnerships of—

“(A) institutions of higher education or nonprofit organizations of demonstrated effectiveness in providing professional development and mentoring in the core academic subjects; and

“(B) eligible local educational agencies (as defined in section 2015(b)(2)).

to carry out activities described in subsection (e).

“(2) SIZE; DURATION.—Each grant made under this section shall be—

“(A) in a sufficient amount to carry out the objectives of this section effectively; and

“(B) for a period of 3 years, which the State agency for higher education may extend for an additional 2 years if the agency determines that the partnership is making substantial progress toward meeting the specific goals set out in the written agreement required in subsection (c) and on the performance measures described in section 2014(a)(2).

“(3) APPLICATIONS.—To be eligible to receive a grant under this section, a partnership shall submit an application to the State agency for higher education at such time, in such manner, and containing such information as the agency may reasonably require.

“(4) AWARD PROCESS AND BASIS.—The State agency for higher education shall make the grants on a competitive basis, using a peer review process.

“(5) PRIORITY.—In making the grants, the State agency for higher education shall give priority to partnerships submitting applications for projects that focus on induction programs for beginning teachers.

“(6) CONSIDERATIONS.—In making such a grant for a partnership, the State agency for higher education shall consider—

“(A) the need of the local educational agency involved for the professional development and mentoring activities proposed in the application;

“(B) the quality of the program proposed in the application and the likelihood of success of the program in improving classroom instruction and student academic achievement; and

“(C) such other criteria as the agency finds to be appropriate.

“(c) AGREEMENTS.—

“(1) IN GENERAL.—No partnership may receive a grant under this section unless the institution of higher education or nonprofit organization involved enters into a written agreement with at least 1 eligible local educational agency (as defined in section 2015(b)(2)) to provide professional development and mentoring for elementary and secondary school teachers in the schools served by that agency in the core academic subjects.

“(2) GOALS.—Each such agreement shall identify specific goals concerning how the professional development and mentoring that the partnership provides will enhance the ability of the teachers to prepare all students to meet challenging State and local content and student performance standards.

“(d) JOINT EFFORTS WITHIN INSTITUTIONS OF HIGHER EDUCATION.—Each professional development and mentoring activity assisted under this section by a partnership containing an institution of higher education shall involve the joint effort of the institution of higher education’s school or department of education and the schools or departments of the institution in the specific disciplines in which the professional development and mentoring will be provided.

“(e) USES OF FUNDS.—A partnership that receives funds under this section shall use the funds for—

“(1) professional development and mentoring in the core academic subjects, aligned with State or local content standards, for teams of teachers from a school or school district and, where appropriate, administrators and paraprofessionals on a career track;

“(2) research-based professional development and mentoring programs to assist beginning teachers, which may include—

“(A) mentoring and coaching by trained mentor teachers that lasts at least 2 years;

“(B) team teaching with veteran teachers;

“(C) provision of time for observation of, and consultation with, veteran teachers;

“(D) provision of reduced teaching loads; and

“(E) provision of additional time for preparation;

“(3) the provision of technical assistance to school and agency staff for planning, implementing, and evaluating professional development and mentoring; and

“(4) in appropriate cases, the provision of training to address areas of teacher and administrator shortages.

“(f) COORDINATION.—Any partnership that carries out professional development and mentoring activities under this section shall coordinate the activities with activities carried out under title II of the Higher Education Act of 1965, if a local educational agency or institution of higher education in

the partnership is participating in programs funded under that title.

“(g) ANNUAL REPORTS.—

“(1) IN GENERAL.—Beginning with fiscal year 2002, each partnership that receives a grant under this section shall prepare and submit to the appropriate State agency for higher education, by a date set by that agency, an annual report on the progress of the partnership on the performance measures described in section 2014(a)(2).

“(2) CONTENTS.—Each such report shall—

“(A) include a copy of each written agreement required by subsection (c) that is entered into by the partnership; and

“(B) describe how the members of the partnership 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 such report.

“Chapter 2—Accountability

“SEC. 2021. STATE APPLICATION ACCOUNTABILITY PROVISIONS.

“(a) ASSURANCES.—Each State application submitted under section 2012 shall contain assurances that, not later than 4 years after the date of enactment of the Affordable Education Act of 1999—

“(1) each teacher in the State who provides services to students served under this subpart will be certified or licensed and will have demonstrated the academic subject knowledge, teaching knowledge, and teaching skills necessary to teach effectively in the academic subject in which the teacher teaches, according to the criteria described in this section; and

“(2) funds provided to the State under this subpart will not be used to support teachers for whom State qualification or licensing requirements have been waived or who are teaching under an emergency or other provisional credential.

“(b) ELEMENTARY SCHOOL INSTRUCTIONAL STAFF.—For purposes of complying with subsection (a)(1), a State shall provide an assurance that each elementary school teacher (other than a middle school teacher) in the State shall, at a minimum—

“(1) have State certification or a State license to teach (which may include certification or licensing obtained through alternative routes); and

“(2) hold a bachelor’s degree and demonstrate the academic subject knowledge, teaching knowledge, and teaching skills required to teach effectively in reading, writing, mathematics, social studies, science, and other academic subjects.

“(c) MIDDLE SCHOOL AND SECONDARY SCHOOL INSTRUCTIONAL STAFF.—For purposes of complying with subsection (a)(1), a State shall provide an assurance that each middle school or secondary school teacher in the State shall, at a minimum—

“(1) have State certification or a State license to teach (which may include certification or licensing obtained through alternative routes); and

“(2) hold a bachelor’s degree or higher degree and demonstrate a high level of competence in all academic subjects in which the teacher teaches through—

“(A) achievement of a high level of performance on rigorous academic subject tests;

“(B) completion of an academic major (or courses totaling an equivalent number of credit hours) in each of the academic subjects in which the teacher teaches; or

“(C) achievement of a high level of performance in relevant academic subjects through other professional employment experience.

“(d) ASSISTANCE BY STATE EDUCATIONAL AGENCY.—Each State application submitted

under section 2012 shall describe how the State educational agency will help each local educational agency and school in the State develop the capacity to comply with the requirements of this section.

“SEC. 2022. STATE REPORTS.

“(a) REPORT TO SECRETARY.—

“(1) IN GENERAL.—Each State that receives funds under this subpart shall annually prepare and submit to the Secretary a report containing—

“(A) information on the activities of the State under this subpart;

“(B) information on the effectiveness of the activities, and the progress of recipients of grants under this subpart, on performance measures described in section 2014(a)(2); and

“(C) such other information as the Secretary may reasonably require.

“(2) DEADLINES.—The State shall submit the reports described in paragraph (1) by such deadlines as the Secretary may establish.

“(b) PUBLIC ACCOUNTABILITY.—

“(1) IN GENERAL.—Each State that receives funds under this subpart—

“(A) in the event the State provides public State report cards on education, shall include in such report cards—

“(i) the percentage of classes in core academic subjects that are taught by out-of-field teachers; and

“(ii) the average statewide class size; or

“(B) in the event the State provides no such report card, shall disseminate to the public the information described in clauses (i) and (ii) of subparagraph (A) through other means.

“(2) PUBLIC AVAILABILITY.—Such information shall be made widely available to the public, including parents and students, throughout the State.

“SEC. 2023. LOCAL APPLICATION ACCOUNTABILITY PROVISIONS.

“Each local application submitted under section 2016 shall contain assurances that—

“(1) the agency will not hire any teacher for a program supported with funds made available to the agency under this subpart, unless the teacher—

“(A) is certified or licensed in the field in which the teacher will teach; or

“(B) has a bachelor’s degree and is enrolled in a program through which the teacher will obtain such certification or licensing within 3 years;

“(2) the local educational agency and schools served by the agency will work to ensure, through voluntary agreements and incentive programs, that elementary school and secondary school teachers in high-poverty schools served by the local educational agency will be at least as well qualified, in terms of experience and credentials, as the instructional staff in schools served by the same local educational agency that are not high-poverty schools;

“(3) any teacher who receives certification from the National Board for Professional Teaching Standards will be considered fully qualified to teach, in the academic subjects in which the teacher is certified, in high-poverty schools in any school district or community served by the local educational agency; and

“(4) the agency will—

“(A) make available, on request and in an understandable and uniform format, to any parent of a student attending any school served by the local educational agency, information regarding the qualifications of the student’s classroom teacher with regard to the academic subject in which the teacher teaches; and

“(B) inform parents that the parents are entitled to receive the information upon request.

“SEC. 2024. LOCAL CONTINUATION OF FUNDING.

“(a) AGENCIES.—If a local educational agency applies for funds under this subpart for a 4th or subsequent fiscal year (including applying for funds as part of a partnership), the agency may receive the funds for that fiscal year only if the State determines that the agency has demonstrated that the agency, in carrying out activities under this subpart during the past fiscal year, has—

- “(1) improved student performance;
- “(2) increased participation in sustained professional development and mentoring programs;
- “(3) reduced the beginning teacher attrition rate for the agency; and
- “(4) reduced the number of teachers who are not certified or licensed, and the number who are out-of-field teachers, for the agency.

“(b) SCHOOLS.—If a local educational agency applies for funds under this subpart on behalf of a school for a 4th or subsequent fiscal year (including applying for funds as part of a partnership), the agency may receive the funds for the school for that fiscal year only if the State determines that the school has demonstrated that the school, in carrying out activities under this subpart during the past fiscal year, has met the requirements of paragraphs (1) through (4) of subsection (a).

“(c) RECRUITMENT PARTNERSHIPS.—

“(1) IN GENERAL.—If not more than 90 percent of the graduates of a teacher corps program assisted under this subpart for a fiscal year pass applicable State or local initial teacher licensing or certification examinations, the recruitment partnership providing the teacher corps program shall be ineligible to receive grant funds for the succeeding fiscal year.

“(2) WAIVER.—The State in which the partnership is located may waive the requirement described in paragraph (1) for a recruitment partnership serving a school district that has special circumstances, such as a district with a small number of corps members.

“SEC. 2025. LOCAL REPORTS.

“(a) IN GENERAL.—Each local educational agency that receives funds under this subpart (including funds received through a partnership) shall prepare, make publicly available, and submit to the State educational agency, every year, beginning in fiscal year 2002, a report on the activities of the agency under this subpart, in such form and containing such information as the State educational agency may reasonably require.

“(b) CONTENTS.—The report shall contain, at a minimum—

“(1) information on progress throughout the schools served by the local educational agency on the performance measures described in section 2014(a)(2);

“(2) information on progress throughout the schools served by the local educational agency toward achieving the objectives of this subpart;

“(3) data on the progress described in paragraphs (1) and (2), disaggregated by school poverty level, as defined by the State; and

“(4) a description of the methodology used to gather the information and data described in paragraphs (1) through (3).

“Subpart 2—National Activities for the Improvement of Teaching and School Leadership**“SEC. 2031. PROGRAM AUTHORIZED.**

“(a) IN GENERAL.—The Secretary is authorized to make grants to, and to enter into contracts and cooperative agreements with, local educational agencies, educational service agencies, State educational agencies, State agencies for higher education, institutions of higher education, and other public and private nonprofit agencies, organizations, and institutions to carry out subsection (b).

“(b) ACTIVITIES.—In making the grants, and entering into the contracts and cooperative agreements, 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 measure the quality, rigor, and alignment of State standards and assessments;

“(B) supporting the development of models, at the State and local levels, of innovative compensation systems that—

“(i) provide incentives for talented individuals who have a strong knowledge of academic content to enter teaching; and

“(ii) reward veteran teachers who acquire new knowledge and skills that are needed in the schools and districts in which the teachers teach; and

“(C) supporting collaborative efforts by States, or consortia of States, to develop performance-based systems for assessing content knowledge and teaching skills of teachers prior to initial certification or licensure of the teachers;

“(2) may support activities of national significance that the Secretary determines will contribute to the recruitment and retention of highly qualified teachers and principals in schools served by high-poverty local educational agencies, such as—

“(A) 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, to—

“(i) disseminate information and resources nationwide on entering the teaching profession, to persons interested in becoming teachers;

“(ii) serve as a national resource center regarding effective practices for teacher professional development and mentoring, recruitment, and retention;

“(iii) link prospective teachers to local educational agencies and training resources;

“(iv) provide information and technical assistance to prospective teachers about certification and licensing and other State and local requirements related to teaching; and

“(v) provide data projections concerning teacher and administrator supply and demand and available teaching and administrator opportunities;

“(B) 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 or licensing that are at least as rigorous as the State’s standards for initial certification or licensing of teachers, and that prepare both new and experienced principals to serve as instructional leaders, which may include the creation and operation of a national center or regional centers for the preparation and support of principals as leaders of school reform;

“(C) efforts to increase the portability of teacher pensions and reciprocity of teaching credentials across State lines;

“(D) research, evaluation, and dissemination activities related to effective strategies for increasing the portability of teachers’ credited years of experience across State and school district lines;

“(E) the development and implementation of national or regional programs to—

“(i) recruit highly talented individuals to become teachers, through alternative routes to certification or licensing, in schools served by high-poverty local educational agencies; and

“(ii) help retain the individuals for more than 3 years as classroom teachers in schools served by the local educational agencies; and

“(F) the establishment of partnerships of high-poverty local educational agencies, teacher organizations, and local businesses, in order to help the agencies attract and retain high-quality teachers and principals through provision of increased pay, combined with reforms to raise teacher performance including use of regular, rigorous peer evaluations and (where appropriate) student evaluations of every teacher;

“(3)(A) shall carry out a national evaluation, not sooner than 3 years after the date of enactment of the Affordable Education Act of 1999, of the effect of activities carried out under this title, including an assessment of changes in instructional practice and objective measures of student achievement; and

“(B) shall submit a report containing the results of the evaluation to Congress;

“(4) shall annually submit to Congress a report on the information contained in the State reports described in section 2022; and

“(5) may 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 grant or contract, on a competitive basis, to an entity to establish and operate an Eisenhower National Clearinghouse for Mathematics and Science Education (referred to in this section as ‘the Clearinghouse’).

“(b) AUTHORIZED ACTIVITIES.—

“(1) APPLICATION AND AWARD BASIS.—

“(A) IN GENERAL.—An 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 reasonably require.

“(B) PEER REVIEW.—The Secretary shall establish a peer review panel to make recommendations on the recipient of the award for the Clearinghouse.

“(C) BASIS.—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 schools and secondary schools as the Secretary finds appropriate, and give priority to maintaining 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 subparagraph (A) to the public, State educational agencies, local educational agencies, and schools (particularly high-poverty, low-performing schools), including dissemination through the maintenance of an interactive national electronic information management and retrieval system accessible through the World Wide Web and other advanced communications technologies;

“(C) coordinate activities with entities operating other databases containing mathematics and science curriculum and instructional materials, including Federal, non-Federal, and, where feasible, international databases;

“(D) using not more than 10 percent of the amount awarded under this section for any fiscal year, participate in collaborative meetings of representatives of the Clearinghouse and regional mathematics and science education consortia to—

“(i) discuss issues of common interest and concern;

“(ii) foster effective collaboration and cooperation in acquiring and distributing instructional materials and programs; and

“(iii) coordinate and enhance computer network access to the Clearinghouse and the resources of the regional consortia;

“(E) support the development and dissemination of model professional development and mentoring materials for mathematics and science education;

“(F) contribute materials or information, as appropriate, to other national repositories or networks; and

“(G) 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 materials or 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) CONSTRUCTION.—Nothing in this section shall be construed to allow the use or copying, in any medium, of any material collected by the Clearinghouse that is protected under the copyright laws of the United States unless the Clearinghouse obtains the permission of the owner of the copyright.

“(B) COMPLIANCE.—In carrying out this section, the Clearinghouse shall ensure compliance with title 17, United States Code.

“Subpart 3—Transition to Teaching

“SEC. 2041. PURPOSE.

“The purpose of this subpart is to address the need of high-poverty local educational agencies for highly qualified teachers in particular academic subjects, such as mathematics, science, foreign languages, bilingual education, and special education needed by the agencies, by—

“(1) continuing and enhancing the Troops to Teachers model for recruiting and supporting the placement of such teachers; and

“(2) recruiting, preparing, placing, and supporting career-changing professionals who have knowledge and experience that will help the professionals become such teachers.

“SEC. 2042. DEFINITIONS.

“In this subpart:

“(1) PROGRAM PARTICIPANT.—The term ‘program participant’ means a career-changing professional who—

“(A) demonstrates interest in, and commitment to, becoming a teacher; and

“(B) has knowledge and experience that is relevant to teaching a high-need academic subject for a high-poverty local educational agency.

“(2) SECRETARY.—The term ‘Secretary’ means the Secretary of Education, except as otherwise determined in accordance with the agreements described in section 2043(b).

“SEC. 2043. PROGRAM AUTHORIZED.

“(a) AUTHORITY.—Subject to subsection (b), using funds made available to carry out this subpart under section 2003(2)(A) for each fiscal year, the Secretary may award grants, contracts, or cooperative agreements to institutions of higher education and public and private nonprofit agencies or organizations

to carry out programs authorized under this subpart.

“(b) IMPLEMENTATION.—

“(1) CONSULTATION.—Before making awards under subsection (a) for any fiscal year, the Secretary of Education shall—

“(A) consult with the Secretary of Defense and the Secretary of Transportation regarding the appropriate amount of funding needed to carry out this subpart; and

“(B) upon agreement, transfer that amount to the Department of Defense to carry out this subpart.

“(2) AGREEMENT.—The Secretary of Education may enter into a written agreement with the Secretary of Defense and the Secretary of Transportation, or take such other steps as the Secretary of Education determines are appropriate, to ensure effective implementation of this subpart.

“SEC. 2044. APPLICATION.

“Each entity that desires an award under section 2043(a) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

“(1) a description of the target group of career-changing professionals on which the entity will focus in carrying out a program under this subpart, including a description of the characteristics of that target group that shows how the knowledge and experience of the members of the group are relevant to meeting the purpose of this subpart;

“(2) a description of how the entity will identify and recruit program participants;

“(3) a description of the training that program participants will receive and how that training will relate to their certification or licensing as teachers;

“(4) a description of how the entity will ensure that program participants are placed with, and teach for, high-poverty local educational agencies;

“(5) a description of the teacher induction services (which may be provided through induction programs in existence on the date of submission of the application) the program participants will receive throughout at least their first year of teaching;

“(6) a description of how the entity will collaborate, as needed, with other institutions, agencies, or organizations to recruit, train, place, and support program participants under this subpart, including evidence of the commitment of the institutions, agencies, or organizations to the entity’s program;

“(7) a description of how the entity will evaluate the progress and effectiveness of the entity’s program, including a description of—

“(A) the program’s goals and objectives;

“(B) the performance indicators the entity will use to measure the program’s progress; and

“(C) the outcome measures that the entity will use to determine the program’s effectiveness; and

“(8) an assurance that the entity will provide to the Secretary such information as the Secretary determines to be necessary to determine the overall effectiveness of programs carried out under this subpart.

“SEC. 2045. USES OF FUNDS AND PERIOD OF SERVICE.

“(a) AUTHORIZED ACTIVITIES.—Funds made available under this subpart may be used for—

“(1) recruiting program participants, including informing individuals who are potential participants of opportunities available under the program and putting the individuals in contact with other institutions, agencies, or organizations that would train, place, and support the individuals;

“(2) providing training stipends and other financial incentives for program partici-

pants, such as paying for 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 professionals who are changing their careers to teaching;

“(4) providing placement activities, including identifying high-poverty local educational agencies with needs for the particular skills and characteristics of the newly trained program participants and assisting the participants to obtain employment with the local educational agencies; and

“(5) providing post-placement induction or support activities for program participants.

“(b) PERIOD OF SERVICE.—A program participant in a program under carried out under this subpart who completes the participant’s training shall serve in a high-poverty local educational agency for at least 3 years.

“(c) REPAYMENT.—The Secretary shall establish such requirements as the Secretary determines to be appropriate to ensure that program participants who receive a training stipend or other financial incentive under subsection (a)(2), but fail to complete their service obligation under subsection (b), repay all or a portion of such stipend or other incentive.

“SEC. 2046. EQUITABLE DISTRIBUTION.

“To the extent practicable, the Secretary shall make awards under this subpart that support programs in different geographic regions of the Nation.

“Subpart 4—Hometown Teachers

“SEC. 2051. PURPOSE.

“The purpose of this subpart is to support the efforts of high-need local educational agencies to develop and implement comprehensive approaches to recruiting and retaining highly qualified teachers, including recruiting such teachers through Hometown Teacher programs that carry out long-term strategies to expand the capacity of the communities served by the agencies to produce local teachers.

“SEC. 2052. DEFINITION.

“The term ‘high-need local educational agency’ means a local educational agency that serves an elementary school or secondary school located in an area in which there is—

“(1) a high percentage (as determined by the State in which the agency is located) of individuals from families with incomes below the poverty line; or

“(2) a high percentage (as determined by the State in which the agency is located) of secondary school teachers not teaching in the content area in which the teachers were trained to teach.

“SEC. 2053. PROGRAM AUTHORIZED.

“From funds made available to carry out this subpart under section 2003(2)(B) for each fiscal year, the Secretary may award grants to high-need local educational agencies to carry out Hometown Teacher programs and other activities described in this subpart.

“SEC. 2054. APPLICATIONS.

“Each high-need local educational agency that desires to receive a grant under section 2053 shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

“(1) a description of the local educational agency’s assessment of the agency’s needs for teachers, such as the agency’s projected shortage of qualified teachers and the percentage of teachers serving the agency who lack certification or licensure or who are teaching out of field;

"(2) a description of a Hometown Teacher program that the local educational agency plans to develop and implement with the funds made available through the grant, including a description of—

"(A) strategies the agency will use to—

"(i) encourage secondary school and middle school students in schools served by the local educational agency to consider pursuing careers in the teaching profession; and

"(ii) provide support at the undergraduate level to those students who intend to become teachers; and

"(B) the agency's plans to streamline the hiring practices of the agency for participants in the Hometown Teacher program;

"(3) a description of the long-term strategies that the agency will use, if any, to reduce the agency's teacher attrition rate, including providing mentoring programs and making efforts to raise teacher salaries and create more desirable working conditions for teachers;

"(4) a description of the agency's strategy for ensuring that all secondary school teachers and middle school teachers in the school district are fully certified or licensed in an academic subject and are teaching the majority of their classes in the subject in which the teachers are certified or licensed;

"(5) a description of the short-term strategies the agency will use, if any, to address the agency's teacher shortage problem, including the strategies the agency will use to ensure that the teachers that the local educational agency is targeting for employment are fully certified or licensed;

"(6) a description of the agency's long-term plan for ensuring that the agency's teachers have opportunities for sustained, high-quality professional development;

"(7) a description of the ways in which the activities proposed to be carried out through the grant are part of the agency's overall plan for improving the quality of teaching and student achievement;

"(8) a description of how the agency will collaborate, as needed, with other institutions, agencies, or organizations to develop and implement the strategies the agency proposes in the application, including evidence of the commitment of the institutions, agencies, or organizations to the agency's activities;

"(9) a description of the strategies the agency will use to coordinate activities funded under the program carried out under this subpart with activities funded through other Federal programs that address teacher shortages, including programs carried out through grants to local educational agencies under title I or this title, including subpart 3, if the applicant receives funds from the programs;

"(10) a description of how the agency will evaluate the progress and effectiveness of the Hometown Teacher program, including a description of—

"(A) the agency's goals and objectives for the program;

"(B) the performance indicators that the agency will use to measure the program's effectiveness; and

"(C) the measurable outcome measures, such as increased percentages of fully certified or licensed teachers, that the agency will use to determine the program's effectiveness; and

"(11) an assurance that the agency will provide to the Secretary such information as the Secretary determines to be necessary to determine the overall effectiveness of programs carried out under this subpart.

"SEC. 2055. PRIORITY.

"In awarding grants under this subpart, the Secretary may give priority to agencies submitting applications that—

"(1) focus on increasing the percentage of qualified teachers in particular teaching

fields, such as mathematics, science, and bilingual education; and

"(2) focus on recruiting qualified teachers for certain types of communities, such as urban and rural communities.

"SEC. 2056. USE OF FUNDS.

"(a) MANDATORY USE OF FUNDS.—A local educational agency that receives a grant under this subpart shall use the funds made available through the grant to develop and implement long-term strategies to address the agency's teacher shortage, including carrying out Hometown Teacher programs such as the programs described in section 2051.

"(b) PERMISSIBLE USE OF FUNDS.—A local educational agency that receives a grant under this subpart may use the funds made available through the grant to—

"(1) develop and implement strategies to reduce the local educational agency's teacher attrition rate, including providing mentoring programs, increasing teacher salaries, and creating more desirable working conditions for teachers; and

"(2) develop and implement short-term strategies to address the agency's teacher shortage, including providing scholarships to undergraduates who agree to teach in the school district served by the agency for a certain number of years, providing signing bonuses for teachers, and implementing streamlined hiring practices.

"(c) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this subpart shall be used to supplement, and shall not supplant, State and local funds expended to carry out programs and activities authorized under this subpart.

"SEC. 2057. SERVICE REQUIREMENTS.

"(a) IN GENERAL.—The Secretary shall establish such requirements as the Secretary finds to be necessary to ensure that a recipient of a scholarship under this subpart who completes a teacher education program subsequently—

"(1) teaches in a school district served by a high-need local educational agency, for a period of time equivalent to the period for which the recipient received the scholarship; or

"(2) repays the amount of the funds provided through the scholarship.

"(b) USE OF REPAID FUNDS.—The Secretary shall deposit any such repaid funds in an account, and use the funds to carry out additional activities under this subpart."

(b) CONFORMING AMENDMENT.—The Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9301 et seq.) is repealed.

(c) TECHNICAL AMENDMENTS.—

(1) RESTATEMENT OF AUTHORIZATION LANGUAGE.—Part D of title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6671 et seq.) is amended by adding at the end the following:

"SEC. 2307. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part \$3,200,000 for each of fiscal years 1995 through 1999."

(2) CLEARINGHOUSE.—Section 13302(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8672(1)) is amended by striking "section 2102(b)" and inserting "section 2032".

(3) REFERENCES.—Sections 14101(10)(C) and 14503(b)(1)(B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(10)(C) and 8893(b)(1)(B)) are amended by striking "section 2103 and".

**BOXER (AND OTHERS)
AMENDMENT NO. 2873**

Mrs. BOXER (for herself, Mr. SCHUMER, Mr. LEVIN, Mr. JOHNSON, and Mr. ROBB) proposed an amendment to the bill, S. 1134, supra; as follows:

At the appropriate place, add the following:

SEC. . SENSE OF THE SENATE REGARDING A SAFE LEARNING ENVIRONMENT.

(a) FINDINGS.—Congress finds that—

(1) Every school child in America has a right to a safe learning environment free from guns and violence.

(2) Any education measure passed by Congress is undermined by violence in the schools.

(3) The February 29, 2000 shooting at Buell Elementary School in Mount Morris Township, Michigan, is evidence that the tragic gun violence in America's schools continues.

(4) In the last 12 months, there have been at least 50 people killed or injured in school shootings in America.

(5) Every day in America, on average, between 12 and 13 children under the age of 18 die of gunshots from homicides, accidental shootings, and suicides.

(6) In the 10½ months since the shooting at Columbine High School in Littleton, Colorado, the United States Congress has failed to pass reasonable, common-sense gun control measures that would help to make schools safer, improve the learning environment, and stem the tide of gun violence in America.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that before April 20, 2000, Congress shall make schools safe for learning by implementing policies that will reduce the threat of gun violence in schools.

COVERDELL AMENDMENT NO. 2874

Mr. COVERDELL proposed an amendment to amendment No. 2873 proposed by Mrs. BOXER to the bill, S. 1134, supra; as follows:

Strike all after the first work and insert the following:

SENSE OF THE SENATE REGARDING A SAFE LEARNING ENVIRONMENT.

(a) FINDINGS.—Congress finds that—

(1) Every school child in America should have a safe learning environment free from violence and illegal drugs.

(2) Violence and illegal drugs in the schools undermine a safe and secure learning environment.

(3) Any instance of violence or illegal drugs in schools is unacceptable and undermines the efforts of Congress, state and local governments and school boards, and parents to provide American children with the best education possible.

(4) In the last 12 months, there have been at least 50 people killed or injured in school shootings in America.

(5) From 1992 through 1998, the number of referrals made by the Bureau of Alcohol, Tobacco, and Firearms to the Federal Bureau of Investigation for federal firearms prosecutions fell 44%, which resulted in a 40% drop in prosecutions and a 31% decline in convictions, allowing criminals to remain on the streets preying on our most vulnerable citizens, including our children.

(6) From 1996 to 1998, the Justice Department only prosecuted an average of seven persons per year for illegally transferring a handgun to a juvenile.

(7) Since 1992, the percentage of 8th grade students using marijuana, cocaine, and heroin in the past 30 days has increased 162%, 86%, and 50%, respectively, according to the respected Monitoring the Future survey.

(8) The February 29, 2000, shooting at Buell Elementary School in Mount Morris Township, Michigan, is evidence that gun violence in American schools continues, that the drug culture contributes to youth violence, and that the breakdown of the American family has contributed to the increase in violence among American children.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the reauthorization of the Safe and Drug-Free Schools program that Congress soon will be considering should target the elimination of illegal drugs and violence in our schools and should encourage local schools to insist on zero-tolerance policies towards violence and illegal drug use.

**KENNEDY (AND OTHERS)
AMENDMENT NO. 2875**

Mr. KENNEDY (for himself, Mr. BINGAMAN, Mr. REED, and Mr. WELLSTONE) proposed an amendment to the bill, S. 1134, supra; as follows:

Strike section 101 and insert the following:
SEC. 101. FEDERAL PELL GRANTS.

There are appropriated to carry out subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a) \$1,200,000,000, which amount is equal to the projected revenue increase resulting from striking the amendments made to the Internal Revenue Code of 1986 by section 101 of this Act as reported by the Committee on Finance of the Senate.

FEINSTEIN AMENDMENT NO. 2876

Mrs. FEINSTEIN (for herself, Mr. SESSIONS, Mr. BYRD, and Mr. LIEBERMAN) proposed an amendment to the bill, S. 1134, supra; as follows:

At the appropriate place, insert the following:

SEC. ____ . ACHIEVEMENT STANDARDS AND ASSESSMENT OF STUDENT PERFORMANCE.

In order to receive Federal funds under the Elementary and Secondary Education Act of 1965 each local educational agency and State educational agency shall—

(1) require that students served by the agency be subject to State achievement standards in the core curriculum, to be determined by the State, for all elementary through secondary students; and

(2) assess student performance in meeting the State achievement standards at key transition points, such as grades 4, 8, and 12, before promotion to the next grade level.

SEC. ____ . POLICY PROHIBITING SOCIAL PROMOTION.

(a) POLICY.—No education funds appropriated under the Elementary and Secondary Education Act of 1965 shall be made available to a local educational agency in a State unless the State demonstrates to the Secretary of Education that the State has adopted a policy prohibiting the practice of social promotion.

(b) DEFINITION.—In this section, the term “practice of social promotion” means a formal or informal practice of promoting a student from the grade for which the determination is made to the next grade when the student fails to achieve a minimum level of achievement and proficiency in the core curriculum for the grade for which the determination is made.

(c) WAIVER PROHIBITED.—Notwithstanding any other provision of law, the Secretary of Education may not waive the provisions of this section.

KERRY AMENDMENT NO. 2877

Mr. KERRY submitted an amendment intended to be proposed by him to the bill, S. 1134, supra; as follows:

At the appropriate place, add the following:

**TITLE ____—AMENDMENTS TO THE
HIGHER EDUCATION ACT OF 1965**

SEC. ____01. SCHOLARSHIPS FOR FUTURE TEACHERS.

Part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) is amended by adding at the end the following:

“SUBPART 9—SCHOLARSHIPS FOR FUTURE TEACHERS

“SEC. 420L. STATEMENT OF PURPOSE.

“It is the purpose of this subpart to establish a scholarship program to promote student excellence and achievement and to encourage students to make a commitment to teaching.

“SEC. 420M. SCHOLARSHIPS AUTHORIZED.

“(a) PROGRAM AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to States to enable the States to award scholarships to individuals who have demonstrated outstanding academic achievement and who make a commitment to become State certified teachers in elementary schools or secondary schools that are served by local educational agencies.

“(b) PERIOD OF AWARD.—Scholarships under this section shall be awarded for a period of not less than 1 and not more than 4 years during the first 4 years of study at any institution of higher education eligible to participate in any program assisted under this title. The State educational agency administering the scholarship program in a State shall have discretion to determine the period of the award (within the limits specified in the preceding sentence).

“(c) USE AT ANY INSTITUTION PERMITTED.—A student awarded a scholarship under this subpart may attend any institution of higher education.

“SEC. 420N. ALLOCATION AMONG STATES.

“(a) ALLOCATION FORMULA.—From the sums appropriated under section 420U for any fiscal year, the Secretary shall allocate to each State that has an agreement under section 420O an amount that bears the same relation to the sums as the amount the State received under part A of title I of the Elementary and Secondary Education Act of 1965 bears to the amount received under such part A by all States.

“(b) AMOUNT OF SCHOLARSHIPS.—The Secretary shall promulgate regulations setting forth the amount of scholarships awarded under this subpart.

“SEC. 420O. AGREEMENTS.

“The Secretary shall enter into an agreement with each State desiring to participate in the scholarship program authorized by this subpart. Each such agreement shall include provisions designed to ensure that—

“(1) the State educational agency will administer the scholarship program authorized by this subpart in the State;

“(2) the State educational agency will comply with the eligibility and selection provisions of this subpart;

“(3) the State educational agency will conduct outreach activities to publicize the availability of scholarships under this subpart to all eligible students in the State, with particular emphasis on activities designed to assure that students from low-income and moderate-income families have access to the information on the opportunity for full participation in the scholarship program authorized by this subpart; and

“(4) the State educational agency will pay to each individual in the State who is awarded a scholarship under this subpart an amount determined in accordance with regulations promulgated under section 420N(b).

“SEC. 420P. ELIGIBILITY OF SCHOLARS.

“(a) SECONDARY SCHOOL GRADUATION OR EQUIVALENT AND ADMISSION TO INSTITUTION

REQUIRED.—Each student awarded a scholarship under this subpart shall—

“(1) have a secondary school diploma or its recognized equivalent;

“(2) have a score on a nationally recognized college entrance exam, such as the Scholastic Aptitude Test (SAT) or the American College Testing Program (ACT), that is in the top 20 percent of all scores achieved by individuals in the secondary school graduating class of the student, or have a grade point average that is in the top 20 percent of all students in the secondary school graduating class of the student;

“(3) have been admitted for enrollment at an institution of higher education; and

“(4) make a commitment to become a State certified elementary school or secondary school teacher for a period of 5 years.

“(b) SELECTION BASED ON COMMITMENT TO TEACHING.—Each student awarded a scholarship under this subpart shall demonstrate outstanding academic achievement and show promise of continued academic achievement.

“SEC. 420Q. SELECTION OF SCHOLARS.

“(a) ESTABLISHMENT OF CRITERIA.—The State educational agency is authorized to establish the criteria for the selection of scholars under this subpart.

“(b) ADOPTION OF PROCEDURES.—The State educational agency shall adopt selection procedures designed to ensure an equitable geographic distribution of scholarship awards within the State.

“(c) CONSULTATION REQUIREMENT.—In carrying out its responsibilities under subsections (a) and (b), the State educational agency shall consult with school administrators, local educational agencies, teachers, counselors, and parents.

“(d) TIMING OF SELECTION.—The selection process shall be completed, and the awards made, prior to the end of each secondary school academic year.

“SEC. 420R. SCHOLARSHIP CONDITION.

“The State educational agency shall establish procedures to assure that a scholar awarded a scholarship under this subpart pursues a course of study at an institution of higher education that is related to a career in teaching.

“SEC. 420S. RECRUITMENT.

“In carrying out a scholarship program under this section, a State may use not less than 5 percent of the amount awarded to the State under this subpart to carry out recruitment programs through local educational agencies. Such programs shall target liberal arts, education and technical institutions of higher education in the State.

“SEC. 420T. INFORMATION.

“The Secretary shall develop additional programs or strengthen existing programs to publicize information regarding the programs assisted under this title and teaching careers in general.

“SEC. 420U. APPROPRIATIONS.

“There are authorized to be appropriated, and there are appropriated, to carry out this subpart \$10,000,000 for each of the fiscal years 2001 through 2005, of which not more than 0.5 percent shall be used by the Secretary in any fiscal year to carry out section 420T.”

SEC. ____02. LOAN FORGIVENESS AND CANCELLATION FOR TEACHERS.

(a) FEDERAL STAFFORD LOANS.—Section 428J of Higher Education Act of 1965 (20 U.S.C. 1078-10) is amended—

(1) in the matter preceding subparagraph (a) of subsection (b)(1), by striking “for 5 consecutive complete school years”;

(2) by amending paragraph (1) of subsection (c) to read as follows:

“(1) AMOUNT.—

“(A) IN GENERAL.—The Secretary shall repay—

“(i) not more than \$5,000 in the aggregate of the loan obligation on a loan made under section 428 or 428H that is outstanding after the completion of the second complete school year of teaching described in subsection (b)(1); and

“(ii) not more than \$5,000 in the aggregate of such loan obligation that is outstanding after the fifth complete school year of teaching described in subsection (b)(1).”

“(B) SPECIAL RULE.—No borrower may receive a reduction of loan obligations under both this section and section 460.”; and

(3) by adding at the end the following:

“(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, and there are appropriated, to carry out this section \$50,000,000 for each of the fiscal years 2001 through 2005.”.

(b) DIRECT LOANS.—Section 460 of the Higher Education Act of 1965 (20 U.S.C. 1087j) is amended—

(1) in the matter preceding clause (i) of subsection (b)(1)(A), by striking “for 5 consecutive complete school years”;

(2) by amending paragraph (1) of subsection (c) to read as follows:

“(1) IN GENERAL.—The Secretary shall repay—

“(A) not more than \$5,000 in the aggregate of the loan obligation on a Federal Direct Stafford Loan or a Federal Direct Unsubsidized Stafford Loan that is outstanding after the completion of the second complete school year of teaching described in subsection (b)(1)(A); and

“(B) not more than \$5,000 in the aggregate of such loan obligation that is outstanding after the fifth complete school year of teaching described in subsection (b)(1)(A).”; and

(3) by adding at the end the following:

“(i) APPROPRIATIONS.—There are authorized to be appropriated, and there are appropriated, to carry out this section \$50,000,000 for each of the fiscal years 2001 through 2005.”.

WELLSTONE AMENDMENT NO. 2878

Mr. WELLSTONE proposed an amendment to amendment No. 2876 proposed by Mrs. FEINSTEIN to the bill, S. 1134, supra; as follows:

On page 2, after line 23, add the following:

(d) LIMITATION.—

(1) IN GENERAL.—The provisions of this section shall not apply to any child who was not afforded, by the State educational agency or the local educational agency, an opportunity to learn the material necessary to meet the State achievement standards.

(2) OPPORTUNITY.—A child shall not be considered to have been afforded an opportunity to learn under paragraph (1) unless—

(A) the child was taught by fully certified or qualified teachers as defined by the State;

(B) the child's parents had multiple opportunities for parental involvement;

(C) the child had access to high quality instructional materials and instructional resources to ensure that the child had the opportunity to achieve to the highest performance levels, regardless of disability, income, and background;

(D) the child received the services for which the child is eligible under title I of the Elementary and Secondary Education Act of 1965 and the Individuals with Disabilities Education Act;

(E) if necessary, the child received proper bilingual education and special education services; and

(F) the child had the opportunity to receive high quality early childhood education.

DURBIN AMENDMENT NO. 2879

Mr. DURBIN proposed an amendment to the bill, S. 1134, supra; as follows:

At the appropriate place, insert the following:

SEC. . REDUCTION IN SCHOOL VIOLENCE.

(a) SHORT TITLE.—This section may be cited as the “School Violence Act”.

(b) FINDINGS.—Congress finds that—

(1) Every school child in America has a right to a safe learning environment free from guns and violence.

(2) The U.S. Department of Education report on the Implementation of the Gun-Free Schools Act found that 3,930 children were expelled for bringing guns to school during the 1997-98 school year.

(3) Nationwide, 57% of the expulsions were high school students, 33% were in junior high and 10% were in elementary school.

(c) GRANTS.—The Secretary of Education shall award grants to elementary and secondary schools (as such terms are defined in section 14101 of the elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)) to enable such schools to:

(1) develop and disseminate model programs to reduce violence in schools,

(2) educate students about the dangers associated with guns, and

(3) provide violence prevention information (including information about safe gun storage) to children and their parents.

(d) APPLICATION.—To be eligible to receive a grant under subsection (b), an elementary or secondary school shall prepare and submit to the Secretary of Education an application at such time, in such manner, and containing such information as the Secretary may require.

(e) PUBLIC SERVICE ANNOUNCEMENTS.—The Secretary of Education shall provide for the development and dissemination of public service announcements and other information on ways to reduce violence in our Nation's schools, including safe gun storage and other measures.

(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this Act, there are authorized to be appropriated funds of up to \$7,000,000 for fiscal year 2001 and such sums as may be necessary for each of the four succeeding fiscal years.

BOXER AMENDMENT NO. 2880

Mrs. BOXER proposed an amendment to the bill, S. 1134, supra; as follows:

At the end, add the following:

SEC. . PESTICIDE APPLICATION IN SCHOOLS.

(a) IN GENERAL.—Each school that receives Federal funding shall—

(1) take steps to reduce the exposure of children to pesticides on school grounds, both indoors and outdoors; and

(2) provide parents and guardians of children that attend the school with advance notification of certain pesticide applications on school grounds in accordance with subsections (b) and (c).

(b) EPA LIST OF TOXIC PESTICIDES.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency shall distribute to each school that receives Federal funding the current manual of the Environmental Protection Agency that guides schools in the establishment of a least toxic pesticide policy.

(2) LIST.—Not later than 1 year after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall provide each school that receives Federal funding with a list of pesticides that contain a substance that the Administrator has identified as a known or

probable carcinogen, a developmental or reproductive toxin, or a category I or II acute nerve toxin.

(c) PARENTAL NOTIFICATION OF TOXIC PESTICIDE APPLICATIONS IN SCHOOLS.—

(1) IN GENERAL.—On or after the date that is 18 months after the date of enactment of this Act, any school that receives Federal funding shall not apply any pesticide described in paragraph (b)(2) on school grounds, either indoors or outdoors, unless an administrative official of the school provides notice of the planned application to parents and guardians of children that attend the school not later than 48 hours before the application of the pesticide.

(2) NOTICE.—The notice described in paragraph (1)—

(A) shall include—

(i) a description of the intended area of application; and

(ii) the name of each pesticide to be applied; and

(B) shall indicate whether the pesticide is a known or probable carcinogen, a developmental or reproductive toxin, or a category I or II acute nerve toxin.

(3) INCORPORATION OF NOTICE.—The notice described in paragraph (1) may be incorporated in any notice that is being sent to parents and guardians at the time at which the pesticide notice is required to be sent.

ROTH AMENDMENT NO. 2881

Mr. COVERDELL (for Mr. ROTH) proposed an amendment to the bill, S. 1134, supra; as follows:

On page 5, line 10, strike “if” and all that follows through line 12, and insert “if the homeschool operates as a private school or a homeschool under State law.

On page 9, strike lines 18 through 20, and insert the following:

(g) RENAMING EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS AS EDUCATION SAVINGS ACCOUNTS.—

(1) IN GENERAL.—

(A) Section 530 (as amended by the preceding provisions of this section) is amended by striking “education individual retirement account” each place it appears and inserting “education savings account”.

(B) The heading for paragraph (1) of section 530(b) is amended by striking “EDUCATION INDIVIDUAL RETIREMENT ACCOUNT” and inserting “EDUCATION SAVINGS ACCOUNT”.

(C) The heading for section 530 is amended to read as follows:

“SEC. 530. EDUCATION SAVINGS ACCOUNTS.”.

(D) The item in the table of contents for part VII of subchapter F of chapter 1 relating to section 530 is amended to read as follows:

“Sec. 530. Education savings accounts.”.

(2) CONFORMING AMENDMENTS.—

(A) The following provisions are each amended by striking “education individual retirement” each place it appears and inserting “education savings”:

(i) Section 25A(e)(2).

(ii) Section 26(b)(2)(E).

(iii) Section 72(e)(9).

(iv) Section 135(c)(2)(C).

(v) Subsections (a) and (e) of section 4973.

(vi) Subsections (c) and (e) of section 4975.

(vii) Section 6693(a)(2)(D).

(B) The headings for each of the following provisions are amended by striking “EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS” each place it appears and inserting “EDUCATION SAVINGS ACCOUNTS”.

(i) Section 72(e)(9).

(ii) Section 135(c)(2)(C).

(iii) Section 4973(e).

(iv) Section 4975(c)(5).

(h) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2000.

(2) SUBSECTION (g).—The amendments made by subsection (g) shall take effect on the date of the enactment of this Act.

On page 13, line 14, strike "INDIVIDUAL RETIREMENT" and insert "SAVINGS".

On page 15, strike lines 12 through 14, and insert the following:

(e) DEFINITION OF QUALIFIED HIGHER EDUCATION EXPENSES.—

(1) IN GENERAL.—Subparagraph (A) of section 529(e)(3) (relating to definition of qualified higher education expenses) is amended to read as follows:

"(A) IN GENERAL.—The term 'qualified higher education expenses' means—

"(i) tuition and fees required for the enrollment or attendance of a designated beneficiary at an eligible educational institution for courses of instruction of such beneficiary at such institution, and

"(ii) expenses for books, supplies, and equipment which are incurred in connection with such enrollment or attendance, but not to exceed the allowance for books and supplies included in the cost of attendance (as defined in section 472 of the Higher Education Act of 1965 (20 U.S.C. 108711), as in effect on the date of the enactment of the Affordable Education of 2000) as determined by the eligible educational institution."

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

(2) QUALIFIED HIGHER EDUCATION EXPENSES.—The amendments made by subsection (e) shall apply to amounts paid for courses beginning after December 31, 2000.

On page 27, strike lines 5 through 7, and insert the following:

(b) EFFECTIVE DATE.—Subparagraph (E) of section 149(b)(3) of the Internal Revenue Code of 1986, as added by the amendment made by subsection (a), shall take effect upon the enactment, after the date of the enactment of this Act, of legislation expressly authorizing the Federal Housing Finance Board to allocate authority to Federal Home Loan Banks to guarantee any bond described in such subparagraph, but only if such legislation makes specific reference to such subparagraph.

On page 31, after line 7, add the following:
SEC. ____ DISCLOSURE OF FIRE SAFETY STANDARDS AND MEASURES WITH RESPECT TO CAMPUS BUILDINGS.

(a) SHORT TITLE.—This section may be cited as the "Campus Fire Safety Right to Know Act".

(b) AMENDMENT.—Section 485 of the Higher Education Act of 1965 (20 U.S.C. 1092) is amended—

(1) in subsection (a)(1)—

(A) by striking "and" at the end of subparagraph (N);

(B) by striking the period at the end of subparagraph (O) and inserting "; and"; and

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

"(P) the fire safety report prepared by the institution pursuant to subsection (h)."; and

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

"(h) DISCLOSURE OF FIRE SAFETY STANDARDS AND MEASURES.—

"(1) FIRE SAFETY REPORTS REQUIRED.—Each eligible institution participating in any program under this title shall, beginning in academic year 2001-2002, and each year thereafter, prepare, publish, and distribute, through appropriate publications or mailings, to all current students and employees, and to any applicant for enrollment or employment upon request, an annual fire safety

report containing at least the following information with respect to the campus fire safety practices and standards of that institution:

"(A) A statement that identifies each student housing facility of the institution, and whether or not each such facility is equipped with a fire sprinkler system or another equally protective fire safety system.

"(B) Statistics concerning the occurrence on campus, during the 2 preceding calendar years for which data are available, of fires and false fire alarms.

"(C) For each such occurrence, a statement of the human injuries or deaths and the structural damage caused by the occurrence.

"(D) Information regarding fire alarms, smoke alarms, the presence of adequate fire escape planning or protocols (as defined in local fire codes), rules on portable electrical appliances, smoking and open flames (such as candles), regular mandatory supervised fire drills, and planned and future improvement in fire safety.

"(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to authorize the Secretary to require particular policies, procedures, or practices by institutions of higher education with respect to fire safety.

"(3) REPORTS.—Each institution participating in any program under this title shall make periodic reports to the campus community on fires and false fire alarms that are reported to local fire departments in a manner that will aid in the prevention of similar occurrences.

"(4) REPORTS TO SECRETARY.—On an annual basis, each institution participating in any program under this title shall submit to the Secretary a copy of the statistics required to be made available under paragraph (1)(B). The Secretary shall—

"(A) review such statistics;

"(B) make copies of the statistics submitted to the Secretary available to the public; and

"(C) in coordination with representatives of institutions of higher education, identify exemplary fire safety policies, procedures, and practices and disseminate information concerning those policies, procedures, and practices that have proven effective in the reduction of campus fires.

"(5) DEFINITION OF CAMPUS.—In this subsection the term 'campus' has the meaning provided in subsection (f)(6)."

(c) REPORT TO CONGRESS BY SECRETARY OF EDUCATION.—Not later than 1 year after the date of enactment of this Act, the Secretary of Education shall prepare and submit to the Congress a report containing—

(1) an analysis of the current status of fire safety systems in college and university facilities, including sprinkler systems;

(2) an analysis of the appropriate fire safety standards to apply to these facilities, which the Secretary shall prepare after consultation with such fire safety experts, representatives of institutions of higher education, and other Federal agencies as the Secretary, in the Secretary's discretion, considers appropriate;

(3) an estimate of the cost of bringing all nonconforming dormitories and other campus buildings up to current new building codes; and

(4) recommendations from the Secretary concerning the best means of meeting fire safety standards in all college and university facilities, including recommendations for methods to fund such cost.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry, be allowed to meet during the session of the Senate on Thursday, March 2, 2000. The purpose of this meeting will be to discuss risk management/crop insurance and possibly other issues before the Agriculture Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 2, 2000, to conduct a hearing on "Pooling Accounting."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Senate Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, March 2 at 9:30 a.m. to conduct an oversight hearing. The committee will consider the President's proposed budget for FY2001 for the Department of Energy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Senate Committee on Finance be authorized to meet during the session of the Senate on Thursday, March 2, 2000 immediately following the first Senate vote, to consider favorably reporting the nominations to the Internal Revenue Service Oversight Board.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Senate Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, March 2, 2000 at 10 a.m., for a hearing entitled "Cyber Attack: Is the Government Safe?"

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on The Ryan White CARE Act: Meeting the Challenges of an Evolving HIV/AIDS Epidemic during the session of the Senate on Thursday, March 2, 2000, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.