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107TH CONGRESS
1st Session

SENATE

REPORT
107–7

BETTER EDUCATION FOR STUDENTS AND TEACHERS ACT

R E P O R T

OF THE

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS UNITED STATES SENATE

TO ACCOMPANY

S. 1

together with

ADDITIONAL VIEWS

MARCH 28, 2001.—Ordered to be printed

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107TH CONGRESS *1st Session* | SENATE | REPORT 107–7

BETTER EDUCATION FOR STUDENTS AND TEACHERS ACT

MARCH 28, 2001.—Ordered to be printed

Mr. JEFFORDS, from the Committee on Health, Education, Labor, and Pensions, submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany S. 1]

The Committee on Health, Education, Labor, and Pensions, having had under consideration an original bill (S. 1) to extend programs and activities under the Elementary and Secondary Education Act of 1965, and for other purposes, reports favorably thereon and recommends that the bill do pass.

I. PURPOSE AND NEED FOR LEGISLATION

It is the purpose of the Better Education for Students and Teachers (BEST) Act to renew, consolidate, and strengthen programs under the Elementary and Secondary Education Act of 1965 for the next 7 years. The BEST Act represents the most dramatic change in the Elementary and Secondary Education Act (ESEA) over the past several decades, and perhaps the entire 35-year life of the act.

Over that period, ESEA has provided the authority for virtually all Federal support for elementary and secondary education, and ESEA programs currently receive about $18 billion in Federal funding. Nearly half of these funds are used on behalf of disadvantaged children under the title I program. Other important activities supported through ESEA include professional development, technology, reading and literacy, bilingual education, safe and drug-free schools, and impact aid.

Despite the substantial Federal investment over the years, the results have been mixed. Far too many of our students are coming to school ill-equipped to learn, and leaving it having learned far too

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little. Our students rank near the bottom of the industrialized world in international tests of mathematics and science knowledge, and this dismal result disguises an even greater failing.

"The rising tide of mediocrity" described by the 1983 *Nation at Risk* report was and is but a median of mediocrity. Some schools and some students are doing well, offering and taking challenging courses and aspiring to and meeting high standards. But far too many children are not. More than 2 out of 3 children in our inner cities in the 4th grade cannot read at the basic level measured by the National Assessment of Educational Progress.

President George W. Bush has aptly described tolerance of the status quo as "the soft bigotry of low expectations." His blueprint for education reform, *No Child Left Behind,* outlines a fundamental reform of ESEA that would: increase accountability for student performance, focus on what works, reduce bureaucracy and increase flexibility, and empower parents with more information and choices when schools fail.

President Bush has promised that, "Bipartisan education reform will be the cornerstone of my Administration." The Committee on Health, Education, Labor, and Pensions has built a foundation out from that cornerstone that embraces the principles of the President's proposal.

By a unanimous vote, the committee adopted the BEST Act, which will demand greater accountability for student performance, focus Federal support on a few key priorities, provide more flexibility, and require real consequences and wider choices when schools fail our children.

The BEST Act builds on the 1994 reauthorization of ESEA, which reformed title I by requiring States to establish challenging student performance and content standards, as well as assessments aligned to those standards in order to measure student achievement.

The BEST Act would require States to establish content and student performance standards in reading, math, history, and science for all students. In addition, States will have to develop a plan to ensure that all students, including those who are racial or ethnic minorities or from low-income families, become academically proficient over the course of the next decade.

Progress cannot be divorced from measurement. To ensure that all students make progress toward and attain the performance standards developed by a State, the BEST Act would require States to establish a single, statewide accountability system that would report results to parents, educators, and the public.

The central feature of this system will be annual assessments in mathematics and reading for all students in grades 3–8, which must be in place by the school year of 2005–06. In addition, participation in the National Assessment of Educational Progress (NAEP), which is nearly universal among States today, would become mandatory on an annual basis for a sample of 4th and 8th grade students in mathematics and reading.

Good quality assessments are not inexpensive. The BEST Act recognizes the additional demands being placed on States and commits to sharing the burden. The Federal Government would assume the full cost of administering State assessments under NAEP, which is now borne by the States, and would fund the de-

velopment costs of the additional assessments required by the BEST Act. In addition, the BEST Act would ensure that the Federal Government would fund half of the ongoing costs of assessments required under the Act.

The results of these assessments, both for all students and for specific groups of students, will be a valuable tool in educating the public and informing educators. Having 1 set of standards and assessments for all students in a State will enable the public to easily compare results and assist educators in their efforts to continuously improve schools and the education of our children.

If education reform is to succeed, there must be rewards for success and consequences for failure. The BEST Act provides for both. States and schools that demonstrate significant achievement on both a State's assessment and NAEP will be eligible for rewards. States and schools serving our lowest-performing students that fail to make progress will face a series of corrective measures designed to produce better results.

If a school receiving funds under title I fails to make adequate yearly progress as defined by a State for 1 year, it will be designated as needing school improvement. The school will be required to work with the local educational agency to develop a 2-year school improvement plan and, based on the plan, implement changes in curriculum, professional development, and other areas as needed.

If at the end of the 2-year period of the school improvement plan there is still not adequate yearly progress, a school would be designated as needing corrective action. The local educational agency would be required to offer public school choice to students and make alternative governance arrangements, such as replacing some of the school staff.

If 1 additional year passes and progress is still not made, the local educational agency would be required to reconstitute the school by reopening the school as a charter school, replacing the school staff, or making alternative governance arrangements.

A parallel set of actions is required of a State with respect to a failing local educational agency. A school or local educational agency would need to demonstrate 2 consecutive years of progress to be removed from any of the 3 categories described above.

To assist students and schools, the BEST Act makes a substantial new commitment to instruction in reading, mathematics, and science. Support for reading in the early grades is tripled, and a new early reading for children from ages 3–5 is created. Funding for technology programs is consolidated and simplified, and a new mathematics and science partnership program is created by the legislation.

Education reform cannot succeed without an adequate number of well-trained teachers. The BEST Act consolidates funding for the hiring and professional development of teachers to provide the flexibility to best meet local needs for recruiting, retaining, and constantly updating the skills of teachers through high quality professional development, particularly in mathematics and science.

The Federal Government provides only a small fraction of overall funding for elementary and secondary education in the United States. The BEST Act focuses this funding and repeals the authorizations for several smaller programs. In eliminating these smaller

programs, the Act provides greater flexibility to parents, schools, and States to adopt the best approach to improving the education of their children.

But the Federal government must insist that, whatever the level of its investment in education, it must receive the highest return possible in the currency of well-educated children, especially those who are from low-income or minority families. President Bush has rightly challenged us to "leave no child behind." The committee has begun the process of demonstrating that Congress is equal to the challenge.

II. SUMMARY

TITLE I—B BETTER RESULTS FOR DISADVANTAGED CHILDREN

Part A—Basic programs

Overview

The purpose of this title is to improve student achievement, student performance, and school success by including tough accountability provisions, expanding resources, improving technical assistance, and providing mechanisms for turning around failing schools within 3 years. The last reauthorization of title I, which occurred in 1994, made major changes in the program regarding standards, assessment, and professional development. The provisions contained in the BEST proposal build upon and significantly expand the 1994 changes. These new provisions are outlined below.

New Provisions of Part A

State Plan: New provisions include—

Coordination: Title I activities will be coordinated with activities in other Federal education programs, including the Individuals with Disabilities Education Act, and the Carl D. Perkins Vocational and Technical Education Act.

Accountability: Each State plan will be required to implement a single, statewide accountability system which will be used for all schools or local educational agencies within the State. This system will have to include performance indicators for local educational agencies and schools to measure student performance. In addition, the State system will also have to include sanctions and rewards which will be used to hold local educational agencies and schools accountable for making adequate yearly progress in the areas of student achievement and performance.

Adequate Yearly Progress: The State will define adequate yearly progress using the following criteria—applying the same high standards of academic performance to all students, the measures used to determine the progress must be statistically valid and reliable, results must show continuous and substantial improvement for all students on an annual basis, the progress of schools and local educational agencies must be based on assessments, measuring student achievement and performance will include all students and will be disaggregated by race, ethnicity, gender, disability status, migrant status, English proficiency, and socioeconomic status (this is not required in any case in which the number of students in a category is insufficient to yield statistically re-

liable information or the results would reveal individually identifiable information about an individual student), and establishing a timeline for ensuring that all students meet or exceed the State's proficient performance level on the State assessment within 10 years.

Assessments: Each State plan will demonstrate, in consultation with the local educational agencies, that the State has in place, by the school year 2005–06, a system of high quality, yearly student assessments in subjects, that include, at a minimum math, reading or language arts, and science (science assessments must be in place at the beginning of the 2007–2008 school year). The assessments are to be aligned with the State's content and performance standards. Beginning in school year 2005–06, all students in grades 3 through 8 must be tested annually in mathematics and reading or language arts. The Secretary of Education may provide the State 1 additional year if the State demonstrates that exceptional or uncontrollable circumstances prevented full assessment implementation. The Federal government will be required to pay all development costs associated with the new State assessment requirements and will be required to pay 50 percent of all State implementation costs. If the required Federal funding share is not appropriated, States will not have to comply with the new assessment requirements. States will also be required to produce individual student reports, which will be given to all parents, regarding the assessment scores or other information related to student performance.

NAEP: Beginning in school year 2002–03, each State will be required to participate in annual State assessments of 4th and 8th grade reading and math under the National Assessment of Educational Progress if the Secretary of Education pays the costs of administering such assessments. No sanctions would be levied against a State based solely on the results of its NAEP assessment.

Parental Involvement: Each State plan will describe how the State will disseminate effective parental involvement practices to local educational agencies and schools.

Penalty: If a State fails to meet the statutory deadlines for demonstrating it has in place challenging content and student performance standards, and a system for measuring and monitoring adequate yearly progress, the Secretary will withhold funds for State administration.

Report Cards: Beginning in the 2002–03 school year, any State and local educational agency receiving funding under the Better Education for Students and Teachers Act will be required to prepare and disseminate an annual State report card. Any State or local educational agency that has been providing report cards (prior to enactment of BEST) may continue to use those same report cards if they are modified to contain the information required under BEST. The required information includes: disaggregated student data, the number and names of each school identified for school improvement, and student assessment results. This information must be presented in a manner that parents can understand.

Annual State Report to the Secretary: Each State must report annually to the Secretary its progress in development an implementing required assessments, the number and names of each school identified for school improvement, the reason why such school was so identified, and the measure taken to address the per-

formance problems of such school, in addition to the information required in the report cards.

Parents Right To Know: Each local educational agency receiving title I funding will, upon request from parents, provide information regarding the professional qualifications of the student's classroom teachers. In addition, each school receiving title I funding must provide parents with information on the level of performance of their children in each State assessment. All information provided to parents must be in an understandable and uniform format.

Local Educational Agency Plan: New provisions include—

Coordination: Title I activities will be coordinated with activities in other Federal education programs including the Individuals with Disabilities Education Act, the Carl Perkins Vocational and Technical Education Act, and the Head Start Act.

Assurances: Several new assurances have been included within the local educational agency plan. Each local educational agency (LEA) plan will:

(a) undertake activities so that each school can make adequate yearly progress;

(b) fulfill school improvement responsibilities;

(c) coordinate with other agencies providing services to children, youth, and families;

(d) ensure that low-income students and minority students are not taught at higher rates than other students by unqualified, out-of-field, or inexperienced teachers;

(e) use the results of student assessments and other measures to annually review the progress of each school; and

(f) work with schools in the development and implementation of parental involvement and professional development activities.

Schoolwide Programs: New provisions include—

Eligibility: A local educational agency may use funds for a schoolwide program to upgrade its entire educational program if the LEA serves an eligible school attendance area in which not less than 40 percent of the children are from low-income families or not less than 40 percent of the children enrolled in the school are from such families.

Fiscal Accounting: Any school that is using funds from more than one Federal education program in the operation of its schoolwide program will not be required to maintain separate fiscal accounting records by program, so long as the school maintains records that demonstrate the schoolwide program addresses the intent and purpose of each Federal program for which funding is consolidated.

Pupil Safety and Family School Choice: New provisions include—

Conditions for student participation are:

(a) any title I student who is a victim of a violent criminal offense on public school grounds will be allowed to transfer to another public school or charter school in the same State, unless allowing such transfer is prohibited under State or local law; or

(b) if the school the student attends receives title I funds and the school has been designated as unsafe, then the local edu-

cational agency may allow such student to transfer to another public or charter school in the same State.

State Educational Agency Role: The State educational agency will determine, based on State law, what constitutes a violent offense and will determine the schools that are unsafe public schools.

Transportation Costs:

(a) the local educational agency serving the school in which a violent criminal offense occurred or which is determined to be unsafe may use title I funds for the transportation costs of a student who transfers to another school.

(b) the amount of assistance provided for transportation with title I funds may not exceed the per pupil costs for elementary or secondary students as provided by the local educational agency that serves the school involved in the transfer.

Assessment and Local Educational Agency and School Improvement: New provisions include—

Local Review: Each local educational agency receiving title I funds will: use the State assessments described in the State plan; review the annual progress of each school served to determine whether the school is making adequate progress in meeting the State standards; provide the results of the local annual review to schools so the schools can refine their instruction program; and annually review the effectiveness of parental involvement activities.

School Improvement:

(a) Identification—A local educational agency will identify for school improvement any elementary or secondary school participating in title I, part A activities that—

(i) fails, for any year, to make adequate yearly progress as defined in the State's plan; or

(ii) was in school improvement status on the day preceding the date of enactment of the BEST Act.

(b) Review Opportunity—Before identifying an elementary school or a secondary school for school improvement, the local educational agency will provide the school with an opportunity to review the data on which the identification was based.

(c) School Plan—Each school identified for school improvement, within 3 months after being identified, must develop a 2–year school plan, in consultation with parents, school staff, the local educational agency serving the school, the local school board, and other experts. The plan will contain the following key elements:

(i) scientifically based research strategies that strengthen the core academic subjects;

(ii) policies and practices that have the greatest likelihood of ensuring that all students will meet the State's proficient level of performance on the State assessment within 10 years after enactment of BEST;

(iii) an assurance that the school will reserve not less than 10 percent of the funds made available to the school for professional development;

(iv) the responsibilities of the school, the local educational agency, and the State educational agency serving the school;

(v) strategies to promote effective parental involvement.

(d) Technical Assistance—For each school identified for school improvement, the local educational agency serving such school will provide technical assistance.

(e) Parental Notification—A local educational agency will provide to parents of each student enrolled in a school identified for school improvement: an explanation of what the school improvement identification means; the reasons for the identification; an explanation of what the school, local educational agency, or the State educational agency is doing to address the problem; and an explanation of how parents can become involved in addressing issues.

(f) Corrective Action Implementation—After providing technical assistance to a school identified for school improvement, the local educational agency will take corrective action for any school within the local educational agency that—

(i) fails to meet adequate yearly progress at the end of the second year after which the school has been identified as needing improvement; or

(ii) was in program-improvement status for 2 years or in corrective action status on the day preceding enactment of this bill;

(g) Corrective Action Policies—After a school is identified as needing improvement, the local educational agency will—

(i) provide all students enrolled in the school with the option to transfer to another public school within the local educational agency, including a public charter school that is not in need of school improvement, unless: such an option is prohibited by State law or local law; or the local educational agency demonstrates that the local educational agency lacks the capacity to provide that option to all students in the school who request the transfer; and

(ii) take at least 1 of the following corrective actions: make alternative governance arrangements; replace the relevant school staff; or institute and fully implement a new curriculum.

(h) Corrective Action Exemption—A local educational agency may delay, for up to 1 year, implementation of corrective action if the school's failure to make adequate yearly progress was due to exceptional or uncontrollable circumstances.

(i) Reconstitution—If, after 1 additional school year, a school subject to corrective action continues to fail to make adequate yearly progress, the local educational agency will—

(i) provide all enrolled students in the school with the option to transfer to another public school within the local educational agency, including a public charter school, not identified for school improvement; and

(ii) prepare a plan and make arrangements for implementing alternative governance arrangements for the school.

(j) Reconstitution Transportation and Duration—The local educational agency will pay for transportation as a result of corrective action and reconstitution, but the payments will not exceed 15 percent of the local educational agency's allocation under title I, part A. If any school identified for reconstitution makes adequate yearly progress for 2 consecutive years, then

the local educational agency will no longer be required to subject the school to corrective action.

(k) State Educational Agency (SEA) Responsibilities—The State educational agency will provide technical assistance to all identified schools needing school improvement and corrective action.

(l) State Review and Local Educational Agency Improvement—A State educational agency will annually review each local educational agency receiving title I, part A funds to determine its progress and to determine the effectiveness of its professional development and parental involvement activities.

(m) State Rewards—If a local educational agency has met or exceeded the State's definition of adequate yearly progress, the State may make rewards for individual schools within the local educational agency meeting or exceeding expectations.

(n) State Identification—A State educational agency will identify for improvement any local educational agency that for 2 consecutive years is not making adequate yearly progress. Before identifying a local educational agency, the State educational agency will provide the local educational agency with an opportunity to review the data.

(o) Local Educational Agency Revisions—Each local educational agency identified as needing improvement will revise their plan to: address yearly progress requirements; incorporate scientifically based research strategies; address professional development needs, and parental notification about the local educational agency's need for improvement.

(p) State Educational Agency Technical Assistance Responsibility—For each local educational agency needing improvement, the State educational agency will provide technical assistance to the local educational agency. Such assistance must be supported by scientifically based research instructional strategies and must address any problems the local educational agency may be having in implementing parental involvement and professional development activities.

(q) State Educational Agency Corrective Action—After providing technical assistance and taking other measures, the State educational agency may take corrective action at any time against a local educational agency identified as needing improvement. However, during the fourth year following identification, the State educational agency will take action against any local educational agency that still fails to make adequate yearly progress.

(r) State Educational Agency Required Action—Each State educational agency will implement at least one of the following corrective actions:

(i) instituting and implementing a new curriculum;

(ii) restructuring the local educational agency;

(iii) developing and implementing a joint plan between the State educational agency and the local educational agency that addresses student performance problems;

(iv) reconstituting school district personnel;

(v) making alternative governance arrangements.

(s) State Educational Agency Allowable Action—Each State educational agency may take 1 of the following corrective actions:

(i) deferring, reducing, or withholding funds;

(ii) restructuring or abolishing the local educational agency;

(iii) removal of particular schools from the local educational agency jurisdiction;

(iv) appointment by the State educational agency of a receiver or a trustee to oversee the local educational agency.

(t) State Hearing—Prior to corrective action implementation, the State educational agency will provide the local educational agency with the opportunity to hold a hearing.

(u) Parental Notification—The State educational agency will notify parents about any corrective action the State educational agency may take.

(v) Delay—A State educational agency may delay, for 1 year, implementation of corrective action if the State educational agency determines that the schools within the local educational agency will meet the State's improvement criteria within 1 year.

(w) Special Rule—If local educational agencies that for at least 2 of the 3 years following identification make adequate progress toward meeting the State's standards, then those agencies no longer need to be identified for improvement.

Early Childhood Education: A local educational agency may use title I, part A funds for preschool services. Early childhood education programs may jointly operate with Even Start, Head Start, or State-funded preschool programs.

Funding: A funding level of $15 billion is authorized for part A for fiscal year 2002.

Part B—Literacy for children and families

Subpart 1—William F. Goodling Even Start Family Literacy programs

The William F. Goodling Even Start Family Literacy program is designed to improve the educational opportunities for low-income families by integrating early childhood, adult basic education, and parenting education into a unified family literacy program. The Secretary of Education awards grants to State educational agencies through a formula allocation. The State educational agencies distribute the funds to local educational agencies that form a collaboration with a community based organization, an institution of higher education, or another agency or nonprofit organization. This collaboration will provide joint education programs to serve children and their parents.

Even Start program services must include adult literacy instruction, early childhood education, instruction to help parents support their child's education, staff training, and home-based instruction. Child care and transportation may be provided if these services are necessary and other funding sources are not available.

Even Start grants are geared for areas with high rates of: poverty, illiteracy, unemployment, families of limited-English pro-

ficiency, or disadvantaged children. Grants are awarded for a 4-year period and may be renewed for up to 4 additional years.

In 2000, Congress amended the Even Start law by passing the Literacy Involves Families Together (LIFT) Act as part of the fiscal year 2001 omnibus appropriations bill (Public Law 106–554.)

The following amendments were made to Even Start:

(a) extended the authorization for the program through fiscal year 2006;

(b) increased the fiscal year 2001 authorization to $250 million;

(c) strengthened the accountability requirements for local projects;

(d) encouraged the use of family literacy in title I schools; and,

(e) set standards for Even Start staff who are providing instructional services.

A funding level of $250 million is authorized for fiscal year 2002.

Subpart 2—Reading first

It is the purpose of this subpart to provide assistance to States, local educational agencies, schools, and teachers to help all children in kindergarten through third grade become proficient readers by the end of third grade.

The Secretary is authorized to distribute 75 percent of the funds to the States and the District of Columbia based on the formula for title I, part A. The remaining 25 percent of funds are to be distributed to the States on a competitive basis. The competitive grants are to be made based primarily on a State's demonstration of significant progress in helping all children read at a proficient level. State applications for both the formula and competitive funds are subject to a peer review process that is described in the bill. With funds from both sources, a State must distribute funds to local educational agencies through a competitive process. The bill contains criteria describing which local educational agencies are eligible to apply to the State.

Funds are also reserved for the Secretary to provide technical assistance to the States and to evaluate the programs supported by this subpart and for the National Institute for Literacy to disseminate information about reading research and effective programs supported under this subpart.

This new program builds upon the Reading Excellence Act, which has provided competitive grants to states for similar purposes. As in the Reading Excellence Act, all reading-related activities supported with these funds must be based on "scientifically based reading research," as this term is defined in the bill. The bill defines how funds can be used at the local level, including: purchasing, implementing, or developing diagnostic reading assessments, professional development, materials (including reading materials), training of tutors, and assisting parents to support their children's reading development.

States are authorized to use up to 20 percent of the funds they receive under the formula grants for professional development, technical assistance, and administering the program.

A funding level of $900 million is authorized for subpart 2 in fiscal year 2002.

Subpart 3—Early reading first

It is the purpose of this subpart to demonstrate effective approaches for improving the early language and literacy skills of children aged 3 through 5. The Secretary is authorized to award 4-year competitive grants to local education agencies, organizations serving preschool age children, or combinations of such agencies and organizations.

An eligible applicant must to apply to the Secretary to receive funding under this program, and the bill contains several required elements of an application. The Secretary would award grants on the basis of a peer review process. The National Institute for Literacy, with funding it receives under the Reading First proposal, would disseminate information regarding effective programs funded under this subpart.

The Secretary of Education is authorized to reserve funds from the amount appropriated for this subpart to carry out an evaluation of the funded projects and carry out research on language and literacy development for children aged 3 through 5.

A funding level of $75 million is authorized for subpart 3 in fiscal year 2002.

Part C—Education of migratory children

The Migrant Education program provides grants to State educational agencies to develop or improve educational programs for migrant students. Most migrant programs are administered by local educational agencies and operate during both the regular school year and in the summer. Priority for services is given to current migrant students and to students who are failing, or at greatest risk of failing, to meet State performance standards.

Funds are distributed through a formula which is based on the number of migrant children residing in the State. The number is then adjusted to the average per-pupil expenditure for both the State and the United States.

The bill builds upon current law to ensure that migratory children have the opportunity to attain high levels of educational excellence. The bill:

(a) includes language ensuring that migratory children who move among the States are not penalized in any manner by disparities, among the States in curriculum, graduation requirements, and State student performance and content standards;

(b) adds a provision which ensures that migratory children receive full and appropriate opportunities to meet the same challenging State standards that all children are expected to meet;

(c) includes a requirement to have joint planning efforts between migrant education programs and bilingual education;

(d) includes provisions emphasizing the importance of parental involvement and the parent advisory councils;

(e) establishes an information system for electronically exchanging migrant student information which may include: immunization records and other health information; elementary and secondary academic history; credit accrual; State assessment results; other academic information essential to ensuring that migrant children achieve high standards; and eligibility

for services under the Individuals with Disabilities Education Act; and

(f) requires schools which receive Federal migrant education funding, even those which have chosen to participate in schoolwide programs, to first attend to the very special needs of this population which are a direct result of their migratory lifestyle by funding services and activities which will help them participate effectively in school, before putting migrant education funds into schoolwide programs.

A funding level of $400 million is authorized for fiscal year 2002 to carry out part C activities.

Part D—Initiatives for neglected, delinquent, or at-risk students

This program primarily serves youth who have been assigned to institutional facilities. The purpose of the program is to provide those youth with the opportunity to make a successful transition from institutionalization to further schooling or employment. A funding level of $50 million is authorized for part D for fiscal year 2002.

Part E—Evaluations and demonstrations

The BEST Act retains current law provisions. A funding level of $35 million is authorized for evaluations and demonstrations for fiscal year 2002.

Part F—21st Century Community Learning Centers

The 21st Century Community Learning Centers program provides grant support to rural and inner city public elementary or secondary schools, or consortia of such schools, to plan, implement, or expand projects that benefit the educational, health, social service, cultural, and recreational needs of a rural or inner-city community. The BEST bill makes some revisions to current law by placing an emphasis on academic enrichment programs and also allowing community based organizations and units of general purpose local government to be awarded grants along with local educational agencies. The grant process would continue to be a competitive process. A funding level of $1.5 billion is authorized for part F for fiscal year 2002.

Part G—Comprehensive School Reform

The BEST Act includes the Comprehensive School Reform program, often referred to as "Obey-Porter." It authorizes the Secretary to award grants to State educational agencies by formula to enable them to make competitive grants to local educational agencies to carry out scientifically based research programs that emphasize academics and parental involvement. A funding level of $250 million is authorized for part G for fiscal year 2002.

Part H—School dropout prevention

Part H authorizes 2 activities designed to provide for school dropout prevention and reentry. Subpart 1 provides for a Coordinated National Strategy under which the Secretary of Education is authorized to conduct national activities including: (1) data collection regarding participation in Federal dropout prevention and school reentry programs; (2) establishment of an interagency working

group to address dropout prevention and school reentry issues; and (3) creation of a national recognition program for schools that have made extraordinary progress in lowering dropout rates. Ten percent of the funding made available for part H is allocated for subpart 1 activities.

Subpart 2 provides for a National School Dropout Prevention Initiative to provide assistance to States. If the sum that is appropriated is less than $250 million, then the Secretary of Education will use such an amount to award grants on a competitive basis, to State educational agencies. If the amount appropriated is equal to or exceeds $250 million, then the Secretary will allocate funds to the States through the formula established under title I, part A. States are to use subpart 2 funds to award grants to public middle or secondary schools that have the highest dropout rates in the State for the purpose of supporting dropout prevention programs. Ninety percent of the funding made available for part H is allocated for subpart 2 activities.

A State receiving part H funds must provide dropout rate information to the Secretary, establish attendance-neutral funding policies, and adopt suspension and expulsion policies.

A funding level of $250 million is authorized for part H for fiscal year 2002.

Education for Homeless Children and Youth

The Education for Homeless Children and Youth program, authorized as Subtitle B of the Stewart B. McKinney Homeless Assistance Act, is extended through fiscal year 2008. The program provides for: the establishment of Offices of Coordinator of Education of Homeless Children and Youth in States; the development and implementation of State plans for the education of homeless children; and support to local educational agencies for the education of these children. The reauthorization bill strengthens provisions of the current law designed to avoid segregating homeless students, to maintain a child's attendance at his or her school or origin, to avoid enrollment delays, and to assure that the quality of an application is considered in the provision of subgrants to local educational agencies. A funding level of $70 million is authorized for fiscal year 2002.

TITLE II—TEACHERS

Part A—Teacher quality

Part A of title II consolidates funds and authorities from the existing Eisenhower Professional Development and Class Size Reduction programs in order to provide greater flexibility for States and localities in meeting their specific needs related to the professional development, recruitment, and hiring of highly qualified teachers.

Definitions: "Professional development" is strictly defined in the bill in order to assure that professional development activities supported under part A are an integral part of educational improvement plans, are sustained, are tied to State standards, and are based on the best available research. "Highly qualified" as the term pertains to teachers is also defined.

State and Local Grant Funds: States will be held harmless at their fiscal year 2001 funding allocations under the current Eisen-

hower and the Class Size Reduction programs. Remaining funds will be distributed by a formula based 50 percent on poverty and 50 percent on population. A State may reserve 5 percent of funds for State-level activities and local partnership activities, and the remaining 95 percent of funds must be distributed by formula to local educational agencies.

State Activities: States may use funds for a range of activities relating to the certification, recruitment, professional development, and support of teachers. Examples of such activities include: reforming teacher certification or licensing requirements; addressing alternative routes to State certification of teachers; recruiting teachers and principals; providing professional development activities to ensure that teachers are able to use State standards and assessments to improve instruction; and reforming tenure systems.

Local Activities: Local educational agencies may use funds for the professional development, recruitment, or hiring of teachers. To receive funds, the local educational agency must assess its needs for professional development and hiring and develop an evaluation plan.

Local Accountability: The evaluation plan of a local educational agency must include performance objectives related to: student achievement, participation in professional development activities, teacher retention, and decreased use of out-of-field teachers. The local educational agency must report annually to the State regarding its progress and will receive technical assistance from the State if it fails to make progress by the end of the third year of funding. If the local educational agency does not make progress by the end of 5 years, it will be ineligible for part A funding for 2 years. Funds which would otherwise be allocated to the local educational agency will be used instead by the State to assist the agency to meet performance objectives.

Local Partnerships: The funds reserved for local partnerships will be awarded competitively by the State agency for higher education, working in conjunction with the State educational agency. Eligible partnerships must include a private or State institution of higher education and the division of that institution that prepares teachers; a school of arts and sciences; and a high-need local educational agency. Eligible partnerships may also include other entities. Partnerships are to use funds for professional development for teachers, paraprofessionals and, if appropriate, principals. Activities must be coordinated with title II of the Higher Education Act, if applicable.

National Activities: The BEST Act authorizes support for 5 national activities:

(1) School Leadership Initiative: This program will ensure that funds for professional development will be available to principals, superintendents, and others to enhance their leadership and management skills.

(2) Advanced Certification or Credentialing: This program provides funds to the National Board for Professional Teaching Standards to make grants to State educational agencies, local educational agencies, and individuals to promote outreach, recruit teachers, or provide for teacher subsidies.

(3) Troops-to-Teachers: This program has proven to be effective in recruiting former military personnel as classroom teachers.

(4) Transition to Teaching: This program will help recruit, prepare, and support mid-career professionals to become highly qualified teachers.

(5) National Teacher Recruitment Campaign: This program will support a national Public service campaign concerning the resources for and routes to entering teaching.

Funding: A funding level of $3 billion is authorized for this part for fiscal year 2002, of which $100 million will be available to carry out national activities. A separate authorization of $3 million in fiscal year 2002 is provided for a National Teacher Recruitment Campaign.

Part B—Mathematics and science partnerships

Part B includes new initiatives designed to improve student achievement in the areas of mathematics and science by strengthening the training and recruitment of highly qualified math and science teachers.

Subpart 1—Mathematics and science partnerships

Grant Awards to Partnerships: Subpart 1 authorizes the award of 5-year competitive, matching grants to partnerships linking the math and science departments of institutions of higher education with States and local school districts. Priority is given to partnerships involving a high-need local educational agency. The Federal share is 75 percent in year 1, 85 percent in year 2, and 50 percent in years 3 through 5.

Application Requirements: Applications must include: an assessment of needs for teacher quality and professional development for all participating entities; a description of how activities will be aligned with State and local standards; and a description of how activities will be based on a review of relevant research. Applications must also include an evaluation and accountability plan which includes objectives and measures for improved student performance; increased student participation in advanced courses; increased percentages of secondary school classes in math and science taught by teachers with academic majors in those subjects; and increased numbers of math and science teachers who participate in content-based professional development activities

Partnership Activities: An eligible partnership shall use grant funds for 1 or more of the following activities: developing more rigorous math and science curricula aligned to State and local standards and with the standards expected for postsecondary study in mathematics and science, respectively; creating opportunities for enhanced and ongoing professional development; recruiting math and science majors to teaching; promoting strong teaching skills for math and science teachers and teacher educators; establishing math and science summer workshops or institutes for teachers; establishing distance learning programs for math and science teachers; designing programs to prepare a teacher to provide professional development to other teachers and novice teachers; and designing programs to bring teachers into contact with working scientists.

Accountability: Grant recipients must report annually to the Secretary regarding their progress in meeting performance objectives. If the Secretary determines that a grantee is not making substantial progress in meeting those objectives by the end of the third year of the grant, then no further grant payments will be made.

Funding: A funding level of $500 million is authorized for this subpart for fiscal year 2002.

Subpart 2—Eisenhower Clearinghouse for Mathematics and Science Education

Subpart 2 of part B provides for the continuation of the Eisenhower Clearinghouse for Mathematics and Science Education. The functions of the Clearinghouse are expanded to include the development of an Internet-based site offering a search mechanism and including electronic links to users and providers of instructional materials and programs. Not later than 2 years after the enactment of this Act, the National Academy of Sciences is to conduct a study of the Clearinghouse and submit its report to Congress. A funding level of $5 million is authorized for this subpart for fiscal year 2002.

Subpart 3—Preparing tomorrow's teachers to use technology

Grant Awards to Consortia: This subpart authorizes 5–year competitive grants to consortia to support programs preparing teachers to use technology effectively. Funds must be used to create programs that enable prospective teachers to use advanced technology to create learning environments where all students are prepared to meet challenging State standards. The Federal share of any project shall not exceed 50 percent.

Consortia: Eligible consortia must include at least 1 institution of higher education that offers a baccalaureate degree and prepares teachers for their initial entry into teaching, at least 1 State or local educational agency, and 1 or more of: a second institution of higher education, a school or department of education at an institution of higher education, a school or college of arts and sciences at an institution of higher education, a professional association, foundation, museum, library, for-profit business, public or private nonprofit organization, community-based organization, or other entity with the capacity to contribute to the technology-related reform of teacher preparation programs.

Use of Funds: Consortia must use the funds to create programs that enable prospective teachers to use advanced technology to create learning environments conducive to preparing all students to meet standards and to evaluate the effectiveness of the project. The Act includes a number of permissive uses of funds as well.

Funding: A funding level of $150 million is authorized for this subpart for fiscal year 2002.

Subpart 4—General provisions

Subpart 4 of part B provides that the Secretary of Education must consult and coordinate activities under part B with the Director of the National Science Foundation, particularly with respect to the most appropriate and effective role each of their agencies can play with respect to summer workshops or institutes.

Part C—State and local programs for technology use in the classrooms

Part C consolidates several Federal educational technology programs into a single funding authority in order to provide States and localities with greater flexibility in meeting their specific technology needs.

Purpose: Part C is intended to support a comprehensive system to use technology effectively in elementary and secondary schools to improve student academic achievement and performance. The goal of the part is to assist every child in crossing the digital divide by ensuring that every child is technologically literate by the time the child finishes the 8th grade.

State and Local Grant Funds: The Secretary, through the Office of Educational Technology, awards grants to State educational agencies to be used for competitive grants to local educational agencies. The Secretary shall reserve sufficient funds to maintain grants awarded under the National Challenge Grants for Technology in Education prior to the enactment of the Better Education for Students and Teacher Act. Each State educational agency will receive a grant based on the title I formula. A grant recipient under part C may use no more than 5 percent of grant funds for administrative costs or technical assistance. At least 30 percent of local educational agency funds must be used for professional development.

State Activities: A State educational agency must submit a statewide educational technology plan that outlines long-term strategies for improving student performance and achievement through the effective use of technology, for financing and coordinating technology education in the State, and for enabling the State educational agency to assist local educational agencies with the highest numbers or percentages of children in poverty and which demonstrate the greatest need for technology. The State educational agency awards competitive grants to local educational agencies with priority given to agencies with the highest numbers or percentages of children in poverty in both rural and urban areas and must provide technical assistance to local educational agencies that most need assistance in developing the application.

Local Activities: A local educational agency must apply, alone or as part of a consortium, to the State educational agency for assistance under part C. Local educational agencies may use part C funds to support school reform efforts, provide ongoing professional development on the integration of technology into the curriculum, acquire connectivity; and provide educational services for adults and families.

Local Accountability: Each local educational agency receiving funds under part C must develop an evaluation and submit an annual report to the State educational agency. If a local educational agency has failed to show measurable improvements in all performance measures by the end of the third year of funding, it will not receive funds for the remaining grant years.

National Technology Plan: The Secretary, in consultation with a wide range of individuals and organizations, must prepare a national long-range plan to support the national technology policy. The plan is to be submitted to the President and to the appropriate committees of Congress and is to be made readily accessible to the

public. The plan must include the Secretary's long-range measurable goals and objectives relating to the purposes of part C and descriptions of the ways in which the Secretary will coordinate efforts to facilitate the effective use of technology to promote increased access to educational opportunities for all students and higher academic achievement and performance in education, training, and lifelong learning.

Funding: A funding level of $1 billion is authorized for part C for fiscal year 2002.

Part D—Portability of teacher pensions and credentials

Part D authorizes the establishment of a 9-member National Panel of Portability of Teacher Pensions and Credentials. Members are to be appointed by the Secretary from among practitioners and experts with experience relating to teacher pensions and credentials. The panel is to study options for increasing reciprocity of recognition of teacher credentials and portability of teacher pensions between States. Such sums as necessary are authorized for fiscal year 2002, to remain available until expended.

TITLE III—MOVING LIMITED ENGLISH PROFICIENT STUDENTS TO ENGLISH FLUENCY

Part A—Bilingual education

The Bilingual Education program is designed to provide educational assistance to students with limited English proficiency to meet challenging State standards. The BEST Act makes several changes to the program. The key changes are—

Program Development and Implementation Grants: This program has been repealed and the purposes of this initiative have been woven into other programs under this subpart.

Program Enhancement Projects: Grants will be used for: developing, implementing, expanding, or enhancing comprehensive preschool, elementary, or secondary education programs for limited English proficient children and youth; providing high quality professional development; and annually assessing the English proficiency of all limited English proficient students. In awarding grants, the Secretary of Education may give priority to an entity that serves less than 10,000 students; a large percentage or number of limited English proficient students; and limited or no experience in serving English proficient students.

Comprehensive School and Systemwide Improvement Grants: The BEST bill combines these two programs (under current law) into one program. Grants awarded under this program will be used for an array of purposes including: instructional programs for limited English proficient students; professional development; and implementation of family education or parent outreach programs. One-third of the grants awarded under this section will be awarded to school districts and two-thirds will be used for school activities.

Priority: In awarding all Bilingual Education grants, the Secretary of Education will give priority to an applicant who: experiences a dramatic increase in the number or percentage of limited English proficient students enrolled in the applicant's program and has limited or no experience in serving limited English proficient students; is a local educational agency that serves a school district

with a total district enrollment that is less than 10,000 students; demonstrates a proven success record in helping limited English proficient students; proposes programs providing for bilingual proficiency both in English and another language; or serves a school district where there is a large percentage or number of limited English students. In addition, the 25 percent limitation for special alternative programs has been deleted.

State Grant Program: The State grant program assists local educational agencies with program design, capacity building, student performance assessment, and program evaluation. The bill increases the minimum funding level from $100,000 to $200,000.

Funding: A funding level of $300 million is authorized for fiscal year 2002.

Part B—Foreign language assistance

The Foreign Language Assistance Program provides competitive grant assistance to State or local educational agencies to provide foreign language study for elementary and secondary school students. Incentive payments are authorized as well for schools that offer programs designed to lead to communicative competency in a foreign language. The BEST Act adds provisions giving special consideration to grant applications which make effective use of technology, promote innovative activities, or are carried out through a consortium including the grantee and an elementary or secondary school. A funding level of $35 million is authorized for fiscal year 2002.

Part C—Emergency immigrant education

The Emergency Immigrant Education program provides funds to local educational agencies that experience unexpectedly large increases in their student populations due to immigration to assist with the education of those students. A funding level of $200 million is authorized for fiscal year 2002.

TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

Part A—State grants

Purpose: It is the purpose of this part to support programs that: prevent violence in and around schools; prevent the illegal use of alcohol, tobacco and drugs; involve parents; and are coordinated with related Federal, State, and community efforts. This part also establishes Principles of Effectiveness and increases the use of research-based programs. States are provided with greater flexibility in preventing violence and drug use.

State and Local Grants: The State application must include: a comprehensive plan for use of funds under the Governor's program and the State Department of Education's program; a needs assessment; and results of ongoing evaluation activities. The bill reserves 80 percent of the funds to be available to States for State support and local educational agency grants. State and local programs must implement scientifically based research initiatives. State educational agencies may use up to 5 percent of funds for technical assistance and up to 5 percent for administration.

State educational agencies may choose between two options for allocating remaining funds to local educational agencies: (1) pro-

vide at least 70 percent to schools based on enrollment and up to 30 percent allocated at a State's discretion or to schools the State determines to have the greatest need; or (2) provide up to 70 percent on a competitive basis to those schools with the greatest need, determined by the State, and 30 percent to those schools the State determines require additional help, but who may not meet "greatest need" criteria. This would allow States to choose and define a competitive or baseline minimum grant system and still allow them to help those schools that could not compete under that system, if they choose.

The bill also reserves 20 percent of a State's allocation for Governors' Programs of which not less than 95 percent of the funds must be used for scientifically based research activities. The bill allows Governors to add their money to the funds being sent to schools and communities.

Local Educational Agency Grants: In submitting their applications, local educational agencies must include a needs assessment, set measurable goals, and describe how they will utilize scientifically based research activities.

Evaluations and Reporting: The bill requires the Secretary of Education to consult with a newly created National Advisory Committee in creating an evaluation to measure the effectiveness of the program.

Parental Involvement: In the application, use of funds, and evaluation sections, the bill emphasizes the importance of ensuring that parents are involved, so that they can reinforce the violence and drug prevention message at home.

Federal Activities: The Secretary to authorized award grants or contracts to support a variety of activities designed to prevent the illegal use of drugs and violence among students from pre-school through the postsecondary level.

Domestic Violence Grants: The Secretary is authorized to award grants and contracts to elementary and secondary schools that work with experts to enable the schools to support training, programming, support services, and policies relating to children experiencing or witnessing domestic violence. The confidentiality of the victim and the victim's family must be maintained.

Funding: For fiscal year 2002, the bill authorizes $700 million for the State Grants Program, $150 million for National Programs, and $75 million for the National Coordinator Initiative. In addition, the bill authorizes $5 million in each of fiscal years 2002 through 2004 to support grants to combat the impact of experiencing or witnessing domestic violence on elementary and secondary school children.

Part B—Gun possession

The Gun-Free Schools provisions contained in part F of title XIV of the current law have been transferred to Part B of title IV. These provisions require State receiving funds under the BEST Act to have laws requiring local educational agencies to expel from school for at least 1 year any student who brings a weapon to school.

Part C—School safety and violence prevention

Part C includes a number of new provisions and allowable uses of funds related to school safety and violence prevention, including:

School Safety and Violence Prevention: Provides that Federal funds provided under titles IV and subpart 4 of part B of title V may be used for training school personnel to identify potential threats; to identify troubled youth; to make comprehensive school security assessments; to purchase metal detectors, locks, and surveillance cameras; to engage in collaborative efforts with community-based organizations to reduce violence; and to utilize other innovative programs to reduce school violence.

School Uniforms: Provides that nothing in the Act can be construed to prohibit schools from establishing a school uniform policy and allows funds provided under title IV and subpart 4 of part B of title VI to be used for establishing a school uniform policy.

Transfer of School Disciplinary Records: Requires States receiving Federal funds under the Elementary and Secondary Education Act to establish a procedure by which local educational agencies must transfer the suspension and expulsion records of any student to any private or public elementary or secondary school in which that student seeks enrollment. This requirement does not apply to private schools.

Background Checks: Amends the National Child Protection Act of 1993 to specify that individuals who are employed, or seek employment, with schools are included in the provisions of that act relating to background checks.

Part D—Environmental tobacco smoke

The bill transfers to the Elementary and Secondary Education Act the environmental tobacco smoke provisions that were contained under part C of title X of the Goals 2000: Educate America Act to part D of title IV. These provisions prohibit smoking within any indoor facility used for the provision of education, routine health care, day care, library services, or early childhood development.

TITLE V—PUBLIC SCHOOL CHOICE AND FLEXIBILITY

Part A—Public school choice

This part contains 3 programs: charter schools, magnet schools, and public school choice.

Subpart 1—Charter schools

Charter Schools are public schools that are released from various regulations that normally apply to public schools in exchange for increased student performance accountability. The Charter Schools program supports the establishment of charter schools in States that have enacted State charter school laws. The program supports the design, initial implementation, and evaluation of charter schools. A funding level of $190 million is authorized for fiscal year 2002.

Subpart 2—Magnet schools assistance

Magnet schools are public elementary or secondary schools that offer a special curriculum which attracts substantial numbers of

students of different racial backgrounds. The purpose of this program is to assist schools in increasing their racial, economic, linguistic, or ethnic diversity. A funding level of $125 million is authorized for fiscal year 2002.

Subpart 3—Public school choice

The Public School Choice initiative requires all school districts receiving funds under part A of title I to provide students in low-performing title I schools with the option to transfer to another public school or public charter school in the school district, unless prohibited by State or local law. Local educational agencies located within States that qualify for the small state minimum under part A of title I are not required to comply with this requirement, but may comply if they so choose.

Part B—Flexibility

This part contains several initiatives designed to provide greater flexibility to schools and school districts. These efforts include the Education Flexibility Partnerships; the Rural Education Initiative; Waivers; and Innovative Education Program Strategies.

Subpart 1—Education flexibility partnerships

The Education Flexibility Partnership Act allows State educational agencies, the flexibility to waive certain Federal requirements, along with State requirements for the purpose of raising student achievement. The provisions of Public Law 106–25, which was signed into law in 1999 as a free-standing bill, have been incorporated into the BEST Act.

Subpart 2—Rural education initiative

The Rural Education Initiative is to provide adequate funding to rural school districts to enhance their ability to improve student performance. Chapter 1, the Small Rural School Achievement Program, permits rural schools districts to combine funds and apply these funds toward local initiatives designed to improve student achievement.

In addition, participating local educational agencies are eligible to receive a supplemental grant that, when combined with other Federal dollars, will enable these small rural schools to offer programs and activities of sufficient size, scope, and quality to have a significant impact upon student and school performance. Chapter 2, the Low-Income and Rural School Program, is designed to meet the needs of rural school districts serving large numbers of disadvantaged students. A funding level of $300 million is authorized for fiscal year 2002, of which $150 million is to be used to support activities under chapter 1.

Subpart 3—Waivers

Under the Waivers section, a State educational agency, local educational agency, or Indian tribe may seeks waivers from the Secretary of Education. The entity seeking the waiver must describe the Federal requirements to be waived and how, in waiving those requirements, overall student achievement will improve.

Subpart 4—Innovative Education Program Strategies

The Innovative Education Program Strategies, often referred to in the current law as "Title VI," has been moved to title V which is focused on providing flexibility to State and local educational agencies. This program provides support to State and local educational agencies to develop education reform initiatives that will improve student, school, and teacher performance. The administration of program funds is handled by the State educational agencies. However, the design and implementation of activities under the program are the responsibilities of the local educational agencies, school superintendents, principals, and teachers. A funding level of $850 million is authorized for fiscal year 2002.

Part C—Flexibility in the use of administrative and other funds

State educational agencies and local educational agencies have the ability to consolidate administrative funds for one or more of the following: all title I programs; administration of the Innovative Education Program Strategies initiative; establishment and operation of peer-review mechanisms under the BEST Act; and dissemination of information regarding model programs and practices.

Part D—Coordination of programs, consolidated state and local plans and applications

This provisions of this part encourage greater cross-program coordination, planning, and service delivery. State educational agencies and local educational agencies may integrate the following programs into one plan: part A of title I; part C of title I; title IV; and Innovative Education Program Strategies. Local educational agencies may integrate the following into one plan: part A of title I; part A of title II; title IV; and Innovative Education Program Strategies.

Part E—Advanced placement program

Part E authorizes a competitive grant program designed to: encourage more students (especially low-income students) to take the advanced placement (AP) exam; increase the availability of AP courses offered; and broaden the range of schools offering AP courses. This program, originally authorized as part of the Higher Education Amendments of 1998, has been expanded and added to the Elementary and Secondary Education Act.

The Secretary is to give first priority to providing grants to State educational agencies to enable them to cover all or part of the costs of AP test fees for low-income individuals. Seventy percent of any remaining funds will be allocated for grants to State and local educational agencies to expand access for low-income students to AP programs. Thirty percent of any remaining funds will be used for grants to provide students with on-line AP courses. A funding level of $50 million is authorized for these activities in fiscal year 2002.

TITLE VI—PARENTAL INVOLVEMENT AND ACCOUNTABILITY

Part A—Parental assistance

Part A provides leadership, technical assistance, and financial support to nonprofit organizations and local educational agencies to implement successful parent involvement programs. The Secretary of Education is authorized to award competitive grants to nonprofit

organizations and local educational agencies to establish school-linked or school based parental information and resource centers. Grant funds will be used to assist parents in participating effectively in their children's education. A funding level of $50 million is authorized for these activities in fiscal year 2002.

Part—B Improving academic achievement

The purpose of part B is to create rewards for states and schools that make the most progress in improving educational achievement. The Secretary would be authorized to make "Achievement in Education Awards" to support States, and "No Child Left Behind Awards" to recognize schools. The Secretary would also be authorized to make one-time bonus payments to States that complete the development of assessments in advance of the schedule outlined in section 1111. The BEST Act authorizes $50 million for fiscal year 2002 for these purposes, as well as other activities designed to promote the improvement of education, as part of the Fund to Improve Education Achievement (FIEA).

The BEST Act also authorizes the Secretary to reduce administrative funds to those States that fail to make adequate yearly progress and that show no statistically significant improvement for students who are racial or ethnic minorities and for economically disadvantaged students. The Secretary's determination will be based on both the results of the State assessment system described in section 1111, and the results of 4th and 8th grade assessments by the National Assessment of Educational Progress (NAEP) in mathematics and reading. However, no sanctions would be levied against a State based solely on the results of its NAEP assessment. After 2 years of insufficient progress, the Secretary may reduce administrative funds by up to 30 percent, after 3 such years, up to 75 percent.

In addition to authorizing $50 million for FIEA, part B authorizes $400 million and $110 million for the development of State assessments and conduct of the state NAEP, respectively, in fiscal year 2002.

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

The purpose of title VII is to modify and improve the educational services provided for American Indian, Alaska Native, and Native Hawaiian students. The BEST Act continues to make grants available to schools operated or supported by the Bureau of Indian Affairs and allows local educational agencies to provide an increased range of services to include those that: (1) promote the incorporation of culturally responsive teaching and learning strategies; (2) incorporate American Indian and Alaska Native specific curriculum content into the curriculum; (3) promote coordination among tribal, Federal, and State public schools in areas that will improve education; and (4) offer family literacy activities. The BEST Act gives local educational agencies which receive formula grants under part A the ability to commingle all of the Federal funding they receive for educating Indian children, regardless of which agency provides it, into 1 coordinated, comprehensive program to meet the specific needs of Indian children. The BEST Act also authorizes the provision of family literacy services for Indian, Native Hawaiian, and

Native Alaskan students, limits administrative costs to 5 percent, and consolidates a number of programs under Part B: Native Hawaiian Education and Part C: Native Alaskan Education. Fiscal year 2002 funding authorizations levels are $116 million for Indian Education, $28 million for Native Hawaiian Education, and $17 million for Alaska Native Education.

TITLE VIII—REPEALS

This title repeals titles IX through XIV of the Elementary and Secondary Education Act of 1965 and repeals the Goals 2000: Educate America Act.

TITLE IX—MISCELLANEOUS PROVISIONS

This title authorizes a grant award to the National Board on Testing and Assessment of the National Research Council to conduct an ongoing evaluation of high stakes assessments. A funding level of $4 million is authorized for fiscal year 2002, to remain available until expended.

General notes

1. Throughout the bill, specific funding levels are established for fiscal year 2002 and "such sums as may be necessary" are authorized for each of the 6 succeeding fiscal years. Unless otherwise noted, all programs included in the BEST Act are authorized through fiscal year 2008.

2. Impact Aid programs remain a part of the Elementary and Secondary Education Act. These programs were reauthorized in 2000 as part of the Floyd D. Spence National Defense Authorization Act for fiscal year 2001 (Public Law 106–398). The BEST Act retains impact aid programs as title VIII, but makes no changes to these programs.

III. Legislative History and Committee Action

During the 106th Congress, the committee held 24 hearings on issues related to the reauthorization of the Elementary and Secondary Education Act (ESEA). On February 15, 2001, the full committee held a hearing on President Bush's education proposals-receiving testimony from Education Secretary Roderick Paige.

EXECUTIVE SESSION

On March 7 and 8, 2001, the committee met in executive session to consider the Better Education for Students and Teachers (BEST) Act.

An initial draft of the Better Education for Students and Teachers Act was circulated to members of the committee on February 16, and a substitute proposal was circulated on March 2. By unanimous consent of the committee, the March 2 substitute, in combination with the 4 amendments offered by Senator Jeffords at the outset of the executive session, served as original text for purposes of further amendment.

The committee took action on 30 amendments, adopting 21 of them and defeating the remaining 9. Fourteen amendments were offered and subsequently withdrawn, and an additional 19 amend-

ments were filed but not offered. The bill as amended was adopted by a roll call vote of 20 yeas to 0 nays.

Votes Taken During Executive Session

Eight roll call and 23 voice votes were taken during committee consideration of the Better Education for Students and Teachers Act, as follows:

1. Senator Jeffords offered a manager's amendment that includes technical corrections to the bill language distributed to members on March 2, as well as several small issues worked out with members prior to the executive session. The amendment was adopted by voice vote (en bloc with the 3 Jeffords amendments described immediately below).

2. Senator Jeffords offered an amendment to expand and strengthen the accountability provisions of the bill. The amendment: (1) includes a set-aside to help States, school districts, and schools develop school improvement strategies; (2) requires States to create statewide standards for moving all students towards proficiency; (3) requires States to test all students in grades 3 through 8 annually in math and reading, authorizing funds to cover development costs and half of the testing implementation costs; (4) requires States to administer the National Assessment of Educational Progress (NAEP) reading and math tests in grades 4 and 8, with the Federal government assuming the cost of NAEP; (5) requires States, school districts, and schools to take stronger actions on a 3-year time line if they are not meeting the annual yearly progress goals; (6) creates an achievement fund to reward high performing States; and (7) requires schools, school districts, and States to develop report cards. The amendment was adopted by voice vote (en bloc).

3. Senator Jeffords offered an amendment making several technical and clarifying changes to the new Reading First program that was included in the substitute distributed to members on March 2. The Reading First program, in Part B of Title I, has the goal of having all students read well by the end of third grade. The amendment was adopted by voice vote (en bloc).

4. Senator Jeffords offered an amendment to authorize $75 million in fiscal year 2002 and such sums as may be necessary in the 6 succeeding fiscal years for the establishment of the Early Reading First program as a complement to the Reading First initiative. The goal of Early Reading First is to assist preschool age children in their language and early literacy development. The program would provide competitive grants to schools and other programs serving children ages 3–5, and it contains a strong evaluation component. The amendment was adopted by voice vote (en bloc).

5. Senator Kennedy offered an amendment to require that local educational agencies use at least 50 percent of their teacher quality funds for professional development activities (rather than using all or a majority of funds for teacher recruitment or hiring). The amendment was defeated by a roll call vote 10 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist

Mikulski	Enzi
Bingaman	Hutchinson
Wellstone	Warner
Murray	Bond
Reed	Roberts
Edwards	Collins
Clinton	Sessions

6. Senator Hutchinson offered an amendment to add teacher merit pay and the reform of tenure systems as permissive uses of State funds under the teacher quality provisions of the bill. These activities, as well as teacher testing, would also be added to the list of permissive activities to be conducted by local educational agencies. The amendment was adopted by voice vote.

7. Senator Mikulski offered an amendment to authorize a new Community Technology Centers program. The program would provide competitive grants to allow foundations, museums, libraries, for-profit businesses, non-profits, community-based organizations, institutions of higher education, State educational agencies, local educational agencies, or consortia to expand access to computers and related services to disadvantaged residents of economically distressed urban and rural communities. The amendment would authorize $100 million for fiscal year 2002 and such sums as may be necessary for the 4 succeeding fiscal years. The amendment was defeated by voice vote.

8. Senator Bingaman offered an amendment to establish an expanded Advanced Placement (AP) testing program within the Elementary and Secondary Education Act. Seventy percent of the funds would be allocated for grants to State and local educational agencies to expand access for low-income students to AP programs. The remaining 30 percent of funds would be used for grants to provide students with on-line AP courses. Authorized funding is $50 million in fiscal year 2002 and such sums as may be necessary for the out-years. The amendment was adopted by voice vote (en bloc with the 2 Bingaman amendment described immediately below).

9. Senator Bingaman offered an amendment to authorize school dropout prevention programs. Of that amount, 10 percent is allocated for national activities. The remaining 90 percent is to be used for States formula grants and for capacity building and design initiatives. State funds are to be awarded competitively to local schools to support dropout prevention programs, to assist school reentry, and to raise the academic achievement of all students. Authorized funding is $50 million in fiscal year 2002 and such sums as may be necessary for the out-years. The amendment was adopted by voice vote (en bloc).

10. Senator Bingaman offered an amendment to authorize a new grant program to provide higher education consortia that prepare prospective teachers to better train them in the use of advanced technologies. Authorized funding is $150 million in fiscal year 2002 and such sums as may be necessary for the out-years. The amendment was adopted by voice vote (en bloc).

11. Senator Harkin offered an amendment to authorize a school renovation grant program. The amendment would authorize a funding level of $1.6 billion for fiscal year 2002 and such sums as may be necessary for each of the fiscal years 2003 through 2006.

The amendment was defeated by a roll call vote of 10 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	Enzi
Bingaman	Hutchinson
Wellstone	Warner
Murray	Bond
Reed	Roberts
Edwards	Collins
Clinton	Sessions

12. Senator Warner offered an amendment to permit local municipalities to compete for grant funds awarded under the 21st Century Community Learning Centers program. The amendment was adopted by voice vote.

13. Senator Murray offered an amendment to authorize funding for the continuation of the class-size reduction program as a separate program. (The BEST bill combines this program with the Eisenhower professional development program and makes class-size reduction a permissive use of funds.) The amendment authorized $2.4 billion for fiscal year 2002 and such sums as may be necessary for fiscal year 2003 through 2009. The amendment was defeated by a roll call vote of 10 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	Enzi
Bingaman	Hutchinson
Wellstone	Warner
Murray	Bond
Reed	Roberts
Edwards	Collins
Clinton	Sessions

14. Senator Murray offered an amendment to increase the fiscal year 2002 authorization for homeless education programs from $40 million to $90 million. During committee discussion of the amendment, Senator Murray modified it to provide for a fiscal year 2002 authorization level of $70 million. The amendment, as modified, was adopted by voice vote.

15. Senator Clinton offered an amendment require that local educational agencies use 10 percent of their allotments to recruit, hire, and train teachers. It would also include paraprofessional training programs and programs that attract mid-career professionals to teaching among the examples of recruitment activities which could be conducted. During committee discussion of the amendment, Senator Clinton modified the amendment to delete the provisions requiring a 10-percent set-aside. The amendment, as modified, was adopted by voice vote.

16. Senator Clinton offered an amendment to authorize $3 million for a National Teacher Recruitment Campaign as part of the

national programs portion of the Teacher Quality provisions of the bill. The Secretary is to make a competitive grant to a single national coalition of teacher and media organizations, including the National Teacher Recruitment Clearinghouse. Grant funds would be used to conduct a national public service campaign concerning the resources for and routes to entering teaching. The amendment was adopted by voice vote.

17. Senator Clinton offered an amendment to include recruitment and mentorship as activities in the national program dealing with professional development of school leadership and to clarify that principals and assistant principals are included in the term "school leadership." The amendment was adopted by voice vote.

18. Senator Clinton offered an amendment to require that results from assessments be provided to parents and teachers within 4 weeks after the test is taken. During committee discussion of the amendment, Senator Clinton modified it to delete the 4-week time limit and to instead require that parents and teachers be provided with assessment results as soon as is practicably possible after the test is taken. The amendment, as modified, was adopted by voice vote.

19. Senator Bingaman offered an amendment to establish a National Panel on Portability of Teacher Pensions and Credentials. The 9-member panel, appointed by the Secretary, is to study options for increasing the reciprocity of recognition of teacher credentials and the portability of teacher pensions between States and to issue a report 1 year after members of the panel have been appointed. The amendment was adopted by voice vote.

20. Senator Sessions offered an amendment to add provisions dealing with school safety and violence prevention activities, school uniforms, transfer of school disciplinary records, employee background checks, and memorial services at public schools to Title IV (Safe and Drug-Free Schools and Communities) of the bill. During consideration of the amendment, Senator Sessions modified it to clarify the application of the provisions and to delete the provisions relating to memorial services. The amendment, as modified, was adopted by voice vote.

21. Senator Gregg offered an amendment to permit the Secretary to award 21st Century Community Learning Centers grants to community based organizations and to waive any provision of the program requiring that the money be used in or through a school. Following a discussion of additional revisions to the 21st Century Community Learning Centers program to be made in a managers' package for the floor, the amendment was adopted by voice vote.

22. Senator Dodd offered an amendment to set fixed dollar figures in each of the 7 years of the reauthorization bill for the grants to State and local educational agencies authorized under part A of title I. Beginning with a fiscal year 2002 level of $15 billion, the authorized funds would increase each year—ending at a funding level of $ 37.7 billion in fiscal year 2008 (full funding under the allocation formula). (The BEST bill provides an authorization level of $15 billion for fiscal year 2002 and "such sums" in each of the 6 succeeding fiscal years.) The amendment was defeated by a roll call vote of 10 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	Enzi
Bingaman	Hutchinson
Wellstone	Warner
Murray	Bond
Reed	Roberts
Edwards	Collins
Clinton	Sessions

23. Senator Dodd offered an amendment to increase the authorization of the 21st Century Community Learning Centers program from $846 million to $1.5 billion for fiscal year 2002. The amendment was adopted by voice vote.

24. Senator Wellstone offered an amendment to authorize $4 million to support a study by the National Academy of Sciences of the impact/effects of high stakes testing. The amendment was adopted by voice vote.

25. Senator Reed offered an amendment to authorize a new formula grant program to State educational agencies to help local educational agencies and schools support the acquisition of up-to-date school library materials and provide funds for training of school library resource personnel. The amendment would authorize $475 million in fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The amendment also authorizes an additional $25 million in fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years for expanding the non-school hours of operation of school libraries. The amendment was defeated by a roll call vote of 10 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	Enzi
Bingaman	Hutchinson
Wellstone	Warner
Murray	Bond
Reed	Roberts
Edwards	Collins
Clinton	Sessions

26. Senator Reed offered an amendment to authorize the Secretary to make grants to local educational agencies to support and enhance the involvement of parents in schools and their children's education. The amendment authorizes $500 million in fiscal year 2002 and such sums as may be necessary in subsequent years for this purpose. The amendment also requires the State educational agency to include in its application for funding under title I a description of its parental involvement policies, how it will use federal funds to implement those policies, and how it will evaluate such activities. Each State would also need to involve parents in the review of its plan. The amendment was defeated by a roll call vote of 10 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	Enzi
Bingaman	Hutchinson
Wellstone	Warner
Murray	Bond
Reed	Roberts
Edwards	Collins
Clinton	Sessions

27. Senator Reed offered an amendment to authorize a competitive grant program for the establishment or expansion of child opportunity zone family centers in elementary and secondary schools. Such centers are school-based or school-linked centers that provide comprehensive support services designed to improve the education, health, mental health, safety, and economic well-being of children and their families. The amendment would authorize a funding level of $100 million in fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The amendment was defeated by voice vote.

28. Senator Murray offered an amendment to mandate that 3 additional elements—dropout rates, professional qualifications, and class size—be included in the state and local report cards required by the bill. Under the bill, the inclusion of these 3 elements is discretionary. The amendment was defeated by a roll call vote of 10 yeas to 10 nays.

YEAS	NAYS
Kennedy	Jeffords
Dodd	Gregg
Harkin	Frist
Mikulski	Enzi
Bingaman	Hutchinson
Wellstone	Warner
Murray	Bond
Reed	Roberts
Edwards	Collins
Clinton	Sessions

29. Senator Murray offered an amendment to provide that State educational agencies, in making grants to local educational agencies to improve the use of technology in education, must give priority to districts with the highest number or percentage of children in poverty and must provide for an equitable urban/rural distribution of grant funds. The amendment was adopted by voice vote.

30. Senator Wellstone offered an amendment to authorize $5 million in each of the fiscal years 2002 through 2004 to provide grants to provide training for staff, education programs for students, and materials to combat the impact of experiencing or witnessing domestic violence. These provisions would be included in title IV (Safe and Drug-Free Schools and Communities). The amendment was adopted by voice vote.

31. The substitute bill, as amended, was reported favorably by a roll call vote of 20 yeas to 0 nays.

YEAS

Jeffords
Gregg
Frist
Enzi
Hutchinson
Warner
Bond
Roberts
Collins
Sessions
Kennedy
Dodd
Harkin
Mikulski
Bingaman
Wellstone
Murray
Reed
Edwards
Clinton

Amendments Offered and Subsequently Withdrawn

Fourteen amendments were offered, discussed, and subsequently withdrawn:

1. Senator Gregg offered and then withdrew an amendment to authorize $500 million for a new child centered program within title I. Under the program, up to 10 States and up to 20 local educational agencies located in States which do not participate would allocate all their part A funds (including the additional amount authorized in the amendment) to title I-eligible children on a per-pupil basis. The per-pupil amount could be used for supplemental educational services provided by the school or by another entity and would follow any eligible child who transfers to another school.

2. Senator Frist offered and then withdrew an amendment to establish an Academic Achievement for All Demonstration program. Under the demonstration program, up to 15 States would be permitted to combine funds under a dozen Federal education formula grant programs to use to advance the educational priorities of the State. Participating States must show results in improving the academic performance of all students during the 5-year term of the performance agreement. If a State chooses not to participate, any local educational agency in the State may do so.

3. Senator Kennedy offered and then withdrew an amendment to require that, within 4 years, every teacher who provides services to title I students will meet the definition of "highly qualified" included in the bill. The amendment would also prohibit a local educational agency from using teacher quality funds to hire a teacher who is not "highly qualified."

4. Senator Dodd offered and then withdrew an amendment to authorize the establishment of an Early Childhood Educator Professional Development Program. The amendment would provide a funding level of $100 million in fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years.

5. Senator Dodd offered and then withdrew an amendment to increase the amount of basic grants for Puerto Rico under title I in order to provide for funding equity. The increases would be phased in over a 5-year period, beginning in fiscal year 2002.

6. Senator Harkin offered and then withdrew an amendment to authorize grants to establish or expand elementary and secondary school counseling programs. The amendment would provide a funding level of $100 million in fiscal year 2002 and such sums as may be necessary in each of the 4 succeeding fiscal years.

7. Senator Bingaman offered and then withdrew an amendment to authorize grants to schools and local educational agencies to assist in the establishment of smaller learning communities. The amendment would provide a funding level of $200 million in fiscal year 2002 and such sums as may be necessary in each of the 4 succeeding fiscal years.

8. Senator Bingaman offered and then withdrew an amendment to earmarks funds to establish a School Security and Technology Center at the Sandia Lab that would serve as a resource center for local educational agencies. The amendment would also provide grants to local educational agencies to improve the security at their schools. The amendment would authorize a funding level of $2.75 million and $10 million, respectively, in each of the fiscal years 2002, 2003, and 2004.

9. Senator Wellstone offered and then withdrew an amendment to provide that States would not have to develop or implement the new annual assessment requirements in title I unless: (1) the authorization for this development (authorization is $400 million in the bill) is fully funded (in which case the deadline for implementation would be delayed for 1 school year); and (2) funding for IDEA reaches 40 percent of the national average per-pupil expenditure.

10. Senator Wellstone offered and then withdrew an amendment to provide that States would not have to develop or implement the new annual assessment requirements in Title I unless: (1) the authorization for this development (authorization is $400 million in the bill) is fully funded (in which case the deadline for implementation would be delayed for one school year); and (2) Title I, Part A is funded at $15 billion, the authorized amount in the bill.

11. Senator Wellstone offered and then withdrew an amendment to delete a provision in the bill that rewards states with one-time payments for developing their assessments ahead of schedule. In its place it would authorize one-time payments for States that develop particularly high-quality assessments.

12. Senator Murray offered and then withdrew an amendment to add 2 options to the 3 included in the bill for schools subject to reconstitution. The current options are: (1) reopening as a charter school; (2) replacing all or most of the school staff; or (3) making alternative governance arrangements. The Murray amendment would add the following options: (1) replacing the school's leadership, including the principal, for which purpose bonuses may be given from title I funds, and (2) providing extended learning time through an academically focused after-school program.

13. Senator Reed offered and then withdrew an amendment to require that local educational agencies use at least 5 percent of their title I allocations in FY 2002 and 2003 for professional devel-

opment. The percentage would be increased to 10 percent in subsequent fiscal years.

14. Senator Clinton offered and then withdrew an amendment to authorize a public school choice demonstration program. States and local educational agencies would apply to the Secretary for funds to plan, implement, and evaluate innovative approaches to public school choice. A funding level of $50 million would be authorized in fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years.

IV. Explanation of the Bill and Committee Views

TITLE I—HELPING DISADVANTAGED CHILDREN MEET HIGH STANDARDS

Part A—Basic programs

The purpose of part A is to provide opportunities for those students served by part A of title I to meet challenging State performance and content standards. The last revision of title I, which occurred in 1994, made major changes regarding standards, assessment, professional development, and accountability. The 1994 law also established a 7-year timetable for all States to develop and implement standards and assessments. The BEST Act builds upon these reforms and expands them to all students.

The 1994 law created several mechanisms to measure student performance. One such mechanism was adequate yearly progress. The BEST Act changes the definition of adequate yearly progress by stating that all children shall meet the State's performance level for proficiency within 10 years. In addition, adequate yearly progress must be based on State standards and assessments.

The BEST Act significantly expands the scope and frequency of current assessment efforts. States receiving title I funds would be required to establish performance standards for all students, and assess students in grades 3–8 annually in mathematics and reading by school year 2005–2006. The results of these assessments would be made available to parents and the public as the primary measure of success in reaching the State's performance standards, at the school, local educational agency, and statewide level. In recognition of the substantial investment this additional assessment will require, the Act provides funding for nearly all development costs as well as guaranteeing half the ongoing costs for implementation.

The BEST Act also takes several steps to provide better information to parents and the public on the progress of schools in meeting State performance standards. The Act would require report cards that would indicate the progress of students in meeting State performance goals, disaggregated into several subgroups, including race, gender, disability, and income. Report cards would report results at the school, local, and State levels. In recognition of the statistical limits of such disaggregation, the BEST Act does not require disaggregation for groups of students in small schools or local educational agencies that would yield invalid results, and would permit techniques, such as multi-year aggregation, that would strengthen the validity of assessment data. In addition, data could not be disaggregated when doing so would violate an individual's privacy.

Another reform included in the 1994 law was the establishment of the school improvement and corrective action process for local educational agencies and schools. The BEST Act expands these provisions by requiring State educational agencies and local educational agencies to take at least 1 of a series of corrective actions with respect to schools and local educational agencies that do not improve after being identified as failing to meet adequate yearly progress.

In addition, in order to draw broad public attention to the efforts of States and local educational agencies to turn around failing schools, the BEST Act requires States to report annually to the Secretary the number and names of each school identified for school improvement, the reason why each school was so identified, and the measure taken to address the performance problems of each school.

A new mechanism for measuring the progress of States established by the BEST Act is required participation in the National Assessment of Education Progress (NAEP). While nearly all States now participate in NAEP, such participation would be required of all States, and paid for by the Federal government, to provide a benchmark for comparison among States and to serve as confirmation of progress or lack thereof for the purposes of the State rewards and sanctions outlined in title VI. No sanctions would be levied against a State based solely on the results of its NAEP assessment.

The BEST Act also expands parental involvement and professional development activities. Both the State and local educational agencies must implement parental involvement and professional development programs that have demonstrated effectiveness. The State is required to provide technical assistance to districts and schools that may be having problems implementing parental involvement and professional development activities.

Since 1994, the title I school-wide program has become quite popular. Due to its popularity, the committee changed the eligibility qualification from not less than 50 percent of enrolled children from low-income families to not less than 40 percent.

Two new provisions pertaining to school choice have been included in the BEST Act. The bill requires local educational agencies to offer public school choice alternatives to students attending title I schools that have been identified as needing improvement or corrective action, as well as schools where violent incidents have occurred.

The BEST Act increases the authorization level for fiscal year 2002 for part A to $15 billion. Of amounts appropriated, up to 5 percent may be reserved by State educational agencies to use for school improvement activities, assessment initiatives, and awards for outstanding schools and educators. The State will determine how the reservation will be used.

Part B—Literacy for children and families

Subpart 1—William F. Goodling Even Start Family Literacy Act

The William F. Goodling Even Start Family Literacy program is designed to improve the educational opportunities for low-income

families by integrating early childhood, adult basic education, and parental education into a unified family literacy program. Even Start grants are geared to areas with high rates of poverty, illiteracy, unemployment, families of limited English proficiency, or disadvantaged children. The program was reauthorized in 2000 as part of the Omnibus Consolidated and Emergency Supplemental Appropriations Act for fiscal year 2001 (Public Law 106–554), and the BEST Act makes no changes to the program.

Subpart 2—Reading First

President Bush has set as a goal for the nation that all students be proficient readers by the end of the third grade. This is critically important because after third grade, in most of our nation's schools, reading is taught less as a skill in and of itself but increasingly becomes a tool for learning other knowledge and skill areas. Young students who can not read well—with speed, accuracy, and understanding—are likely not only to fall further behind their peers in reading ability, but also will not be able to keep up in the other subjects areas. Reading is truly the foundation for all further school success.

Research carried out over the past 2 decades has given us a clear picture of how children learn how to read, what is the cause of reading difficulties, and how instruction can be designed in order to help nearly all children become proficient readers. A recent report of the National Reading Panel, "Teaching Children to Read," summarizes some of the most important threads of this research and presents its implications for instruction. It is this research base that forms the basis on which the Reading First program is built. Like the Reading Excellence Act, this new program requires that all activities carried out with Reading First funds must be based on scientific reading research. In fact, this term is defined in this new program exactly as it is in the Reading Excellence Act.

The overall focus of Reading First is to have the knowledge generated by solid research reflected in the teaching of reading to all students. The BEST Act allows for the participation of parents and other community members in the implementation of programs supported under both Reading First and Early Reading First, so long as they are based on evidence from scientific research meeting the definition in the Act. For example, a number of States, including Texas, Ohio, and Michigan, have implemented reading programs with community and parent involvement that they have found to be effective. So long as they comply with the requirements of the Act with regard to being based on sound research and covering the basic components of reading instruction, these approaches can be important tools in helping all children learn to read well by the end of third grade.

All State educational agencies are eligible to apply for Reading First funds. However, applications must be approved by a peer review panel in order to be funded. It is the intent of the committee that the Secretary and the review panels seriously consider the quality of the applications—under both the formula and competitive grant sections—and insure that Reading First funds are used to improve reading instruction based on scientific reading research. In addition, the committee intends that the funds appropriated under this subpart be targeted to schools serving children most

likely to experience difficulties learning to read, including children with disabilities and children learning to speak and/or read English as a second language.

Subpart 3—Early Reading First

While explicit instruction in reading usually begins in kindergarten or first grade, research has clearly demonstrated that the skills which make learning to read possible develop at a much earlier age. A recent report from the Department of Education—"The Kindergarten Year"—found that children arrive at kindergarten with significant differences in their early language and pre-literacy skills. Those children with more "risk factors"—coming from poor families, having parents with low levels of education—lacked the foundation skills identified by research as critical to successfully learning to read.

It is the purpose and goal of the Early Reading First program to demonstrate how programs serving preschool age children can help those who are at risk for reading difficulties gain the important language and pre-literacy skills identifies by rigorous research. Like the Reading First program, it is the intent of the committee that funds appropriated under this subpart be targeted at programs serving those children most likely to need this program-based assistance. The research would indicate this should include children from poor families, children whose parents have low levels of education and literacy, children with disabilities, and children learning to speak English as a second language. In addition, since parents should be a critical part of this early childhood learning process, the committee believes that programs serving both children and parents should be included in the programs funded.

Since there is no uniform organizational structure at the local level to designate as an eligible applicant, the committee intends that the Secretary, in awarding these grants, give priority to applicants that can show that Early Reading First funds will benefit a broad coalition or collaboration of local programs serving preschool age children. In this way, the limited funds being made available through this subpart can have the greatest impact at the community level.

Since this is a demonstration program, and the research base for language and literacy development in this age group is less well developed, the committee has included two important national activities. The evaluation authorized by this subpart should be carried out with the same scientific rigor as the definition of "scientifically based reading research" describes. It is the expectation of the committee that these evaluation results will themselves advance our knowledge of how language and pre-literacy skills develop in the preschool years and how programs serving these children and their families can ensure that nearly all children arrive at school ready to learn. In the same vein, the committee has required the Secretary to carry out research to advance our knowledge in this important area. It is the committee's expectation that this research will be carried out in such a manner so as to meet the criteria for quality and rigor established by the National Reading Panel.

Part C—Education of migratory children

The Migrant Education program provides grants to State educational agencies to develop or improve educational programs for migrant students. Most migrant programs are administered by local educational agencies and operate during both the regular school year and in the summer. Priority for services is given to current migrant students and to students who are failing, or at greatest risk of failing, to meet State standards. The BEST Act builds upon current law to ensure that migratory children have the opportunity to attain high levels of educational excellence. A funding level of $400 million is authorized for fiscal year 2002.

Part D—Initiatives for Neglected, Delinquent or At-Risk Students

The Initiatives for Neglected, Delinquent or At-Risk Students program is designed to meet the academic and skills building needs of at-risk, school-aged youth in all States and remains unchanged from current law. A funding level of $50 million is authorized for fiscal year 2002.

Part E—Evaluations and demonstrations

The BEST Act retains current law and authorizes $35 million for fiscal year 2002.

Part F—21st Century Community Learning Centers

The BEST Act includes the reauthorization of the 21st Century Community Learning Centers program. The bill makes several revisions to current law by placing an emphasis on academic enrichment programs. In addition, community-based organizations, public and private entities, and units of general purpose government will become eligible for 21st Century Community Learning Center grants and compete with local educational agencies for the funds.

During the executive session, committee members discussed further changes that will be made to the program. The key change focused on giving an equal priority to 3 entities for the purpose of awarding grants. The 3 entities that will have equal priority are: title I-eligible schools; joint applications between eligible organizations and title I-eligible schools; and community-based organizations and other eligible organizations serving communities in which title I-eligible schools are based or located.

Part G—Comprehensive School Reform

The BEST Act includes the Comprehensive School Reform program, often referred to as the Obey-Porter initiative. The Comprehensive School Reform program awards formula grants to State educational agencies. These grants are designed to assist in the implementation of effective school reform models. There are a number of demonstration programs that have produced positive results in a variety of subject areas. A funding level of $200 million is authorized for fiscal year 2002.

Part H—Assistance to address school dropout problems

An issue of great concern to the members of the committee is the escalating school dropout rate. To address this problem, a dropout prevention program has been included in the BEST Act. The initiative creates a grant program that will provide assistance to public

schools for the implementation of an effective, sustainable, and coordinated dropout effort.

Education for Homeless Children and Youth

The BEST Act also includes amendments to the Education for Homeless Children and Youth program authorized as Subtitle B of Title VII of the Stewart D. McKinney Homeless Assistance Act. The program provides State formula grant assistance for: the establishment of Offices of Coordinator of Education of Homeless Children and Youth in States; the development and implementation of State plans for the education of homeless children; and subgrant support to local educational agencies for the education of these children.

The committee notes that much progress has been made since the enactment of the homeless education program in 1987. At that time, nearly half of all homeless children were not attending school. Currently, an estimated 88 percent of these children are enrolled in grades K–12. At the same time, much remains to be done in overcoming the particular challenges involved in educating homeless children and youth. A substantial portion of homeless children do not attend school regularly. The mobility and frequent absence of the records or immunizations required for enrollment of homeless children present significant obstacles to meeting the educational needs of these children.

The BEST Act strengthens provisions of the current law in an effort to assure that homeless children receive a quality education, to provide for continuity in the education of homeless children, and to focus resources on high quality programs. Specifically, the BEST Act includes several provisions designed to avoid segregating homeless students into separate schools. It is estimated that 40 such schools are now in operation. Many of these schools were established as temporary arrangements, but have now become permanent fixtures. Serious questions have been raised regarding the quality of the education offered by some of these institutions.

The bill also contains provisions intended to avoid disruption of a child's education program by maintaining the child's attendance at his or her school of origin. The bill also attempts to avoid enrollment delays by requiring immediate enrollment and by directing school officials to make referrals for immunizations and to contact other schools to obtain required records. Consistent with the committee's efforts throughout the BEST Act to focus Federal resources on proven approaches, the bill includes new provisions requiring that the quality of an application is considered in the provision of subgrants to local educational agencies. A funding level of $70 million is authorized for fiscal year 2002.

TITLE II—TEACHER QUALITY

Part A—Teachers

The committee is unanimous in its interest in improving the quality of professional development opportunities for teachers. Committee members agree that children can make greater academic gains if they have a knowledgeable and caring teacher leading their classroom. This bill recognizes that an investment in better teachers is an investment in our nation's young people. The leg-

islation authorizes $3 billion for fiscal year 2002 for teacher quality and classroom quality measures.

It was the committee's intent to create legislation that reflected the observations and recommendations by professionals in the field regarding how best to meet the needs of individual students in schools across this country. The bill takes a flexible approach that allows States and local educational agencies to adopt successful models that will work for the conditions and circumstances of their schools. It was the committee's intent to provide a general framework and funding stream for teacher quality initiatives with a specific emphasis on professional development and the hiring of qualified teachers, while allowing individual school districts to adapt programs to meet their specific needs. It is the expectation of the committee that the States and local educational agencies will maximize the results from the activities of this bill by carefully assessing their needs and designing a systematic approach to meeting those needs. The bill encourages each State educational agency to review relevant research and to explain why the activities it proposes in its application are expected to improve student performance and outcomes, how the activities are aligned to State content and performance standards and assessments, and how it will ensure that local educational agencies will carry out their proposed activities.

The BEST Act combines funds and authorities from the Eisenhower Program and Class Size Reduction programs. It maintains a separate Federal program for teacher quality initiatives in recognition of the critically important role that teachers play in improving educational opportunities for young people. The professional development component of part A of title II builds upon the strengths of the Eisenhower program by placing an emphasis on innovative professional development programs.

In an effort to direct Federal professional development dollars effectively, the bill strictly defines professional development as activities that are an integral part of broad schoolwide and districtwide educational improvement plans; are tied to State content and student performance standards; are sustained; and are based on the best available research on teaching and learning. The bill requires professional development activities to be tied to strategies that demonstrate effectiveness in increasing student academic achievement and performance. Further, it prohibits the one-day, "one-shot" workshop approach that research and evaluation have shown to be largely ineffective in fostering learning and changing the way a teacher teaches. In addition, the bill provides that professional development activities supported by local educational agencies must be designed to improve the knowledge of teachers concerning: the academic subjects they teach, effective means to improve student achievement and performance, and effective use of State standards and assessments.

The BEST Act allows a school district to commit the same percentage of funds that it does now to class size reduction initiatives, if it so chooses. For a school district that has a greater need for professional development, it allows that school district to shift funds to that need.

Title II of the Elementary and Secondary Education Act also maintains an important role for institutions of higher education in

providing professional development for teachers. A recent review of the Eisenhower program stated that teachers participating in State Agency for Higher Education (SAHE) administered activities found that the professional development led to enhanced knowledge and skills and to positive changes in their classroom teaching practices. In addition, SAHE activities were of longer duration and placed a greater emphasis on subject matter content, active learning and coherence. Using the success of the Eisenhower program as a model, institutions of higher education within each State will receive a dedicated stream of funding to be provided through competitive grants within the State.

The bill includes strong language that will hold local educational agencies accountable for increasing the academic achievement for all students. Local educational agencies that do not show improvement risk losing control of the formula-based Federal funds marked for professional development and teacher hiring.

The bill authorizes the Secretary to invest in 4 areas that are key to improving teaching and learning in the classroom. Under a separately authorized funding stream, the Secretary shall make grants to the Troops to Teachers Program, the School Leadership Initiative, the National Board for Professional Teaching Standards, and the Transition to Teaching program. Troops to Teachers is a program that has proven to be effective in recruiting former military personnel as classroom teachers. The School Leadership Initiative will ensure that funds for professional development will be available to principals, superintendents and others to enhance their leadership and management skills. It authorizes a new program designed to meet the unique professional development needs of our Nation's school leaders. The Snelling Center for School Leadership in Vermont is an example of one place that is addressing the needs of our nation's school leaders effectively. Funds made available to the National Board for Professional Teaching Standards will be used to make grants to State educational agencies, local educational agencies, and individuals to promote outreach, recruit teachers, or provide for teacher subsides. The committee believes that efforts to encourage and support teachers to become highly accomplished master teachers as recognized through advanced certification or credential programs will improve teaching and learning in schools. Finally, the Transition to Teaching program will help recruit, prepare, and support mid-career professionals to become highly qualified teachers.

A separate authorization of $3 million in fiscal year 2002 is provided for a National Teacher Recruitment Campaign. The Secretary is to make a competitive grant to a single national coalition of teacher and media organizations. Grant funds are to be used to conduct a national public service campaign concerning the resources for and routes to entering teaching.

Part B—Mathematics and science partnerships

Part B includes important new initiatives designed to improve student achievement in the areas of mathematics and science by strengthening the training and recruitment of highly qualified math and science teachers. In developing these initiatives, the committee has drawn from the recommendations made by several commissions and organizations which have recently called attention to

the pressing need in this area. These include: The National Commission on Mathematics and Science Teaching for the 21st Century, also known as the Glenn Commission ("Before It's Too Late"), the National Research Council ("Educating Teachers of Science, Mathematics, and Technology"), and the US Commission on National Security ("Road Map for National Security: Imperative for Change").

An enormous improvement in mathematics and science education at the K–12 level is necessary if today's students want good jobs and the US wants to stay competitive in the world economy. Test data from the Third International Mathematics and Science Study (TIMSS) in 1995 have shown that students from the United States in the fourth grade were among the top scorers of students from the 41 nations testing. However, both TIMSS and the Third International Mathematics and Science Study—Repeat (TIMSS–R) in 1999 show that, by the eighth grade, students from the United States test in the middle of the students from the countries tested. By the twelfth grade, TIMSS shows that students from the United States test near the bottom of the students tested. Our students are not receiving the education that is required to cause them to learn the mathematics and science that students in many other countries are learning. They are not receiving an education that stimulates their imagination enough that they want to learn mathematics and science at a world-class level. Every year that our students stay in school, they lose ground in mathematics and science knowledge compared with the students of other countries of the world.

The National Assessment of Educational Progress (NAEP) in 1996 showed that fewer than one-third of all United States students in grades 4, 8, and 12 performed at or above the "proficient" achievement level in mathematics and science. More than one-third of United States students scored below the "basic" level—lacking mastery of the prerequisite knowledge and skills needed for "proficient" at each grade. The results in NAEP also indicate that students in the United States score lower with respect to the standards of proficiency for those grade levels each year that they are in school.

With globalization, the good jobs will go to the people who can do them best. If those people are not in the United States, then those jobs will also not be in the United States. At present, the law allows 195,000 immigrants to enter the United States on H–1B visas each year in order to take jobs that cannot be filled by workers in the United States. As tele-commuting increases, there will be no reason to bring those workers to the United States to take the jobs that the workers in the United States cannot fill, and the jobs themselves will move to countries that have the workers. We have seen manufacturing jobs move out of the country, and, unless the United States can supply the workers to fill the jobs from its own students, we will see it happen with information jobs. The Glenn Commission report, "Before It's too Late," (September 2000) states that ". . . the rapid pace of change in both the increasingly interdependent global economy and in the American workplace demands widespread mathematics- and science-related knowledge and abilities."

Not only are mathematics and science literacy essential in the workforce, but, according to the Glenn Commission, "Our citizens need both mathematics and science for their everyday decision-making." The ability to evaluate data impartially and to make decisions based on that evaluation is needed by our citizens in every aspect of life. Citizens are called upon daily to evaluate advertisements, political claims, conflicting requests for public funds, and many other aspects of private and public decision making. Not only is the training that comes from looking at information in a scientific manner important, but also a knowledge of science and mathematics is essential at a time when much of the information evaluated becomes more technical. Without that knowledge, our citizens become unable to make the best daily decisions in their personal lives and in their roles as citizens.

The Glenn Commission found that the "most powerful instrument for change, and therefore the place to begin, lies at the very core of education—with teaching itself. "The most consistent and powerful predictors of student achievement in mathematics and science are full teaching certification and a college major in the field being taught." Therefore, the Commission suggests that we "establish an ongoing system to improve the quality of mathematics and science teaching in grades K–12" and that we "increase significantly the number of mathematics and science teachers and improve the quality of their preparation."

These sentiments are echoed by the National Research Council in its 2001 "Educating Teachers of Science, Mathematics, and Technology" report. The Council notes:

> If the nation is to make the continuous improvements needed in teaching, we need to make a science out of teacher education—using evidence and analysis to build an effective system of teacher preparation and professional development.

The Council found that teacher education must be a continuous process involving schools of education, school districts, practicing professionals, and higher education faculty in a collaborative partnership with shared responsibility for teacher education. Teachers must be treated as professionals with ongoing professional development to allow them to grow within their profession and to take on new responsibilities. The measure of the success of any teacher education program should be how well their students achieve.

In an effort to begin to address the challenge of improving math and science learning and teaching, the BEST Act authorizes $500 million in fiscal year 2002 for the establishment of mathematics and science partnerships linking the math and science departments of institutions of higher education with States and local school districts. The partnership program is included as subpart 1 of part B.

Partnerships may use funds to conduct 1 or more of the following activities: (1) developing more rigorous math and science curricula aligned to State and local standards and with the standards expected for postsecondary study in mathematics and science, respectively; (2) creating opportunities for enhanced and ongoing professional development in content areas; (3) recruiting math and science majors to teaching; (4) promoting strong teaching skills for math and science teachers and teacher educators; (5) establishing

math and science summer workshops or institutes for teachers; (6) establishing distance learning programs for math and science teachers; (7) designing programs to prepare a teacher to provide professional development to other teachers and novice teachers; and (8) designing programs to bring teachers into contact with working scientists.

The committee has included a definition of summer workshops or institutes to make clear that such workshops or institutes are to be substantial and sustained programs. Specifically, they must be conducted for a period of at least 2 weeks, provide for direct interaction between students and faculty, and include followup training during the academic year.

The committee also encourages local educational agencies to create various financial incentives to help recruit individuals with strong mathematics or science backgrounds into the teaching field. Current rewards, incentives, and school environments are not adequate to attract large numbers of the best students to teaching or to encourage them to remain in the profession beyond the first few years of teaching. These problems are exacerbated in science and mathematics, where teacher shortages already exists in many parts of the United States and are expected to grow worse over the next decade. The lack of teachers with adequate content knowledge and pedagogical skills for teaching science and mathematics is especially acute in small rural and inner-city schools, where science or mathematics departments may consist of only 1 or 2 individuals and a given teacher may be required to teach several different subject areas every day.

The committee believes that several financial incentives could be used to help recruit and retain math and science teachers with strong math and science skills. Stipends could be provided to current mathematics teachers and science teachers for certification through alternative routes. A local educational agency could offer money for scholarships for teachers to pursue advanced course work in math or science. Additionally, the local educational agency could offer signing bonuses or performance bonuses to math and science teachers. The committee encourages local educational agencies to create programs that will be effective in recruiting individuals with strong mathematics or science backgrounds into the teaching field.

Subpart 2 of part B provides for the continuation of the Eisenhower Clearinghouse for Mathematics and Science Education, authorizing $5 million in fiscal year 2002 for this purpose. The functions of the Clearinghouse are expanded to include the development of an Internet-based site offering a search mechanism and including electronic links to users and providers of instructional materials and programs.

Subpart 3 of part B authorizes $150 million in fiscal year 2002 to support programs preparing teachers to use technology effectively. Funds must be used to create programs that enable prospective teachers to use advanced technology to create learning environments where all students are prepared to meet challenging State standards.

Subpart 4 of part B provides that the Secretary of Education must consult and coordinate activities under part B with the Director of the National Science Foundation. The committee believes

that it is particularly important that the Secretary and the Director work together to determine the most appropriate and effective role each of their agencies can play with respect to summer workshops or institutes.

Part C—Technology education

First authorized as part of the Elementary and Secondary Education Act in 1994, Federal educational technology programs have made a significant and positive difference in increasing access to technology in our public school classrooms. These Federal dollars have played a significant role in making technology more prevalent and effectively used in our Nation's classrooms.

The BEST Act combines the competitively awarded Technology Challenge Grant program into a new formula-based grant program to the States modeled after the Technology Literacy Challenge program authorized under current law. Since the Challenge Grant program was first created, it has funded numerous cutting-edge model programs in schools. At this juncture, the committee believes it is important to provide the States with additional sources of dedicated funding so that many of these model programs can be replicated and so that a broad range of school districts across the country can benefit.

While the committee was mindful of the extraordinary advances made in the area of educational technology, the members also recognized there is still a long way to go in making technology an effective educational tool for all students in the nation. The committee is committed to the concept of eliminating the Digital Divide in the Nation's schools. Therefore, it was the committee's intent to give priority to those local educational agencies which serve the highest number or percentage of children in poverty in both urban and rural parts of each State and to provide grants to local educational agencies of a sufficient size and duration to carry out the purposes of this part.

The BEST Act reaffirms the Federal commitment to educational technology. Throughout the legislation, the committee has incorporated provisions related to educational technology in recognition of the "next wave" of educational technology: that is—effectively integrating it into the everyday learning activities of the student. The committee's actions acknowledge the importance of "not separating technology from learning." It is the intent of the committee to encourage the integration of technology with learning by requiring that both the State and the local educational agencies submit a systemic educational technology plan that outlines how technology will improve student outcomes and how the activities funded in the BEST Act fit into that plan. With the same intent, the committee has also required that professional development in the integration of technology into the curriculum be a large part of the use of local funds. The BEST Act maintains a separate funding stream for educational technology programs in an effort to ensure that the Federal Government continues to provide leadership and support for strengthening and integrating educational technology in classrooms throughout the Nation.

Part D—Portability of teacher pensions and credentials

Part D authorizes the establishment of a 9-member National Panel of Portability of Teacher Pensions and Credentials. Members are to be appointed by the Secretary from among practitioners and experts with experience relating to teacher pensions and credentials. The panel is to study options for increasing reciprocity of recognition of teacher credentials and portability of teacher pensions between States.

TITLE III—MOVING LIMITED ENGLISH PROFICIENT STUDENTS TO ENGLISH FLUENCY

Programs under part A of title III are designed to provide educational assistance to students with limited English proficiency to help them meet challenging State standards. The BEST Act repeals the authorization for Program Development and Implementation grants and weaves the purposes of the program into other initiatives funded under this title. The committee also decided to combine Comprehensive School grants and System-wide Improvement grants into 1 program. Grants awarded under this initiative will be used for activities such as improving instructional programs, training school personnel, and implementing family education or parent outreach programs.

One significant change the committee has included in the BEST Act pertains to grant priority. In awarding grants, the Secretary shall give priority to an applicant: (1) who experiences a dramatic increase in the number or percentage of limited English proficient students enrolled in the applicant's program and has limited or no experience in serving limited English proficient students; (2) that is a local educational agency that serves a school district with a total enrollment less than 10,000 students; (3) who demonstrates a proven record of success in helping limited English proficient students; (4) who proposes initiatives that provide for the development of bilingual proficiency both in English and another language for all participating students; or (5) who serves a school district in which a large percentage or number of limited English students is enrolled.

The BEST Act retains the State grant program. The committee believes that it is important to increase the minimum funding level from $100,000 to $200,000. A funding level of $300 million is authorized for fiscal year 2002.

The Foreign Language Assistance program included as part B of title III provides competitive grant assistance to State or local educational agencies to provide foreign language study for elementary and secondary school students. The BEST Act extends this program through fiscal year 2008 and adds provisions giving special consideration to grant applications which make effective use of technology, promote innovative activities, or are carried out through a consortium. A funding level of $35 million is authorized for fiscal year 2002.

The Emergency Immigrant Education program included as part C of title III provides funds to local educational agencies that experience unexpectedly large increases in their student populations due to immigration to assist with the education of those students. A funding level of $200 million is authorized for fiscal year 2002.

TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

Part A—State grants

The committee has made substantial revisions to the Safe and Drug-Free Schools and Communities program in an effort to increase the accountability for the use of Federal funds and to ensure that effective, research-based programs are funded with Federal dollars. By better directing the use of Federal funds under this program, it is the committee's intent to improve efforts to provide all of our Nation's students a safe and nurturing learning environment. Recent tragedies in our Nation's schools have heightened attention to the devastating impact that an unsafe environment can have on learning. The committee believes strongly that every school in this Nation should be violence-free as well as drug- and alcohol-free and has strengthened the current program to better achieve those goals. The committee also believes that involving parents in violence and drug prevention programs is important.

Part B—Gun possession

The Gun-Free Schools provisions currently contained in part F of title XIV are transferred to part B of title IV. These provisions, which were first enacted in 1994, require States receiving funds under the Elementary and Secondary Education Act to have laws requiring local educational agencies to expel from school for at least 1 year any student who brings a weapon to school.

The *Report of State Implementation of the Gun-Free Schools Act—School Year 1998–99* issued in October 2000 indicates that an estimated 3,523 students were expelled for bringing a firearm to school. Fifty-seven percent of the 1998–99 expulsions involved high school students; 33 percent involved junior high students; and the remaining 10 percent involved elementary school students.

Part C—School safety and violence prevention

Part C includes a number of new provisions dealing with: school safety and violence prevention activities; school uniforms; transfer of school disciplinary records; and employee background checks. These provisions are virtually identical to provisions dealing with these subjects which were approved by the Senate in 1999 as part of the Juvenile Justice reauthorization bill (S. 254).

Part D—Environmental tobacco smoke

The bill transfers to part D of title IV the Elementary and Secondary Education Act the environmental tobacco smoke provisions currently contained in part C of title X of the Goals 2000: Educate America Act. These provisions prohibit smoking within any indoor facility used for the provision of education, routine health care, day care, library services, or early childhood development to children.

TITLE V—PUBLIC SCHOOL CHOICE AND FLEXIBILITY

Part A—Public school choice

Subpart 1—Public charter schools

The BEST Act continues and maintains the Public Charter Schools program as provided in current law, authorizing a funding level of $190 million for fiscal year 2002. Last considered in 1998,

the Charter Schools program was amended to increase and strengthen accountability, promote dissemination, and support technical assistance, evaluation and research on model charter school programs.

Subpart 2—Magnet Schools Assistance Program

The Magnet Schools Assistance Program (MSAP) provides competitive grants to local educational agencies for magnet schools that are intended to reduce, eliminate, or prevent minority group isolation in elementary and secondary schools and to strengthen students' knowledge of academic or vocational subjects. In order to be eligible for a grant, a local educational agency must be a participant in a court-ordered or voluntary desegregation plan. Magnet schools provide a special curriculum intended to be attractive to substantial numbers of students of different races.

The BEST Act continues the Magnet Schools Assistance Program and includes several new elements designed to: improve the capacity of local educational agencies to continue operating magnet schools after the grant has ended; increase the allowable use of funds for planning; clarify the critical role of professional development; and enhance the quality of the program. The fiscal year 2002 authorization level is $125 million.

The current law lists 4 uses of funds: (1) planning; (2) acquisition of books and materials; (3) payment or subsidization of the compensation of teachers and instructional staff who are necessary for the conduct of the program; and (4) for schools whose magnet program does not include all students enrolled in the school. The BEST Act adds 3 new uses of funds to those in current law. Grant funds may be used: (1) for professional development in order to build the capacity to operate the magnet school once Federal assistance has terminated; (2) to enable the local educational agency to have more flexibility in the administration of a magnet school program in order to serve students attending a school who are not enrolled in a magnet school program; and (3) to enable the local educational agency to have flexibility in designing magnet schools for students of all grades.

The addition of professional development as a use of funds is particularly important. Clarification is needed in the law regarding professional development as a separate activity from planning. Therefore, it is the committee's intent that professional development be considered a core use of funds, and not as planning. Trained, qualified teachers and staff are critical to the success of magnet school as well as any other school and these changes ensure that the magnet schools law reflects these priorities.

Subpart 3—Public school choice

The Public School Choice provisions of the BEST Act allocates funds to States, which—in turn—distribute them to local educational agencies to carry out school improvement activities. Each local educational agency receiving funds under this subpart or under part A of title I, with the exception of local educational agencies located in a States which receives a minimum grant, must provide all students enrolled in a school identified for school improvement with the option to transfer to another public school within the agency that has not been identified for school improvement. An ex-

ception is provided in cases where the option to transfer is prohibited by State or local law. If a local educational agency can demonstrate to the State educational agency that it lacks the capacity to provide all students with the option to transfer, the agency must permit as many students as possible—selected on an equitable basis—to transfer. A funding level of $225 million is authorized for fiscal year 2002.

Part B—Flexibility

Overview

Part B of title V includes a broad array of flexibility options for States and localities. A variety of current law provisions dealing with waivers, program coordination, consolidated applications, and related authorities are incorporated into title V, permitting State and local officials to find in one place the options available to them. New rural flexibility provisions offer opportunities to combine Federal education funds in ways which will make the most effective use of these funds in meeting the individual needs of small, rural schools and their students. In addition, part B includes the Innovative Education Program Strategies program, authorized under current law as title VI. This program offers the funds and the discretion to local school districts which permit them to address their most pressing local needs.

Subpart 1—Education flexibility partnerships

Subpart 1 includes the provisions of the Education Flexibility Partnership Act, which was signed into law in 1999 (Public Law 106–25) as a free-standing bill. This act allows State educational agencies to waive certain Federal requirements, along with related State requirements, for the purpose of raising the achievement of all students.

Subpart 2—Rural education initiative

The purpose of subpart 2 is to provide adequate funding to rural school districts to enhance their ability to recruit and retain teachers, strengthen the quality of instruction, and improve student achievement. Through flexibility provisions and a supplemental grant program, rural school districts will have the ability to maximize their resources for implementation of education reform strategies.

The programs authorized in subpart 2 are designed to address two unique problems facing small, rural districts. The Elementary and Secondary Education Act authorizes formula and competitive grants that allow many of our local school districts to improve the education of their students. These Federal grants support efforts to promote such laudable goals as the professional development of teachers, the incorporation of technology into the classroom, and making sure our schools provide safe learning environments for our children. Schools receive several categorical grants supporting these programs, each with its own authorized activities and regulations and each with its own red tape and paperwork.

Unfortunately, as valuable as these programs may be for thousands of predominantly urban and suburban school districts, they simply do not work well in rural areas. This is because the grants

are based on school district enrollment. These individual grants confront smaller schools with a dilemma; namely, they simply may not receive enough funding from any single grant to carry out meaningful activities.

Chapter 1, the Small, Rural School Achievement Program, will allow a district with an enrollment of fewer than 600 students to combine the funds from programs authorized under titles II and IV and subpart 4 of part B of title V and use the funds to support projects that bring about improved academic achievement. If student performance on assessments does not improve at the end of 3 years of participation in the program, the district may no longer participate.

Small rural schools face equally difficult challenges when attempting to compete for competitive grants. These schools must dedicate all of their resources to the primary task of educating students. They lack the personnel and resources to prepare successful applications.

To address this issue, participating local educational agencies are eligible to receive a supplemental grant that, when combined with other Federal dollars, will enable these small rural schools to offer programs and activities of sufficient size, scope, and quality to have a significant impact upon student and school performance.

Chapter 2, the Low-Income and Rural School Program, is designed to meet the needs of rural school districts serving large numbers of disadvantaged students. Local educational agencies residing in rural communities are eligible to receive funds from this program if 20 percent of the children they serve are from families living below the poverty level. A local educational agency will not be permitted to continue to participate in the program if student performance has not increased after 3 years.

A funding level of $300 million is authorized to support these programs during fiscal year 2002, of which $125 million is to be made first available to carry out chapter 1.

Subpart 3—Waivers

Subpart 3 includes the waiver provisions currently included as part D of title XIV. These provisions offer broad authority for the waiver of statutory or regulatory requirements of the act in order to increase the quality of instruction or improve academic performance.

Subpart 4—Innovative Education Program Strategies

The purpose of the Innovative Education Program Strategies program is to provide funds to local educational programs for the implementation of initiatives that support school improvement and reform efforts with the goal of advancing student performance. To accomplish this purpose, States allocate funds to local school districts for an array of activities such as professional development, technology, and library services.

This program was created 20 years ago in response to the calls from State and local educational agencies that they be given the flexibility to respond to the education reform needs of their local communities. It remains the most flexible source of education funds provided by the Federal government. The Title VI Effectiveness Evaluation for 1998 prepared by the Title VI National Steering

Committee included the following observation from an Arkansas school district official:

> Title VI is the only Federal program where schools can actually use money that isn't previously directed to a need identified by those outside the school. As our needs change, the program has the flexibility to change with us. The funds are most beneficial when they are used with other funding sources to work toward improving targeted areas identified by the district.

The funding level authorized for the Innovative Education Program Strategies program is $850 million for fiscal year 2002.

Part C—General flexibility authorities

Part C includes the "Flexibility in the Use of Administrative and Other Funds" currently included as part B of title XIV. These provisions permit States and localities to consolidate administrative funds from several Federal programs.

Part D—Coordination of programs; consolidated State and local plans and applications

Part D includes the "Coordination of Programs; Consolidated State and Local Plans and Applications" provisions currently included as part C of title XIV. These provisions permit the submission of a single plan for several different programs at both the State and local levels.

Part E—Advanced Placement Program

The Advanced Placement Program was initially authorized as part of the Higher Education Amendments of 1998. The BEST Act adds the program to the Elementary and Secondary Education Act and expands its purposes. The committee recognizes that having rigorous academic programs available to students provides those young people with better preparation for postsecondary study and has adopted this program to ensure that the opportunity is available to more students. A funding level of $50 million is authorized for fiscal year 2002.

TITLE VI—PARENTAL INVOLVEMENT AND ACCOUNTABILITY

Part A—Parental assistance

The Parental Information and Resource Centers, established under the Goals 2000: Educate America Act, has been incorporated into the BEST Act. The committee bill strengthens provisions that focus on partnerships among parents, teachers, principals, administrators, and other school personnel. A funding level of $50 million is authorized for fiscal year 2002.

Part B—Improving academic achievement

Part B is intended to support the accountability provisions of the act by providing financial assistance to States for the development and implementation of assessments and for State participation in the National Assessment of Educational Progress (NAEP). In addition, it provides for one-time bonus payments to States that develop the new assessments required by the BEST Act in advance of the deadlines included in the bill.

Further support for strong accountability is provided through a system of awards and sanctions tied to student achievement levels.

Both States and schools are eligible for awards. "Achievement in Education Awards" will be granted to States that make the most progress in improving educational achievement. The Secretary is to give greatest weight to a State's success in improving the performance of economically disadvantaged and minority students, as measured by State assessments and by the State NAEP. Other measures to be taken into account include the achievement of all students, improved English proficiency of limited English proficient students, increased high school graduation percentages, and increased percentage of students taking advanced coursework.

"No Child Left Behind Awards" will be granted to schools that have made greatest progress in improving the educational achievement of economically disadvantaged students.

Penalties will be assessed on States that—based on State assessment and State NAEP results—fail to make adequate yearly progress and whose economically disadvantaged and minority students fail to make statistically significant progress in the academic subjects for which the State has developed content and student performance standards. After 2 years of insufficient progress, the Secretary is required to reduce up to 30 percent of the State's administrative funds. After 3 such years, the Secretary is required to reduce up to 75 percent of the State's administrative funds.

Funding levels in part B include: $400 million for fiscal year 2002 to develop and implement the required assessments, $110 million for fiscal year 2002 to administer State assessments under NAEP, and $50 million for fiscal year 2002 for the Fund to Improve Education Achievement. This Fund will be used for awards and bonuses, as well as for improvement activities, such as character education, that are designed to promote the improvement of elementary and secondary education.

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

Part A—Indian education

Part A modifies and improves educational services provided for American Indian and Alaska Native students. The committee has included four new activities that can be provided under grants to local educational agencies. These additions are intended to encourage local educational agencies to address the needs of American Indians and Alaskan Native students in the areas of curriculum development, creating and implementing standards, improving student achievement, and gifted and talented education. The committee also recognizes that increasing the flexibility at the local level may give local educational agencies the ability to reduce their administrative costs while improving the services they provide. Accordingly, the committee included a new provision which would allow a local educational agency which receives formula grants under part A the ability to commingle all of the Federal funding they receive for educating Indian children, regardless of which agency provides it, into one coordinated, comprehensive program to meet the specific needs of Indian children. In addition, the com-

mittee has provided increased flexibility in counting eligible children for funding purposes to BIA-funded schools.

In recognition of the importance of family literacy services for affected populations, the committee has allowed for grants for this purpose under the improvement of educational opportunities for Indian children. The committee has also underscored the importance of both pre-service and in-service training by separating the 2 into different sections under professional development. Finally, the percentage of funds that can be used on administrative costs is reduced.

Part B—Native Hawaiian education

Part—modifies and improves the educational services provided for Native Hawaiian students. The findings section is updated with the most recent data available and includes additional findings that reflect the new legal position of the United States relative to the status of Native Hawaiians as set forth in the brief filed by the United States in the United States Supreme Court on July 28, 1999. The committee has maintained the Native Hawaiian Education Council, while reducing its size and composition. The committee has also established priorities for the award of contract or grants Recognizing that it has been difficult to have 1 Council serving 2 or more islands, the committee has added 2 more Island Councils so that each island will have its own Council.

The committee believes that placing all of the existing programs serving Native Hawaiians into a single, more flexible authority will allow all of the types of activities currently carried out to continue. It is the committee's hope that this consolidation will better serve the educational needs of Native Hawaiians children and adults. The committee has focused on the importance of family literacy services in affected populations once again by adding it as a new permissible activity, and the percentage of funds that can be used on administrative costs is reduced.

Part C—Alaskan Native education

Part C modifies and improves the educational services provided for Alaska Native students. The committee has placed all of the existing programs serving Alaskan Natives into a single, more flexible authority. These programs include: Alaska Native Educational Planning, Curriculum Development, Teacher Training, and Recruitment; Home-Based Education for Preschool Children; and Student Enrichment. The committee believes that the consolidation will allow these activities to continue and will better serve the educational needs of Alaskan Native children and adults. The committee has added family literacy services as a new permissible activity and reduced the percentage of funds that can be used on administrative costs.

TITLE VIII—IMPACT AID

Impact aid programs were reauthorized in 2000 as part of the Floyd D. Spence National Defense Authorization Act for fiscal year 2001 (Public Law 106–398), but remain a part of the Elementary and Secondary Education Act. The BEST Act retains impact aid programs in title VIII, but makes no changes to these programs.

TITLE IX—MISCELLANEOUS PROVISIONS

Title IX includes provisions for an independent evaluation by the National Academy of Sciences of the impact and effects of high stakes assessments used by State and local educational agencies. The evaluation is to address 3 components: (1) Students, Teachers, Parents, Families, Schools, and School Districts; (2) Students With Disabilities; and (3) Low Socio-Economic Students, Limited English Proficient Students, and Minority Students. A funding level of $4 million is authorized for the evaluation.

REPEALS

The BEST Act repeals titles IX through XIV of the Elementary and Secondary Education Act of 1965. The Goals 2000: Education America Act is also repealed.

V. REGULATORY IMPACT STATEMENT

The committee has determined there will be increased demands upon States, local educational agencies, and other recipients of ESEA funds due to the expanded accountability features of the BEST Act.

The BEST Act requires the development of State content and student performance standards in history and science. Science assessments must also be developed by the 2007–08 school year. In addition, the BEST Act requires that all public school students in grades 3 through 8 be tested annually in mathematics and reading. These new provisions expand current title I assessment requirements, not only by increasing the frequency of math and reading assessments but also by expanding the pool of students to be tested. Current title I requirements apply only to students attending schools which receive title I funds. States will also be required to participate in annual State assessments under the National Assessment of Educational Progress (NAEP) in 4th and 8th grade mathematics and reading. Participation in these assessments is currently optional. States and local educational agencies will also be required to issue annual report cards including assessment information, as well as other data related to student performance.

Recipients of funds under other ESEA programs, such as teacher quality and technology education, will now be required to submit performance objections as part of their applications for funds. A failure to meet these objectives will result in loss of grant funds.

In general, recipients of ESEA funds will be expected to use those funds on programs which have proven to be effective in improving student achievement and performance and in meeting other program objectives.

The committee believes that it is appropriate to demand results and accountability in exchange for the approximately $18 billion expended annually by the Federal Government for programs authorized under the Elementary and Secondary Education Act. Recognizing the additional expense which some of these new requirements will entail, the committee has provided that the Federal Government will assume the costs of development of the new assessments required for students in grades 3–8 (as well as half of ongoing costs) and of State participation in NAEP.

Finally, the BEST Act substantially reduces the number of separate programs authorized under ESEA. These programs, as well as the nearly $2 billion provided for them in fiscal year 2001, have been consolidated into broader authorities. This program consolidation is expected to reduce the administrative time and expense involved in developing, processing, and awarding separate grants. The BEST Act also provides the opportunity for small, rural school districts to combine funds from several separate formula grant programs and apply these funds toward local initiatives designed to improve student achievement.

VI. Application of Law to the Legislative Branch

The BEST Act reauthorizes and amends the Elementary and Secondary Education Act of 1965 to continue programs primarily offering assistance to States and local educational agencies on behalf of teachers and elementary and secondary school students and, as such, has no application to the legislative branch.

VII. Cost Estimate and Unfunded Mandates Statement

U.S. Congress,
Congressional Budget Office,
Washington, DC, March 28, 2001.

Hon. James M. Jeffords,
Chairman, Committee on Health, Education, Labor, and Pensions, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has prepared the enclosed cost estimate for the Better Education for Students and Teachers Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Donna Wong (for federal costs), Susan Sieg Tompkins (for the state and local impact), and Nabeel Alsalam (for the private-sector impact).

Sincerely,

Barry B. Anderson
(For Dan L. Crippen, Director).

Enclosure.

Congressional Budget Office Cost Estimate

Better Education for Students and Teachers Act—As ordered reported by the Senate Committee on Health, Education, Labor, and Pensions on March 8, 2001

Summary: Programs under the Elementary and Secondary Education Act of 1965 (ESEA) were authorized through 2000 under the General Education Provisions Act (GEPA). Programs were authorized in 2001 by the Consolidated Appropriations Act (Public Law 106–554). The Better Education for Students and Teachers Act would reauthorize these programs through 2008. It would also reauthorize parts of the Stuart B. McKinney Act, and activities under ESEA that were authorized under Parts III and IV of the Goals 2000: Educate America Act (Goals 2000).

CBO estimates that authorizations under the bill relative to current law would total approximately $28 billion in 2002 and about $205 billion over the 2002–2008 period, assuming that annual lev-

els are adjusted to keep pace with inflation when specific annual authorizations are not provided. (Without such inflation adjustments, the annual authorization total would be about $28 billion for each year, for a total of $194 billion over the 2002–2008 period.) CBO estimates that appropriations of the authorized levels would result in additional outlays of $167 billion over the 2002–2008 period, relative to estimated spending under the current law, if inflation adjustments are included (and about $160 billion without inflation adjustments).

The programs reauthorized in this bill would provide grants to state and local education agencies and tribal governments to assist specific populations of students in meeting state performance standards. The bill contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA). Any costs incurred by state, local, or tribal governments would result from complying with conditions of aid. The bill contains no private-sector mandates as defined in UMRA.

Estimated cost to the Federal Government: The estimated budgetary impact of the bill is shown in Table 1. The costs of this legislation fall within the budget function 500 (education, training, employment, and social services).

TABLE 1.—ESTIMATED BUDGETARY EFFECTS OF THE BETTER EDUCATION FOR STUDENTS AND TEACHERS ACT

	By fiscal year, in millions of dollars.—							
	2001	2002	2003	2004	2005	2006	2007	2008
SPENDING SUBJECT TO APPROPRIATION								
With Adjustments For Inflation								
Spending Under Current Law:								
Budget Authority/Authorization Level [1]	16,767	8,718	.....	.....	.....	.....	.....	.....
Estimated Outlays	13,910	14,709	4,650	744	20	.....	.....	.....
Total Proposed Changes:								
Estimated Authorization Level	.....	27,715	28,267	28,795	29,323	29,887	30,452	31,016
Estimated Outlays	.....	1,506	20,886	26,951	28,643	29,172	29,727	30,290
Spending Under the Bill:								
Estimated Authorization Level	16,767	36,454	28,267	28,795	29,323	29,887	30,452	31,016
Estimated Outlays	13,910	16,215	25,536	27,694	28,663	29,172	29,727	30,290
Without Adjustments For Inflation								
Spending Under Current Law:								
Budget Authority/Authorization Level [1]	16,767	8,718	.....	.....	.....	.....	.....	.....
Estimated Outlays	13,910	14,709	4,650	744	20	.....	.....	.....
Total Proposed Changes:								
Estimated Authorization Level	.....	27,735	27,729	27,719	27,709	27,709	27,709	27,709
Estimated Outlays	.....	1,506	20,856	26,517	27,695	27,685	27,683	27,683
Spending Under the Bill:								
Estimated Authorization Level	16,767	36,454	27,729	27,719	27,709	27,709	27,709	27,709
Estimated Outlays	13,910	16,215	25,506	27,260	27,715	27,685	27,683	27,683

[1] The 2001 level is the amount appropriated for that year.
Note: Components may not sum to totals because of rounding.

Basis of Estimate: The bill would reauthorize funding through 2008 for various programs created under ESEA. These programs would generally be reauthorized at specific levels for 2002 and for

such sums as may be necessary for 2003 through 2008. CBO estimates that the bill would increase authorized levels by $27.7 billion in 2002 and by $205.5 billion over the 2002–2008 period assuming that "such sums" amounts provided after 2002 are adjusted for inflation. If the authorized amounts are appropriated, the bill would increase outlays relative to current law by $1.5 billion the first year and by $167.2 billion over the seven-year period. (Without inflationary adjustments, the increased authorizations would result in outlays of $159.6 billion over the seven years.)

Table 2 presents CBO's estimates for the various components of each title under the bill. CBO's estimate of authorized levels is generally the authorized amount for 2002 with those amounts inflated in later years. (The authorization for some programs are specified after 2002.) For most existing programs that the bill would reauthorize, the estimated outlays reflect CBO's current spendout rate assumptions. For new programs or significant revisions to existing programs, an explanation of CBO's estimate is provided below.

Becuase most education programs operate on a forward-funded basis, spending in the first year is consistently slow across all programs, with variation in spending patterns in the subsequent years. Historically, spending occurs even more slowly when the programs are new, experience significant funding increases, or institute matching requirements or other restrictions.

TITLE I—BETTER RESULTS FOR DISADVANTAGED CHILDREN

Title I of the bill would reauthorize and revise programs currently authorized under parts A, B, C, and E of Title I of ESEA. It also would introduce new programs for student assessments and reading initiatives. The bill would authorize a total of $19 billion for 2002 for all programs under title I. CBO estimates the total funding for title I for the 2002–2008 period would be $140.8 billion, assuming adjustments for inflation, with resulting outlays of $115.9 billion over those seven years.

Part A—Better Results for Disadvantaged Children. The bill would reauthorize the Basic, Concentration, and Targeted Grant Programs under Part of Title I, phase out the capital expensive account, add new requirements for states to develop more specific standards and assessments, and require states to report annually on the results of the assessments.

TABLE 2.—DETAILED EFFECTS OF THE BETTER EDUCATION FOR STUDENTS AND TEACHERS ACT, WITH ADJUSTMENTS FOR INFLATION

	By fiscal year, in millions of dollars—							
	2001	2002	2003	2004	2005	2006	2007	2008
SPENDING SUBJECT TO APPROPRIATION								
Spending Under Current Law:								
Budget Authority/Authorization level [1]	16,767	8,718	0	0	0	0	0	0
Estimated Outlays	13,910	14,709	4,650	744	20	0	0	0
Proposed Changes:								
Title I—Better Results for Disadvantaged Children								
Basic Grants to Local Education Agencies (LEAs):								
Estimated Authorization Level	0	15,000	15,294	15,587	15,881	16,189	16,497	16,805

TABLE 2.—DETAILED EFFECTS OF THE BETTER EDUCATION FOR STUDENTS AND TEACHERS ACT, WITH ADJUSTMENTS FOR INFLATION—Continued

	By fiscal year, in millions of dollars—							
	2001	2002	2003	2004	2005	2006	2007	2008
Estimated Outlays	0	750	12,015	14,950	15,537	15,831	16,137	16,445
Targeted Grants to LEAs:								
Estimated Authorization Level	0	200	204	208	212	216	220	224
Estimated Outlays	0	10	160	199	207	211	215	219
Even Start:								
Estimated Authorization Level	0	250	255	260	265	270	275	280
Estimated Outlays	0	8	183	229	258	263	268	273
Reading First:								
Estimated Authorization Level	0	900	918	935	953	971	990	1,008
Estimated Outlays	0	27	658	823	929	947	965	984
Early Reading First:								
Estimated Authorization Level	0	75	76	78	79	81	82	84
Estimated Outlays	0	2	55	69	77	79	80	82
Education of Migratory Children:								
Estimated Authorization Level	0	400	408	416	423	432	440	448
Estimated Outlays	0	20	320	399	414	422	430	439
Neglected, Delinquent, or At-Risk Youth:								
Estimated Authorization Level	0	50	51	52	53	54	55	56
Estimated Outlays	0	3	40	50	52	53	54	55
Capital Expense Account:								
Estimated Authorization Level	0	15	15	5	0	0	0	0
Estimated Outlays	0	1	12	14	7	1	0	0
National Assessment and Demonstrations of Innovative Practices:								
Estimated Authorization Level	0	35	36	36	37	38	38	49
Estimated Outlays	0	2	28	35	36	37	38	38
21st Century Community Learners:								
Estimated Authorization Level	0	1,500	1,529	1,559	1,588	1,619	1,650	1,681
Estimated Outlays	0	180	1,204	1,497	1,556	1,585	1,616	1,647
Comprehensive School Reform:								
Estimated Authorization Level	0	250	255	260	265	270	275	280
Estimated Outlays	0	13	200	249	259	264	269	274
Dropout Prevention:								
Estimated Authorization Level	0	250	255	260	265	270	275	280
Estimated Outlays	0	13	200	249	259	264	269	274
Education for Homeless Children:								
Estimated Authorization Level	0	70	71	73	74	76	77	78
Estimated Outlays	0	4	49	68	72	74	75	77
Subtotal, Title I:.								
Estimated Authorization Level	0	18,995	19,366	19,728	20,094	20,484	20,874	21,264
Estimated Outlays	0	1,030	15,123	18,830	19,664	20,031	20,416	20,806

TABLE 2.—DETAILED EFFECTS OF THE BETTER EDUCATION FOR STUDENTS AND TEACHERS ACT, WITH ADJUSTMENTS FOR INFLATION—Continued

	By fiscal year, in millions of dollars—							
	2001	2002	2003	2004	2005	2006	2007	2008
Title II—Teachers								
Grants to States, Local Educational Agencies, and Eligible Partnerships:								
Estimated Authorization Level	0	3,000	3,059	3,117	3,176	3,238	3,299	3,361
Estimated Outlays	0	150	2,103	2,894	3,100	3,159	3,219	3,281
National Programs:								
Estimated Authorization Level	0	100	102	104	106	108	110	112
Estimated Outlays	0	5	70	96	103	105	107	109
National Teacher Recruitment Campaign:								
Estimated Authorization Level	0	3	3	3	3	3	3	3
Estimated Outlays	0	3	3	3	3	3	3	3
Math and Science Partnerships:								
Estimated Authorization Level	0	500	510	520	529	540	550	560
Estimated Outlays	0	15	40	176	505	514	524	534
Eisenhower Clearinghouse:								
Estimated Authorization Level	0	5	5	5	5	5	5	6
Estimated Outlays	0	([2])	3	5	5	5	5	6
Preparing Tomorrow's Teachers to Use Technology:								
Estimated Authorization Level	0	150	153	156	159	162	165	168
Estimated Outlays	0	8	105	145	155	158	161	164
State and Local Programs for Technology Use in Classrooms:								
Estimated Authorization Level	0	1,000	1,020	1,039	1,059	1,079	1,100	1,120
Estimated Outlays	0	100	652	965	1,033	1,053	1,073	1,094
National Panel on Portability of Teacher Pensions:								
Estimated Authorization Level	0	2	0	0	0	0	0	0
Estimated Outlays	0	1	1	0	0	0	0	0
Subtotal, Title III:.								
Estimated Authorization Level	0	4,760	4,851	4,944	5,037	5,135	5,233	5,330
Estimated Outlays	0	281	2,978	4,284	4,904	4,997	5,093	5,191
Title III—Moving Limited English Proficient Students to English Fluency								
Bilingual Program:								
Estimated Authorization Level	0	300	306	312	318	324	330	336
Estimated Outlays	0	15	210	289	295	301	306	312
Foreign Language Assistance:								
Estimated Authorization Level	0	35	36	36	37	38	38	39
Estimated Outlays	0	2	25	34	34	35	36	36
Immigrant Education:								
Estimated Authorization Level	0	200	204	208	212	216	220	224
Estimated Outlays	0	10	140	193	197	200	204	208
Subtotal, Title III:.								
Estimated Authorization Level	0	535	545	556	566	577	588	590
Estimated Outlays	0	27	375	516	526	536	546	557

TABLE 2.—DETAILED EFFECTS OF THE BETTER EDUCATION FOR STUDENTS AND TEACHERS ACT, WITH ADJUSTMENTS FOR INFLATION—Continued

	By fiscal year, in millions of dollars—							
	2001	2002	2003	2004	2005	2006	2007	2008
Title IV—Safe and Drug-Free Schools and Communities								
State Grants:								
Estimated Authorization Level	0	700	714	727	741	755	770	784
Estimated Outlays	0	35	491	675	723	737	751	766
National Programs:								
Estimated Authorization Level	0	150	153	156	159	162	165	168
Estimated Outlays	0	8	105	145	155	158	161	164
National Coordinator Initiative:								
Estimated Authorization Level	0	75	76	78	79	81	82	84
Estimated Outlays	0	4	53	72	77	79	80	82
Grants to Combat the Impact of Domestic Violence on Children:								
Estimated Authorization Level	0	5	5	5	0	0	0	0
Estimated Outlays	0	(2)	4	5	5	2	0	0
Subtotal, Title IV:.								
Estimated Authorization Level	0	930	948	966	979	998	1,017	1,036
Estimated Outlays	0	47	652	897	961	975	993	1,012
Title V—Public School Choice and Flexibility								
Charter Schools:								
Estimated Authorization Level	0	190	194	197	201	205	209	213
Estimated Outlays	0	10	133	183	196	200	204	208
Magnet Schools:								
Estimated Authorization Level	0	125	127	130	132	135	137	140
Estimated Outlays	0	6	88	121	129	132	134	137
Public School Choice:								
Estimated Authorization Level	0	225	225	225	225	225	225	225
Estimated Outlays	0	11	158	214	225	225	225	225
Rural Education:								
Estimated Authorization Level	0	300	306	312	318	324	330	336
Estimated Outlays	0	15	210	289	310	316	322	328
Innovative Education Programs:								
Estimated Authorization Level	0	850	867	883	900	917	935	952
Estimated Outlays	0	43	596	820	878	895	912	930
Advanced Placement:								
Estimated Authorization Level	0	50	51	52	53	54	55	56
Estimated Outlays	0	3	35	48	52	53	54	55
Subtotal, Title V:.								
Estimated Authorization Level	0	1,740	1,770	1,799	1,829	1,860	1,891	1,922
Estimated Outlays	0	87	1,219	1,675	1,790	1,820	1,851	1,882
Title VI—Parental Involvement and Accountability								
Parental Involvement:								
Estimated Authorization Level	0	50	51	52	53	54	55	56
Estimated Outlays	0	5	33	48	52	53	54	55
State Assessment Plans:								
Estimated Authorization Level	0	400	408	416	423	432	440	448
Estimated Outlays	0	12	272	386	413	421	429	437

TABLE 2.—DETAILED EFFECTS OF THE BETTER EDUCATION FOR STUDENTS AND TEACHERS ACT, WITH ADJUSTMENTS FOR INFLATION—Continued

	By fiscal year, in millions of dollars—							
	2001	2002	2003	2004	2005	2006	2007	2008
National Assessment of Education Progress:								
Estimated Authorization Level	0	110	112	114	116	119	121	123
Estimated Outlays	0	3	75	106	114	116	118	120
Improving Academic Achievement:								
Estimated Authorization Level	0	50	51	52	53	54	55	56
Estimated Outlays	0	5	33	48	52	53	54	55
Subtotal, Title VI:.								
Estimated Authorization Level	0	610	622	634	646	658	671	683
Estimated Outlays	0	25	412	588	630	642	654	667
Title VII—Indians, Native Hawaiians, and Alaska Native Education								
Grants Administration and Planning:								
Estimated Authorization Level	0	3	3	3	3	3	3	3
Estimated Outlays	0	(2)	2	3	3	3	3	3
Indian Education:								
Estimated Authorization Level	0	93	95	97	98	100	102	104
Estimated Outlays	0	5	74	93	96	98	100	102
Special Programs and National Activities:								
Estimated Authorization Level	0	20	20	21	21	22	22	22
Estimated Outlays	0	1	16	20	21	21	22	22
Native Hawaiian Council:								
Estimated Authorization Level	0	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Estimated Outlays	0	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Education for Native Hawaiians:								
Estimated Authorization Level	0	28	29	29	30	30	31	31
Estimated Outlays	0	1	20	27	29	29	30	31
Alaska Native Education Equity:								
Estimated Authorization Level	0	17	17	18	18	18	19	19
Estimated Outlays	0	1	12	16	18	18	18	19
Subtotal, Title VII:.								
Estimated Authorization Level	0	161	164	167	171	174	177	180
Estimated Outlays	0	8	125	159	167	170	173	176
Title IX—Miscellaneous Provisions								
Evaluation of Assessments:								
Estimated Authorization Level	0	4	0	0	0	0	0	0
Estimated Outlays	0	1	1	1	1	0	0	0
Total Proposed Changes:								
Estimated Authorization Level	0	27,735	28,267	28,795	29,323	29,887	30,452	31,016
Estimated Outlays	0	1,506	20,886	26,951	28,643	29,172	29,727	30,290
Total Spending Under the Bill:								
Estimated Authorization Level	16,767	36,454	28,267	28,795	29,323	29,887	30,452	31,016
Estimated Outlays	13,910	16,215	25,536	27,694	28,663	29,172	29,727	30,290

[1] The 2001 level is the amount appropriated for that year.
[2] Less than $500,000.

Note: Components may not sum to totals because of rounding.

The bill would authorize $15 billion for 2002 for the basic and concentrations grants under Part A. The comparable funding for the 2001–2002 academic year is $8.6 billion. The bill also would authorize $200 million in 2002 for targeted grants. Although authorized, this program has not been funded in the past.

The bill would continue the authorization of the capital expense account. This account funds costs associated with ensuring that Title I services to private-school children are administered in neutral settings. In response to the 1997 Supreme Court ruling that overturned this requirement, the bill would phase out funding over three years, authorizing $15 million for 2002, $15 million for 2003, and $5 million for 2004. The funding level for 2001 is $6 million.

The bill would amend Part A of Title I to include more specific standards and assessment requirements for state plans. The bill would require states to include performance indicators in their plans as well as sanctions and rewards for local educational agencies (LEAs). State progress would be measured by each state according to its state plan. The bill also would require that states produce annual report cards beginning in academic year 2002–2003. The report cards would provide information on student achievement performance at each proficiency level on the state assessments. The bill would require states to assess all students annually in grades 3 through 8 in mathematics and reading, and measure the outcomes of the assessments against the state content and student performance standards established in the state plans, beginning no later than school year 2005–2006.

The bill also would authorize $35 million for 2002 for federal evaluations and demonstrations. Funding for these activities is $9 million in 2001.

Part B—Literacy for Children and Families. The bill would reauthorize funding for the Even Start Literacy program, currently Part B in Title I of ESEA, and create two new reading programs—the Reading First program and the Early Reading First program.

The bill would authorize $250 million for the Even Start program, the same amount that was appropriated for 2001.

The bill would authorize $900 million in 2002 for the Reading First program. The Reading First program replaces the Reading Excellence program, which is currently authorized under Part C of Title II of ESEA, The Reading Excellence program is funded at $286 million in 2001. The Reading First program would first provide formula grants to states. States would award grants competitively to LEAs. The program would allow states to apply for grants if funds remain. The Reading Excellence program uses a two-tier competitive grant structure, which has resulted in slow spending in the first two years relative to formula grant or one-tier competitive grant programs. CBO estimates that spending for the Reading First program would be at a rate comparable to spending for other formula grants to states with competitive grants to LEAs.

The bill also would create a new program for pre-school reading programs. The Early Reading First program would provide competitive grants to LEAs or private organizations to develop and provide pre-school reading programs. The bill would authorize $75 million for the Early Reading First program.

Part C—Education of Migratory Children. The bill would authorize $400 million in 2002 to continue to fund grants to support the

needs of children of migrant workers, currently authorized under Part C of Title I. Funding in 2001 for the Migrant Education program is $380 million.

Part D—Initiatives for Neglected, Delinquent, or At-Risk Youth. The bill would authorize $50 million in 2002 to reauthorize grants for education programs for neglected or delinquent youth, compared with the 2001 funding level of $46 million.

Part E—21st Century Community Learning Centers; Comprehensive School Reform; School Dropout Prevention. The bill would authorize $1.5 billion in 2002 to continue the 21st Century Community Learners program currently authorized under Part I of Title X of ESEA. The program's funding for 2001 is $846 million.

The bill would authorize $250 million for 2002 to continue the Comprehensive School Reform Grant Program. The program received $210 million in 2001.

The bill would also introduce a new National School Dropout Prevention Program. A program to address school dropouts is currently authorized under Part C of Title V, but has never been funded. Schools would be allowed to use funds for start-up and implementation costs of dropout prevention programs. The bill would authorize $250 million to fund grants to states. States would award grants to schools with the highest dropout rates in the state. If funding is less than $250 millions, grants would be awarded to states on a competitive basis. If funding is equal to more that $250 million, grants would be distributed to states using a formula. CBO assumes a spending rate consistent with spending for other competitive grant programs.

Part F—Education for Homeless Children and Youth. The bill would amend and reauthorize Subtitle B of Title VII of the Steward D. McKinney Homeless Assistance Act, authorizing $70 million for education for homeless children and youth in 2002. The appropriation for 2001 was $35 million.

TITLE II—TEACHERS

Title II would authorize a total of $4.8 billion for 2002 for several initiatives that address teacher hiring, recruitment, and professional development. CBO estimates that implementing this title would cost $27.7 billion over the 2002–2008 period.

Teacher Quality. The bill would authorize a total of $3 billion for a block grant to fund many activities previously authorized under the Eisenhower Professional Development and Class Size Reduction programs, both of which would be discontinued. The combined funding level in 2001 is $1.9 billion under the Eisenhower Professional Development and the Class Size Reduction programs. CBO assumes a spending rate consistent with the rate of spending for other new formula grant programs.

The bill also would authorize $100 million to fund national programs and activities such as nonprofit agencies or institutions of higher education providing mentors or professional development for teachers. In 2001, $41 million was appropriated for these activities.

The bill also would authorize $3 million for each year over the 2002–2008 period for a National Teacher Recruitment Campaign. The program would award a grant to a coalition of teacher and media organizations to conduct a public service campaign concerning the resources for and routes to entering the field of teach-

ing. For each year, CBO estimates that almost all funds would be spent in the year that they are appropriated.

Mathematics and Science Partnerships. The bill would authorize total funding of $505 million in 2002 for the Math and Science Partnerships program and the Eisenhower Clearinghouse for Mathematics and Science Education. The Math and Science Partnerships program would replace the existing Eisenhower Regional Mathematics and Science Education Consortia currently authorized in Title XIII, Part C. The Mathematics and Science Partnerships program would provide grants to partnership of states, local institutions, and institutions of higher education to offer summer and distance education workshops for math and science teachers, establish recruitment strategies, and provide other career development activities.

The bill would authorize $500 million for 2002 for the Math and Science Partnerships program. The existing Eisenhower Regional Mathematics and Science Education Consortia is funded at $15 million in 2001. The bill also would authorize $5 million in 2002 for the Eisenhower Clearinghouse for Mathematics and Science Education. The Clearinghouse is funded at $5 million in 2001. CBO assumes that funding for the new programs would be spent at a rate similar to other competitive matching grant programs.

The bill also would authorize $150 million in 2002 for a new program. Preparing Tomorrow's Teachers to Use Technology. Grants would be awarded competitively to education consortiums to develop or redesign teacher preparatory programs to enable teachers to use technology effectively in classrooms. CBO assumes that outlays for this program would be consistent with the rate of spending for other competitive grant programs.

State and Local Programs for Technology Use in Classrooms. The bill would authorize a total of $1 billion in 2002 for competitive grants to fund many activities previously authorized under the Literacy Challenge Fund, the Innovative Challenge Fund, and the National Leadership program. The combined funding level in 2001 is $588 million for those three programs. The Technology Use in Classrooms program would provide grants for ongoing professional development in the integration of technology into the curriculum, providing educational services for adults and families, and acquiring resources. CBO assumes that the rates of spending for this program would be similar to other competitive grant programs.

Portability of Teacher Pensions and Credentials. The bill would authorize such sums as may be necessary for fiscal year 2002 for a National Panel to study various options for increasing the reciprocity of recognition of teacher credentials and portability of teacher pensions between states. A report would be complete no later than one year after appointment of the panel. CBO estimates the National Panel would cost $2 million, with outlays of about $1 million in each of fiscal years 2002 and 2003.

TITLE III—MOVING LIMITED ENGLISH PROFICIENT STUDENTS TO ENGLISH FLUENCY

The bill would authorize $535 million for the Moving Limited English Proficiency Students to English Fluency program, currently authorized as the Bilingual Education program under Title VII or ESEA. The funding level for 2001 is $460 million. CBO esti-

mates that implementing this title would cost $3.1 billion over the 2002–2008 period.

The bill would authorize:

$300 million for 2002 for the Bilingual Education Program, which is funded at $296 million for 2001;

$35 million for the Foreign Language Assistance Program in 2002, which received $14 million in funding in 2001; and

$200 million for the Emergency Immigrant Education Program, which is funded at $150 million for 2001.

TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

The bill would authorize a total of $930 million for 2002 to continue the Safe and Drug-Free Schools and Communities Program, currently authorized under Title IV of ESEA. CBO estimates that implementing this title would cost $5.5 billion over the 2002–2008 period. Total funding for the program in 2001 is $644 million.

State Grants. The bill would authorize $700 million in 2002 to continue grants to state educational agencies and governors' programs, which are funded at $439 million in 2001.

The bill would authorize $150 million in 2002 to continue national programs, which are funded at $155 million in 2001. The bill also would authorize $75 million in 2002 to continue the National Coordinator Initiative. The National Coordinator Initiative is funded at $50 million in 2001.

The bill would also create a new competitive grant program to provide grants to elementary and secondary schools to combat the impact of experiencing or witnessing domestic violence on elementary and secondary children. Funds could be used for training of personnel or developing programs and policies to combat the impact of experiencing or witnessing domestic violence. The bill would authorize $5 million in 2002, 2003, and 2004 for this program. CBO assumes a spending rate consistent with the rate of spending for other new competitive grant programs.

School Safety and Violence Prevention. The bill would allow federal funds in title IV to be used to train personnel to identify potential safety threats in the schools. CBO expects that this provision would have no impact on the rate at which such funds are spent.

TITLE V—PUBLIC SCHOOL CHOICE AND FLEXIBILITY

Title V would authorize $1.7 billion in 2002 for several programs previously authorized under other titles of ESEA. Programs authorized under Title V are Charter Schools, Magnet Schools, Public School Choice, Rural Education, Innovative Education Programs, and Advanced Placement. CBO estimates that implementing this title would cost $10.3 billion over the 2002–2008 period.

Public School Choice. The bill would reauthorize the Charter School program, currently authorized through 2003 under the Charter School Reauthorization Act (Public Law 105–278) and through 2004 under GEPA. The bill would authorize $190 million for 2002–the same amount that has been provided for 2001—and extend the authorization through 2008.

The bill would authorize $125 million for 2002 to continue the Magnet Schools Program currently authorized under Part A of Title V, compared with 2001 funding of $110 million.

The bill would reauthorize $225 million for each of the fiscal years 2002–2008 for the Public School Choice program which was created in the Consolidated Appropriations Act of 2001 (Public Law 106–554). The program allocates funds to states who in turn allocate funds to LEAs for school improvement activities. LEAs that receive funds must provide students enrolled in a school identified for school improvement with an option to transfer to another public school that has not been identified for school improvement within the school district served by the LEA. The program is funded at $225 million in 2001 as a set-aside from basic grants to LEAs under Title I of ESEA.

Flexibility. The bill would authorize the Rural Education Achievement Program and the Local Innovative Education Program.

The bill would create a new program called the Rural Education Achievement Program to replace the Urban and Rural Education Assistance program, currently authorized under Part J of Title X of ESEA. The bill would authorize the program at $300 million in 2002, of which $150 million would be available for grants to small rural education agencies to carry out innovative assistance activities. Any remaining funds could be used for grants to state educational agencies for the low-income and rural school program. The Urban and Rural Education Assistance Program is not funded for 2001.

The bill also would authorize $850 million to continue the Innovative Education Program. The program is currently authorized under Title VI of ESEA. This program is funded at $385 million in 2001.

Flexibility and Coordination. The bill would allow state educational agencies to consolidate funds for administration of programs. The bill also would allow state educational agencies to submit a consolidated state plan or application for each of the programs in which the state participates or applies.

Advanced Placement Programs. The bill would authorize $50 million in 2002 and expand allowable activities under the Advanced Placement program currently authorized by Part B of Title VII of the Higher Education Act. Funds would first be allocated to states to enable states to reimburse low income individuals to cover all or part of the cost of advanced placement (AP) test fees. The remainder of funds could be used to expand AP courses and fund on-line AP courses. The program is funded at $22 million in 2001.

TITLE VI—PARENTAL INVOLVEMENT AND ACCOUNTABILITY

Title VI would authorize a total of $610 million in 2002 for new initiatives aimed at increasing parental involvement in schools. CBO estimates that implementing this title would cost $3.6 billion over the 2002–2008 period.

Parental Involvement Grants. The bill would authorize $50 million for 2002 for a new Parental Involvement Grant Program. The Parental Involvement Grant Program would replace and expand upon the Parental Assistance Funds Program, authorized under Title IV of Goals 2000 which is funded at $38 million in 2001. Funds provided under this part would be used to support continuation grants for recipients under the current program.

Improving Academic Achievement. The bill also would authorize funds for the planning and implementation of the state assessment plans and the administration of the annual assessments of students described in title I of this bill. The bill would authorize $400 million in 2002 for planning and implementation of state plans. The bill also would authorize $110 million for states to administer assessments under National Assessment of Educational Progress (NAEP). The bill would provide funds to states to administer state assessments of fourth- and eighth-grade reading and mathematics under NAEP. CBO assumes the new funds will be spent at a rate consistent with the rate for other new formula grant programs.

The bill also would create a new Education Award program which would allow the Secretary of Education to award grants to states that make the most progress in student achievement, schools that complete their state assessment plans in advance of the schedule, and schools that make the most progress in the progress of economically disadvantaged students' achievement. The bill would authorize $50 million for education awards. CBO assumes funds would be spent at the same rate as the National Assessment of Educational Progress grants.

The bill also would establish penalties for states based on state assessment results. States that fail to make yearly progress for two consecutive years could have their administrative funds reduced up to 30 percent. States that fail to make progress for three or more consecutive years could have up to 75 percent of their administrative funds reduced. CBO expects that this provision would not significantly change spending.

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

The bill would authorize $161 million to continue education programs currently authorized under Parts A, B, and C of Title IX of ESEA. Total funding for 2001 is $159 million.

Indian Education. For 2002, the bill would reauthorize a total of $116 million for Indian Education programs. The bill would authorize $93 million for formula grants to LEAs for Indian Education. That program is funded at the same amount for 2001. The bill would authorize $20 million for special programs and national activities in 2002, the same amount that is appropriated for 2001. Finally, the bill would authorize $3 million for each of the fiscal years 2002 through 2008 for grants to tribes for administration and planning. Funding in 2001 is also $3 million.

Native Hawaiian Education. The bill would authorize $28 million in 2002 for education for Native Hawaiians. Current programs would be consolidated into one authorization and new activities would be authorized. The appropriation for 2001 is also $28 million. The bill also would authorize $300,000 for a Native Hawaiian Council to oversee coordination of educational services available to Native Hawaiians.

Alaska Native Education. The bill would authorize $17 million in 2002 for Alaska Native education. Funding in 2001 is $15 million.

TITLE VIII—REPEALS

The bill would repeal Titles IX through XIV of the Elementary and Secondary Education Act of 1965. The bill also would repeal

the Goals 2000: Educate America Act. Programs that would be repealed in title VIII or elsewhere in the bill include:

Telecommunications Demonstration Project for Mathematics,
Elementary Mathematics and Science Equipment Program,
Star Schools,
Ready to Learn TV,
Technology Education,
Women's Education Equity,
Fund for Improvement of Education,
Gifted and Talented,
Arts in Education,
Inexpensive Book Distribution,
Ellender Fellowship,
National Writing Project,
International Education Exchange,
School Facilities Infrastructure Improvement Act,
Comprehensive Regional Assistance Centers,
National Diffusion Network,
Eisenhower Regional Mathematics and Science Education Consortia,
Community-based Technology Centers,
Professional Development National Programs, and
School Renovation Grants.

TITLE IX—MISCELLANEOUS PROVISIONS

Title IX would authorize the appropriation of $4 million in 2002 for an evaluation of standardized tests that are mandated to be used in determining a student's promotion, graduation, or tracking. the bill would authorize such funding for the Board on Testing and Assessment of the National Research Council of the National Academy of Sciences for an ongoing evaluation of the effectiveness of school assessments. The study would not exceed four years. CBO estimates that completing the study would cost about $1 million each year over the four-year period.

Pay as you go considerations: None.

Estimated impact on State, local, and tribal governments: The bill would reauthorize certain sections of the Elementary and Secondary Education Act of 1965 and would authorize over $27 billion in grants to state and local education agencies and tribal governments to support their efforts to improve educational opportunities and performance for specific populations of students. The bill contains no intergovernmental mandates as defined in UMRA. In general, any costs to state, local, or tribal governments as a result of enactment of this bill would be incurred voluntarily, as conditions of aid.

Estimated impact on the private sector: The bill contains no private-sector mandates as defined in UMRA.

Estimate prepared by: Federal costs: Donna Wong; impact on State, local, and tribal governments: Susan Sieg Tompkins; impact on the private sector: Nabeel Alsalam.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

VIII. Section-By-Section Analysis

Section 1—Short Title; Table of Contents. Section 1 specifies the title of the legislation as the "Better Education for Students and Teachers Act" and lists the table of contents.

Section 2—References. Section 2 notes that all amendments and repeals referenced in the act apply to the Elementary and Secondary Education Act of 1965 (ESEA).

Section 3—Short Title; Purpose; Definitions; Uniform Provisions. Section 3 amends the Elementary and Secondary Education Act ("the Act") to add the following new sections:

Section 2 of the Act specifies the purpose of the Elementary and Secondary Education Act, which is to support programs and activities that will improve the Nation's schools and enable all children to achieve high standards.

Section 3 of the Act includes the definitions used throughout ESEA.

Section 4 of the Act—Maintenance of Effort. This section restates current law provisions requiring that a local educational agency must maintain at least 90 percent of its combined fiscal effort per student or the aggregate of State and local educational agency expenditures for free public education for the previous fiscal year in order to receive funds under the Act.

Section 5 of the Act—Prohibition Regarding State Aid. This section restates current law provisions prohibiting a State from taking payments under this Act into consideration in determining the eligibility of a local educational agency for State aid or for the amount of such aid. An exception is made for payments under Title VIII (impact aid).

Section 6 of the Act—Participation by Private School Children and Teachers. This section restates current law provisions regarding programs under the Act in which private school children and teachers may participate and the conditions and procedures which apply to such participation.

Section 7 of the Act—Standards for By-Pass. This section restates current law provisions regarding the Secretary's arranging for equitable services to children, teachers, or other educational personnel at private elementary and secondary schools in cases where a State educational agency, a local educational agency, an educational service agency, or consortium is prohibited from providing for their participation.

Section 8 of the Act—Complaint Process for Participating of Private School Children. This section restates current law provisions establishing procedures regarding complaints regarding violations of provisions of the Act providing for participation by private school children and teachers.

Section 9 of the Act—By-Pass Determination Process. This section restates current law provisions providing that the Secretary may not exercise by-pass authority until the State educational agency, local educational agency, educational service agency, or consortium of such agencies affected by the action has had an opportunity to submit written objections and to appear before the Secretary. The agency or consortium may appeal the decision of the Secretary. Funding for the services provided through the by-pass

authority is providing from the appropriate State allocation or allocations under the Act.

Section 10 of the Act—Prohibition Against Funds for Religious Worship or Instruction. This section restates the current law provision that nothing in the Act is to be construed to authorize the making of any payment for religious worship or instruction.

Section 11 of the Act—Applicability to Home Schools. This section restates the current law provision that nothing in the Act is to be construed to affect home schools.

Section 12 of the Act—General Provision regarding Nonrecipient Nonpublic Schools. This section restates current law provisions providing that nothing in the Act is to be construed to authorize Federal control over any aspect of any private, religious, or home school—whether or not a home school is treated as a private school or home school under State law. The section is not be to construed to bar private, religious, or home schools from participating in programs or services under the Act.

Section 13 of the Act—School Prayer. This section restates current law provisions regarding school prayer.

Section 14 of the Act—General Prohibitions. This section restates current law provisions prohibiting the use of funds under this Act for the promotion of sexual activity, the distribution of obscene materials to minors, sex education or HIV prevention education (unless such instruction is age appropriate and includes the health benefits of abstinence), or condom distribution.

Section 15 of the Act—Prohibition on Federal Mandates, Direction, and Control. This section restates current law provisions providing that nothing in the Act is to be construed to authorize Federal direction or control of curriculum, programs of instruction, or allocation of State or local resources. The section also provides that the Federal Government may not require a State or any subdivision to spend funds or incur costs not paid for under the Act.

TITLE I—BETTER RESULTS FOR DISADVANTAGED CHILDREN

Section 101—Policy and Purpose. Section 101 amends section 1001 of the Act to modify the purpose. The purpose is to enable schools to provide opportunities for children served under title I to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State student performance standards developed for all children. The section also describes various mechanisms for accomplishing the purpose.

Section 102—Authorization of Appropriations. Section 102 amends section 1002 of the Act and specifies the authorized funding levels for all parts and certain provisions of title 1. The authorization level for part A (Better Results for Disadvantaged Children) is $15 billion for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The authorization level for subpart 1 of part B (Even Start) is $250 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The authorization level for subpart 2 of part B (Reading First) is $900 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The authorization level for subpart 3 of part B (Early Reading First) is $75 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The authoriza-

tion level for part C (Migratory Children) is $400 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The authorization level for Part D (Neglected, Delinquent Youth) is $50 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The authorization level for section 1120(e) (Capital Expenses) is $15 million for each of the fiscal years 2002 and 2003 and is $5 million for fiscal year 2004. The authorization level for section 1501 (Federal Activities) is $10 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. For section 1502, the authorization level is $25 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The authorization level for part F (21st Century Community Learning Centers) is $1.5 billion for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The authorization level for part G (Comprehensive School Reform) is $250 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The authorization level for part H (School Dropout Prevention) is $250 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years, of which 10 percent will be used for subpart 1 (Coordinated National Strategy) and the remaining 90 percent for subpart 2 (National School Dropout Prevention Initiative).

Section 103—Reservation and Allocation for School Improvement. Section 103 amends section 1003 of the Act to provide that each State educational agency will reserve a portion of its title I allocation to conduct school improvement activities and to provide technical assistance and support for local educational agencies. At least half of the reserved funds must be provided directly to local educational agencies for schools identified for school improvement, corrective action, or reconstitution. The reserved amount is 3.5 percent of the allocation in each of fiscal years 2002 and 2003, rising to 5 percent of that amount in each of fiscal years 2004 through 2008.

Part A—Better Results for Disadvantaged Children

Section 111—State Plans. Section 111 rewrites section 1111 of the Act. Provisions of the new section 1111 include:

Section 1111(a)—State Plans. Section 1111(a) requires States to submit a plan to the Secretary by March 1, 2002, in order to received funds under part A. The plan must meet the requirements of section 1111 and be coordinated with other programs under this Act and with other Federal education programs.

Section 1111(b)—Standards, Assessments, and Accountability.

Section 1111(b)(1) [Challenging Standards] requires that States adopt challenging content and student performance standards and that those standards apply to all schools and children in the State. In addition to having standards in mathematics and reading or language arts, as required by current law, States must have standards in history and science. States have until the beginning of the 2005–2006 school year to meet the new history and science standards requirement. The section maintains current law provisions requiring that challenging student performance standards be aligned with State content standards and that they describe 2 levels of high per-

formance (proficient and advanced) and 1 other level of performance (partially proficient).

Section 1111(b)(2)(A) [Accountability] requires States to develop and implement a single, statewide accountability system for assuring that all local educational agencies and schools make adequate yearly progress (AYP). The accountability system must be based on the standards and assessments required under title I, must include indicators for measuring student performance, and must include sanctions and rewards.

Section 1111(b)(2)(B) [Adequate Yearly Progress] provides that adequate yearly progress will be demonstrated by annual student assessments. In addition, States must define adequate yearly progress in a manner that: (1) applies high standards to all students; (2) is statistically valid and reliable; (3) results in academic improvement for all students; (4) measures progress primarily through assessments; (5) includes annual measurable objectives for improvement in the achievement of all students and of economically disadvantaged students, students with disabilities, students with limited English proficiency, migrant students, students by racial and ethnic group, and students by gender; (5) includes a timeline for assuring that each group of students meets or exceeds the State's proficient level of performance within 10 years; and (6) includes school completion or dropout rates and at least 1 other academic indicator.

Section 1111(b)(2)(C) [Public Comment] provides that the State seek public comments from a range of institutions and individuals in developing its plan. In addition, the State is to ensure information under part A is widely known throughout the State. At a minimum, this information and explanatory text is to be made broadly available through means such as the Internet, the media, and public agencies.

Section 1111(b)(2)(D) [Exceptions to Statewide Application] addresses cases where no State official or entity has authority under State law to adopt curriculum content standards, student performance standards, and aligned assessments which are applicable to all public school students. In such cases, the State may meet title I requirements either: (1) by applying statewide standards and assessments only to children served under part A, or (2) by ensuring that each local educational agency which receives title I funds will adopt standards and assessments which meet all of the criteria described in subsection (b).

Section 1111(b)(2)(E) [Statistical Significance] provides that the State plan must include a description of the standard the State will use in determining statistically significant educational progress for purposes of implementing the reconstitution provisions.

Section 1111(b)(3) [Assessments] provides that, in addition to having annual student assessments in mathematics and reading or language arts as required by current law, States must have such assessments in science. States have until the beginning of the 2007–2008 school year to meet the new science assessment requirement. The same assessments must be used to measure the performance of all children. A new provision is added to require annual assessment in mathematics and reading or language arts of all students in grades 3 through 8, beginning in school year 2005–2006. In exceptional circumstances, a State may be given 1 addi-

tional year to come into compliance. In addition, a State will not be required to conduct any of the new mathematics and reading assessments in any school year in which less than 50 percent of the costs of administering these assessments was provided by the Federal government in the previous year.

All reading or language arts assessments must be written in English for any student who has attended school in the United States for 3 or more consecutive years, unless the local educational agency—on a case-by-case basis—determines that assessments in another language would yield more accurate and reliable information. In such situations, students may be tested in a language other than English for 1 additional year or—in exceptional circumstances—for additional years. The section also clarifies that the individual student reports required under current law must be provided to parents of all students. The report must include scores, and may include other performance standards (student course work over time, attendance rates, dropout rates, and participation in advanced level courses).

Section 1111(b)(3) also maintains current law provisions requiring that assessments: (1) be aligned with State content and student performance standards; (2) be used for purposes for which they are valid and reliable; (3) be consistent with relevant, nationally recognized professional and technical standards; (4) be administered at least once during grades 3 through 5, 6 through 9, and 10 through 12; (5) involve multiple measures of student performance; (6) provide for the participation of all students, including students with disabilities and limited English proficient students; (7) include students who have attended schools in a local educational agency for a full academic year but have not attended a single school for a full academic year; (8) provide individual student interpretive and descriptive reports which include test scores or other information on the attainment of performance standards; (9) enable results to be disaggregated by gender, by racial and ethnic group, by English proficiency status, by migrant status, by students with disabilities compared with nondisabled students, and by economically disadvantaged students compared with students who are not economically disadvantaged.

Section 1111(b)(4) [Special Rules] clarifies the current law provision permitting the inclusion of measures that do not meet standards of validity and reliability, provided that the State includes information regarding efforts to validate such measures. A new provision is added, permitting States to measure the academic proficiency of students in grades kindergarten through 2.

Section 1111(b)(5) [Language Assessments] maintains the current law provision that States identify the languages other than English for which yearly student assessments are needed, but not available. The Secretary is to assist with the identification of appropriate assessment measures but shall not mandate a specific assessment or mode of instruction. A reference in current law to the Office of Bilingual Education and Minority Language Affairs is deleted.

Section 1111(b)(6) [Requirement] maintains the current law provision that the State plan describe how it will assist local educational agencies and schools to comply with requirements related to school improvement and corrective action, schoolwide projects,

and targetted assistance schools, as applicable, and describe other factors deemed appropriate to providing students an opportunity to achieve.

Section 1111(b)(7) [ED–FLEX] provides that a State will not be eligible for designation as an Ed-Flex State until it develops assessments aligned with the State's content standards in mathematics and reading or language arts.

Section 1111(c) [Other Provisions to Support Teaching and Learning] includes new State plan assurances that States will: (1) produce annual State report cards, beginning with the 2002–2003 school year; (2) participate in annual State assessments of 4th and 8th grade reading and mathematics under the National Assessment of Educational Progress (NAEP), provided that the Secretary pays the cost of administering such assessments; (3) provide technical assistance to local educational agencies and schools to carry out parental involvement responsibilities; (4) inform the Secretary and the public of how Federal laws, if at all, hinder their ability to hold local educational agencies and schools accountable for student academic performance; (5) encourage schools to consolidate funds from other Federal, State, and local sources for schoolwide reform; (6) modify or eliminate fiscal and accounting barriers so that schools can easily consolidate funds from other Federal, State, and local sources for schoolwide programs; (7) inform local educational agencies of their authority to obtain waivers under this act; and (8) coordinate activities funded under part A with other Federal activities. Section 1111(c) also maintains current law provisions requiring assurances in the State plan that the State will: (1) provide technical assistance to local educational agencies and schools; (2) consider providing professional development and technical assistance through educational service agencies or through other cooperative agreements; (3) notify local educational agencies and the public of standards and assessments and of the authority to operate schoolwide programs; (4) fulfill its responsibilities regarding local educational agency improvement and school improvement; (5) provide the least restrictive and burdensome regulations for local educational agencies and schools; and (6) involve the committee of practitioners in developing the plan and monitoring its implementation.

Section 1111(d) [Parental Involvement] includes new provisions requiring States to collect effective parental involvement practices and disseminate this information to local educational agencies and schools.

Section 1111(e) [Peer Review and Secretarial Approval] maintains current law provisions regarding the establishment of a peer review process to assist the Secretary in reviewing State plans and procedures to be followed in the event the State plan does not meet the requirements of this section. Language is added to specify that members of the peer review panel must be familiar with educational standards, assessments, accountability, and other diverse educational needs of students. In addition, the Secretary must approve a State plan within 120 days of its submission unless the plan fails to meet the requirements of this section.

Section 1111(f) [Provision of Testing Results to Parents and Teachers] includes a new provision requiring that local educational agencies provide the results from required assessments to parents

and teachers as soon as is practicably possible after the test is taken—in a manner and form that is understandable and easily accessible to parents and teachers.

Section 1111(g) [Duration of the Plan] maintains current law provisions providing that a State plan will remain in effect for the duration of its participation under part A, with periodic review and revisions.

Section 1111(h) [Limitation on Conditions] maintains the current law provision that nothing in part A is to be construed to authorize Federal control over specific instructional content, student performance standards and assessments, curriculum, or program of instruction as a condition of receiving part A funds.

Section 1111(i) [Penalty] includes a new provision requiring the Secretary to withhold State administrative funds in cases where a State fails to meet statutory deadlines for having in place challenging content and student performance standards and a system for measuring and monitory adequate yearly progress.

Section 1111(j) [Reports] includes new requirements for the issuance of annual report cards by States and local educational agencies, beginning in the 2002–2003 school year. All report cards must be broadly disseminated through public means.

Section 1111(j)(1) [State Report Cards] provides that the State report card be concise and presented in an understandable form. The report card must include: (1) information on student achievement at each proficiency level on the State assessments, disaggregated by race, ethnicity, gender, disability status, migrant status, English proficiency, and socioeconomic status; (2) the percentage of students not tested, also disaggregated; (3) the number and names of each school identified for school improvement; (4) information on the adequate yearly progress of local educational agencies; and (5) such other information the State chooses to include regarding the progress of public schools in the State.

Section 1111(j)(2) [Local Educational Agency Report Cards] provides that the local educational agency report card include information about the LEA and each school served by it. The information about the local educational agency to be included is the number and percentage of schools identified for school improvement and the performance by students on statewide assessments compared to students in the State as a whole. Information about schools to be included is whether the school has been identified for school improvement and how students performed on the statewide assessment compared to students in the local educational agency and the State as a whole.

Section 1111(j)(3) [Pre-existing Report Cards] provides that a State or local educational agency that already provide public report cards may continue to use those reports to comply with the reporting requirements of this section, provided that the report includes the information required by the section.

Section 1111(j)(4) [Annual State Report to the Secretary] requires States to report annually to the Secretary, beginning in school year 2001–2002, their progress in developing and implement required assessments. Beginning in school year 2004–2005, the annual report must include student assessment information, including disaggregated results. The report must also include the number and names of schools identified for school improvement, the rea-

sons for the identification, and the measures taken to address performance problems.

Section 1111(j)(5) [Parents Right-to-Know] requires local educational agencies that receive part A funds provide parents with information regarding the professional qualifications of their student's teachers. Parents are also to be provided information regarding the level of performance of their children in each State assessment in an understandable and uniform format.

Section 1111(k) [Privacy] provides that the privacy of individuals is to be protected with respect to the information collected under this section.

Section 1111(l) [Technical Assistance] requires the Secretary to provide States with technical assistance, upon request, regarding the requirements of this section.

Section 112—Local Educational Agency Plans. Section 112 amends section 1112 of the act.

Section 112(1) amends section 1112(a) of the act to specify that the local educational agency plan shall be coordinated with plans submitted under the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Head Start Act, and other acts as appropriate.

Section 112(2) amends section 1112(b) of the act to specify that the local educational agency shall determine the literacy levels of first graders and their needs for interventions and shall coordinate professional development planning provisions with similar provisions described under title II of this act. This section also includes a provision requiring the local educational agency to describe, where appropriate, how funds under part A will be used to support early childhood education programs and to describe how the agency will implement effective parental invovlement.

Section 112(3) amends section 1112(c) of the act to require each local educational agency to plan to carry out several new activities including: working with schools in the development and implementation of parental involvement and professional development activities; complying with professional development requirements as described under this part; informing eligible schools about waiver authority; ensuring the use of effective strategies to avoid low-income and minority students' being taught at higher rates than other students by unqualified or inexperienced teachers; using the results of assessments and other indicators to review annually the progress of each school served by the agency; and assuring that parents and teachers are provided with assessment results as soon as possible after the test is given. In addition, the section maintains current law provisions regarding local educational agency activities, including: providing information to schools and parents regarding schoolwide authority; providing technical assistance to schoolwide programs; working with schools in the development and implementation of school plans; fulfilling school improvement responsibilities; coordinating, to the extent possible, with other agencies providing services to children, youth, and families; providing services to eligible children attending private elementary and secondary schools in accordance with the act; and examining model programs for the educationally disadvantaged.

Section 112(4) amends section 1112(e) of the act to add a requirement that the State review a local educational agency plan to de-

termine if such agency's parental involvement activities are in accordance with section 1118.

Section 113—Eligible School Attendance Areas. Section 113 amends Section 1113(b) of the act to add a provision allowing a local educational agency to designate and serve, for 1 additional year, a school attendance area or school that is not an eligible school attendance area, but that was an eligible school attendance area and was served in the fiscal year preceding the fiscal year for which the determination is made.

Section 114—Schoolwide Programs. Section 114 amends Section 1114 of the act to allow a local educational agency to use part A funds with other Federal, State, and local funds to upgrade the entire educational program in a school that serves an eligible school attendance area where not less than 40 percent of the children are from low-income families. A new provision is added to indicate that schools with schoolwide programs are not required to maintain separate fiscal accounting records by program, so long as the school demonstrates that the program as a whole addresses the intent and purposes of the programs that were consolidated. This section also includes technical amendments to section 1114 of the act.

Section 115—Targeted Assistance Schools. Section 115 includes several technical amendments to section 1115 of the act. It addition, the section provides a more specific listing of the individuals eligible for professional development and of parental involvement activities.

Section 116—Pupil Safety and Family School Choice. Section 116 amends subpart 1 of part A of title I by inserting a new section after section 1115A of the act. The new section is entitled "SEC. 1115B. PUPIL SAFETY AND FAMILY SCHOOL CHOICE".

New Section 1115B(a) describes student eligibility as it pertains to the pupil safety and family school choice initiative. Eligibility criteria includes a student who is served by the title 1 program and becomes a victim of a violent criminal offense while on public school grounds. If a student meets the eligibility criteria, then the local educational agency shall allow the eligible student to transfer to another public school or public charter school in the same State as the school where the criminal offense occurred. The transfer must occur in accordance with State and local law.

New Section 1115B(b) describes State educational agency determinations. These include deciding the actions that constitute a violent criminal offense and determining which schools in the State are unsafe public schools. A definition of "unsafe public schools" is provided.

New Section 1115B(c) allows a local educational agency that serves the public school in which the violent criminal offense occurred to use funds from part A of title I to provide transportation services or to pay the reasonable costs of transportation for the student to attend another school.

New Section 1115B(d) specifies that any school receiving assistance under this section shall comply with title VI of the Civil Rights Act of 1964 and not discriminate on the basis of race, color, or national origin.

New Section 1115B(e) specifies that nothing under this section will affect the requirements of part B of the Individuals with Disabilities Education Act.

New Section 1115B(f) stipulates that the amount of assistance provided under part A for a student who transfers shall not exceed the per pupil expenditures for students as provided by the local educational agency that serves the school involved in the transfer.

Section 117—Assessment and Local Educational Agency and School Improvement. Section 117 rewrites section 1116 of the act. Provisions of the new Section 1116 include:

Section 1116(a) [Local Review] maintains current law requirements that local educational agencies: use State assessments, use any additional indicators to review the annual progress of each school served under part A, and provide the result of the local review to schools. A new provision is added, requiring the local educational agency to annually review the effectiveness of schools in carrying out parental involvement and professional development activities.

Section 1116(b) [Designation of Distinguished Schools] restates the current law provision providing for State and local designation of distinguished schools.

Section 1116(c) [School Improvement]. Section 1116(c)(1) requires a local educational agency to identify a school for school improvement if the school fails to make adequate yearly progress in any year or was in school improvement status immediately prior to the enactment of the Better Education for Students and Teachers Act. An exception is provided in cases where nearly every student in the school is meeting the State's proficient level of performance.

Section 1116(c)(2) [Opportunity to Review and Present Evidence; Time Limit] provides that a school shall have the opportunity to review school-level data prior to being identified for school improvement, corrective action, or reconstitution. If the principal of the school believes the data is in error, he or she may provide supporting evidence. The local educational agency must make a final determination within 30 days after making an initial determination of the status of a school.

Section 1116(c)(3) [School Plan] provides that a school identified for school improvement must develop a school plan within 3 months. The plan is to cover a 2-year period and is to include strategies, policies, and practices designed to improve student academic performance. The school must reserve at least 10 percent of its part A funds to provide high-quality professional development to the school's teachers and principal. The local educational agency may condition approval of the school plan on inclusion of 1 or more corrective actions (which include alternative governance arrangements, replacement of school staff, and institution of a new curriculum). A school must implement the plan no later than the beginning of the school year following the identification of the school as being in need of improvement. Within 45 days of receiving a school plan, the local educational agency must establish a peer-review process and review the plan.

Section 1116(c)(4) [Technical Assistance] requires the local educational agency to provide technical assistance to each school identified for school improvement. The technical assistance must be based on scientifically based research and must include assistance in analyzing assessment data, in identifying and implementing instructional strategies, and in analyzing the budget of the school. Technical assistance may be provided through other entities.

Section 1116(c)(5) [Notification to Parents] provides a new requirement that the local educational agency promptly notify the parents of a school identified for school improvement to explain what school improvement means, what is being done to address the performance problems of the school, and what parents can do to help deal with these problems.

Section 1116(c)(6) [Corrective Action].

Section 1116(c)(6)(A) defines "corrective action" as being a direct and substantial response to the consistent academic failure of a school and the underlying causes of the failure in order to increase the likelihood that students will perform at proficient and advanced levels.

Section 1116(c)(6)(B) requires each local educational agency to implement a system of corrective action.

Section 1116(c)(6)(C) specifies that, after providing technical assistance, the local educational agency may take corrective action for any school that fails to made adequate yearly progress for 1 year after the school has been identified for school improvement. The local educational agency must take corrective action for any school that fails to make adequate yearly progress within 2 years of being identified for school improvement. The local educational agency must also take corrective action for any school that was in program-improvement status for 2 years or in corrective action immediately prior to the enactment of BEST. The local educational agency must continue providing technical assistance to schools in corrective action and must promptly notify parents of the option to transfer their child to another public school.

Section 1116(c)(6)(D) provides that all students enrolled in a school which the local educational agency is required to place in corrective action be given the option to transfer to another public school within the local educational agency which has not been identified for school improvement. Exceptions to this requirement include instances in which such an option is prohibited by State or local law or where the local educational agency does not have the capacity to provide the transfer option to all students who request it. In cases where lack of capacity is the issue, the agency must permit as many students as possible, selected on an equitable base, to transfer. In addition, the local agency must take at least 1 of the following corrective actions: (1) make alternative governance arrangements; (2) replace the relevant school staff; and (3) institute and fully implement a new curriculum.

Section 1116(c)(6)(E) provides that a local educational agency may delay implementation of corrective action for no more than 1 year in cases where failure to make adequate yearly progress was due to exceptional or uncontrollable circumstances.

Section 1116(c)(6)(F) requires the local educational agency to publish information regarding any corrective action it takes to the public and parents, in a format and language that parents can understand.

Section 1116(c)(7) [Reconstitution].

Section 1116(c)(7)(A) provides that, if a school subject to corrective action continues to fail to make adequate yearly progress after 1 year and if economically disadvantaged students are not making statistically significant progress, the local educational agency must provide all students with the option to transfer to another public

school in the local educational agency which has not been identified for school improvement. In this case, each student is to be given the same right to attend any public school as is provided to any child who is a new resident of that school's attendance area. The local educational agency must also prepare a plan and make arrangements for alternative governance for the school.

Section 1116(c)(7)(B) provides that, no later than 1 year after the transfer option described in subparagraph (A) is implemented, the local educational agency must: (1) reopen the school as a public charter school; (2) replace all or most of the school staff; or (3) make alternative governance arrangements.

Section 1116(c)(7)(C) provides that the local educational agency must promptly notify teachers and parents whenever the transfer option or the alternative governance arrangements apply.

Section 1116(c)(8) [Transportation] provides that the local educational agency must provide or pay for the transportation of students who choose the transfer option provided under the corrective action or reconstitution provisions of this section, provided that transportion payments do not exceed 15 percent of the agency's title I allocation.

Section 1116(c)(9) [Duration of Reconstitution] provides that a school identified for reconstitution will not be subject to corrective action or identified for school improvement if the school makes adequate yearly progress for 2 consecutive years and if economically disadvantaged students at the school make statistically significant educational progress over that same period.

Section 1116(c)(10) [State Educational Agency Responsibilities] requires the State educational agency to make technical assistance available to all schools identified for school improvement and corrective action and to take corrective actions if a local educational agency fails to do so.

Section 1116(d) [State Review and Local Educational Agency Improvement].

Section 1116(d)(1) specifies that a State educational agency shall prepare an annual performance report for each local educational agency receiving funds under part A. The performance report shall contain information regarding local educational agency performance in making adequate yearly progress, the progress of the local educational agency in enabling students to meet the State levels of performance, and the effectiveness of professional development and parental involvement activities carried out by the local educational agency.

Section 1116(d)(2) [Rewards] provides that the State may make institutional and individual rewards to local educational agencies that have met or exceed the State's definition of adequate progress for 3 consecutive years.

Section 1116(d)(3) [Identification] provides that the State must identify for improvement any local educational agency that is not making adequate yearly progress for 2 consecutive years in schools served under part A. The local educational agency must be given the opportunity to review the data on which the identification is based and may provide evidence to the State that the identification for improvement is in error.

Section 1116(d)(4) [Local Educational Agency Revisions] provides that, if a local educational agency is identified as an entity needing

improvement, the local educational agency shall submit a plan that: (1) includes specific yearly progress requirements; (2) addresses the teaching and learning needs in the schools within the local educational agency; (3) incorporates research-based strategies; (4) addresses professional development needs of the instructional staff, including the commitment of 10 percent of title I funds during 1 fiscal year for professional development; (4) identifies specific goals and objectives the local educational agency will undertake for making adequate yearly progress; (5) identifies how the local educational agency will provide written notification to parents; (6) specifies the responsibilities of the State educational agency and the local educational agency; and (7) includes strategies for effective parental involvement.

Section 1116(d)(5) [State Educational Agency Responsibility] specifies that the State will provide technical assistance to local educational agencies needing improvement. Such assistance must be supported by scientifically based research instructional strategies and must address any problems the local educational agency may be having in implementing parental involvement and professional development activities.

Section 1116(d)(6) [Corrective Action].

Section 1116(d)(6)(A) provides that the State must implement a corrective action system.

Section 1116(d)(6)(B) provides that, after providing technical assistance, each State educational agency may take corrective action at any time for any local educational agency that has been identified for improvement and shall continue to provide technical assistance while implementing any corrective action. Consistent with State and local law, the State educational agency shall take at least 1 of the following corrective actions: (1) instituting and implementing a new curriculum; (2) restructuring the local educational agency; (3) developing and implementing a joint plan between the State educational agency and the local educational agency that addresses student performance problems; (4) reconstituting school district personnel; or (5) making alternative governance arrangements. This section also lists several permissible corrective actions that a State educational agency may implement, including: (1) deferring, reducing, or withholding funds; (2) restructuring or abolishing the local educational agency; (3) removing particular schools from the jurisdiction of the local educational agency, or (4) appointing a receiver or trustee to administer the local educational agency.

Section 1116(d)(6)(C) [Hearing] provides that, prior to implementing any corrective action, the State educational agency shall provide a hearing to the affected local educational agency, if State law provides for a hearing process.

Section 1116(d)(6)(D) [Notification to Parents] provides that the State must notify parents and the public of any corrective action it takes.

Section 1116(d)(6)(E) [Delay] provides that a State educational agency may delay, for a period not to exceed 1 year, implementation of corrective action if the State educational agency determines that the local educational agency is meeting the State yearly progress requirements and the schools within the local educational agency will meet the State's criteria for improvement within 1 year.

Section 1116(d)(6)(F) [Waivers] provides that the State educational agency shall review any waivers granted to a local educational agency that has been designated for improvement or corrective action and shall terminate any waiver that is not helping the local educational agency meet the yearly progress requirements.

Section 1116(d)(7) [Special Rule] provides that local educational agencies which make adequate progress for at least 2 of the 3 years following identification no longer need to be identified for improvement.

Section 1116(e) [Construction] provides that nothing in this section shall be construed to alter or otherwise affect the rights of school or school district employees under Federal, State, or local laws or under agreements between such employees and their employers.

Section 118—Assistance for School Support and Improvement. Section 118(1) amends section 1117(a) of the act to list the priorities for a State educational agency for providing support to local educational agencies. First, the State educational agency must provide support and assistance to local educational agencies that have received corrective action. Second, the State educational agency must provide support and assistance to other local educational agencies and schools identified as in need of improvement. Third, the State educational agency must provide support and assistance to other local educational agencies and schools participating under part A of title I that need support and assistance to carry out the purpose of part A.

Section 118(2) amends section 1117(b) of the act to correct the reference to comprehensive regional technical assistance centers.

Section 118(3) rewrites section 1117(c)(1) of the act to specify that priority be given to the establishment of school support teams for assignment to and working in schools subject to corrective action and for the support of such teams. Each school support team is to be comprised of individuals knowledgeable about successful schoolwide projects, school reform, and improving educational opportunities for low-achieving students. The support team assigned to a school is to: review all facets of the school's operation; collaborate in the design, implementation, and monitoring of the school plan; evaluate the effectiveness of school personnel; and make additional recommendations, as the school implements its plan, regarding additional assistance and resources that are needed. After 1 school year, the support team may recommend that it continue to provide assistance to the school or that the local educational agency or the State take other action with respect to the school. This section also makes minor revisions in current law provisions, enabling a State—if the State chooses to do so—to recognize and provide financial rewards to teachers or principals in a school where the students have consistently made significant gains in academic achievement.

Section 119—Parental Involvement. Section 119 amends section 1118 of the act.

Section 119(1) amends section 1118(a)(2)(B) of the act to specify that the local educational agency will provide the coordination, technical assistance, and other support necessary to assist participating schools in planning and implementing effective parent in-

volvement activities to improve student achievement and student and school performance.

Section 119(2) amends section 1118(b)(1) of the act to ensure that schools served under this part of the act will jointly develop, and distribute a written policy of parental involvement, in a language parents can understand, to the parents of participating children that shall describe the means for carrying out the requirements of subsections (c) through (f). The policy shall also be made available to the local community and shall be updated periodically to meet the changing needs of parents and the school.

Section 119(3) amends section 1118(e) of the act to ensure effective involvement of parents and to support a partnership among the school, parents, and the community to improve student achievement, each school and local educational agency shall provide assistance to parents of children served by the school or local educational agency, as appropriate, in understanding the State's content standards and State student performance standards, the provisions of section 1111(b)(8), State and local assessments, the requirements of this part, and how to monitor a child's progress and work with educators to improve the performance of their children as well as information on how parents can participate in decisions relating to the education of their children. This section also states that each school and local educational agency shall provide materials and training using technology, as appropriate, to foster parental involvement. This section also eliminates paragraph 1118(e)(15) and establishes a new paragraph 1118(e)(15) to allow each school and local educational agency, should they choose to do so, to establish a school district wide parent advisory council to advise the school and local educational agency on all matters related to parental involvement in programs supported under this section. This section also provides a new provision requiring that schools and local educational agencies provide reasonable support for parental involvement activities under this section that parents may request, including emerging technologies.

Section 119(4) amends section 1118(f) of the act to make technical amendments regarding the provision of services to the parents of migratory children and parents with disabilities.

Section 119(5) amends section 1118(g) of the act to specify that, in a State where a parental information and resource center is established, such a center shall provide parents with a description of the services and programs provided by the center. This section also provides for the State education agency to review the local educational agency's parental involvement policies and practices to determine if the requirements of this section are met.

Section 120—Professional Development. Section 120 amends section 1119(b) of the act to establish that professional development activities shall provide support to teachers, principals, administrators, paraprofessionals, pupil services personnel, and parents. Professional development activities shall advance teacher understanding of effective instructional strategies, based on research for improving student achievement, at a minimum in reading or language arts and mathematics. Professional development initiatives shall also be of sufficient intensity and duration to have a positive and lasting impact. This section also refers to providing training for teachers in the use of technology, evaluating the impact of pro-

fessional development initiatives and includes strategies for identifying and eliminating racial and gender bias in instructional materials and practices.

Section 120A—Participation Of Children Enrolled In Private Schools. Section 120A(1) amends section 1120(a) of the act in general terms and makes technical amendments to current law. Section 120A(2) amends section 1120(b) of the act to specify that local educational agencies shall consult private school officials during the design of the agency's programs in regard to how the services will be assessed and how the results of that assessment will be used to improve the agency's programs. The act is also amended to specify that the local educational agency shall make decisions about the delivery of services to eligible private school children, including an analysis of the views of private school officials regarding the delivery of services through potential third party providers. If the local educational agency disagrees with the views of the private school officials on the delivery of services, the local educational agency will provide a written document, to private school officials, with the reasons why the local educational agency has chosen not to provide the services. Each local educational agency will provide to the State educational agency a written affirmation that the consultation has occurred. If a private school declines to have eligible children in the private school participate in title I, part A services, the local educational agency is not required to further consult with the private school officials. Each year, the local educational agency shall inform the private school of the opportunity for eligible children to participate in title I, part A services. A private school official shall have the right to appeal the local educational agency decision to the State educational agency as to whether: the consultation was meaningful; timely; and the views were given due consideration.

Section 120A(3) amends section 1120 of the act to redesignate subsections (c), (d), and (e) as subsections (d), (e) and (f), respectively.

Section 120A(4) amends section 1120 of the act to add a provision to describe the allocation for equitable services to private school students.

Section 120A(b) establishes an effective date of September 30, 2003, for the amendment made by subsection (a)(4) dealing with the allocation for equitable services to private school students.

Section 120A(c) amends section 1120A(a) of the act with a technical amendment.

Section 120B—Early Childhood Education. Section 120B(1) amends the heading of Section 1120B.

Section 120B(2) amends section 1120B to make technical changes to the act.

Section 120B(3) amends section 1120B to add 2 new subsections, (d) and (e), to permit a local educational agency, if the local educational agency chooses to do so, to use part A of title I funds to provide preschool services. New subsection 1120B(e) establishes that early childhood education programs that use part A of title I funds may do so jointly with Even Start programs under part B of title I, Head Start programs or State-funded preschool programs. Early childhood education programs shall: focus on the developmental needs of children; teach children to understand and use lan-

guage; enable children to develop an appreciation of books; and, for children with limited English proficiency, enable the children to make progress toward acquisition of the English language.

Section 120C—Allocations. Section 120C amends subpart 2 of part A of title I to read as follows:

Subpart 2—Allocations

Section 1121—Grants for the Outlying Areas and the Secretary of the Interior. Section 1121(a) specifies the reservation of funds.

Section 1121(b) authorizes grants to the outlying areas in accordance with the Compacts of Free Association.

Section 1121(c) specifies the allotment that is reserved for the Secretary of the Interior to meet the educational needs of Indian children.

Section 1122—Amounts for Basic Grants, Concentration Grants, and Targeted Grants. Section 1122(a) establishes the level of the appropriation of funds for the Basic, Concentration and Targeted Grant programs under part A of title I for fiscal years 2002 through 2008. The section specifies that funds for part A of title I shall be allocated in such a way that the Basic and Concentration Grant programs shall receive an amount equal to the amount received in fiscal year 2001 before funding is allocated to the Targeted Grant Program. Funding that is appropriated in excess of the fiscal year 2001 level shall be allocated to the Targeted Grant Program. In the event that funding for part A of title I is reduced in any fiscal year, funds shall first be reduced from the Targeted Grant Program. If additional reductions are necessitated, funding shall then be taken from the Concentration Grant program.

Section 1122(b) describes the adjustments to the allocations where necessitated by the appropriations process. The ratable reduction rule is utilized to determine the relative size of each State's allocation when full funding is not available.

Section 1122(c) establishes the hold harmless provisions that determine the amount of title I funding that a local education agency may receive as a result of changes in absolute and relative population and poverty. If the proportion of children counted is above 30 percent of the children served by the local education agency, it will receive not less than 95 percent of the amount it received in the previous year. If the proportion of children counted is between 15 percent and 30 percent of the children served by the local education agency, it will receive not less than 90 percent of the amount it received in the previous year. If the proportion of children counted falls below 15 percent of the children served by the local education agency, it will receive not less than 85 percent of the amount it received in the previous year. The section is amended to eliminate the "cliff" phenomenon whereby a local education agency that loses eligibility during one year as a result of a change in population or poverty loses all of its funds. A local education agency that received funding in the prior year is eligible to continue to receive funding in accordance with the hold harmless provisions. A local education agency that loses eligibility for 5 consecutive years may not continue receive funding.

Section 1122(d) describes ratable reductions.

Section 1123—Definitions. Section 1123 defines "Freely associated States", "outlying areas", and "State" for the purposes of distributing the allocations.

Section 1124—Basic Grants to Local Educational Agencies. Section 1124(a) specifies the amounts of the local educational agencies basic grants. This section also describes and simplifies the formula by which grants are calculated. Section 1124(a) outlines the allocations to large and small local educational agencies. In addition, this section establishes the formula for Puerto Rico.

Section 1124(a)(3) provides authority to calculate grants on the basis of county data in the event that the Department of Census fails to provide local education agency specific data.

Section 1124(b) specifies the minimum number of children a local educational agency must have to qualify for a basic grant.

Section 1124(c) describes the categories that are used for counting the number of children for basic grants.

Section 1124(d) establishes the State minimum for basic grants.

Section 1124A—Concentration Grants to Local Educational Agencies.

Section 1124A(a) specifies the eligibility requirements and amount of grants.

Section 1124A(2) is amended to simplify the reference to the basic grant expenditure factor.

Section 1124A(4) is amended to eliminate reference to the county suballocation formula in effect for fiscal years 1996–98. Authority for the States to allocate funding on the basis of county data is retained for any year in which the Secretary relies upon county data in lieu of local education agency data. The section retains authority for a State to reserve 2 percent of its allocations (when county data is utilized) to make grants to eligible local educational agencies that reside in ineligible counties.

Section 1124A(b) establishes the ratable reduction rule utilized for making allocations when full funding is not available.

Section 1124A(c) is amended to allow a state that receives 0.25 percent or less of the available funds, but does not receive a grant in accordance with the formula used to determine the small grant minimum, to allocate these funds to local education agencies in accordance with the same rules applied to allocation by states that receive a grant in accordance with the small grant minimum.

Section 1125—Targeted Grants to Local Educational Agencies. Section 1125(a) specifies the eligibility requirements for local educational agencies.

Section 1125(b) establishes the amount of grants for local educational agencies, the District of Columbia, and Puerto Rico.

Section 1125(c) updates the weights for allocations to counties and the weights for allocations to local educational agencies to increase the targeting of the program.

Section 1125(d) describes how targeted grants are calculated.

Section 1125(e) establishes a .5 percent state minimum grant.

Section 1125A—Education Finance Incentive Program. Section 1125A(a) authorizes the Secretary to make grants to States.

Section 1125A(b) specifies the distribution of funds for this subsection which is based upon fiscal effort and equity.

Section 1125A(c) describes how funds awarded under this subsection will be utilized.

Section 1125(d) establishes maintenance of effort.

Section 1125(e) authorizes $200 million for fiscal year 2002 and such sums for each of the 6 succeeding years.

Section 1126—Special Allocation Procedures. Section 1126(a) specifies the allocations for neglected children.

Section 1126(b) describes allocations for local educational agencies that have special circumstances.

Section 1126(c) specifies the reallocation process.

Section 1127—Carryover and Waiver. Section 1127(a) specifies the limitation on carryover funds.

Section 1127(b) establishes waiver authority for a State educational agency.

Section 1127(c) specifies that the limitation on carryover funds does not apply to any local educational agency that receives less than $50,000 under subpart 2.

Part B—Literacy for Children and Families

Section 121—Reading First. Section 121 amends part—of title I by renaming the part as "Part B—Literacy for Children and Families" and by creating a subpart 1 entitled "Subpart 1—William F. Goodling Even Start Family Literacy Programs".

Section 121 also makes conforming amendments to subpart 1 and adds a new subpart 2 ("Subpart 2—Reading First") as follows:

Subpart 2—Reading First

New Section 1221. Purposes. This section contains 5 purposes for this new program. The purposes relate to helping all children learn to read well by the end of third grade.

New Section 1222. Formula Grants to States; Competitive Subgrants to Local Agencies. The Secretary will make grants to State educational agencies that have applications approved under this subpart. Of the total amount appropriated for this subpart, 75 percent shall be distributed to the States with approved applications using the formula in section 1124 of title I, part A. The State educational agency must distribute at least 80 percent of these funds to local educational agencies through a competitive process.

To be eligible to receive funds under this subpart, a local educational agency must have a high percentage of students reading below grade level and demonstrate 1 other indicator of need. Local educational agencies must use similar criteria to target funds to schools within their jurisdictions.

A local educational agency that receives funds under this subpart shall use funds for the uses defined in this section. Among these uses of funds are: utilizing diagnostic assessments; purchasing or developing materials; assisting parents to help support their children's reading development; and professional development. All materials, instructional approaches, and professional development must be derived from scientifically based reading research, a term that is defined in section 1228. A local educational agency can use up to 5 percent of its funds for planning and administration.

The State educational agency may expend up to 20 percent of its formula grant funds on professional development, technical assistance, planning, and administration. No more than 15 percent of State funds may be used to develop and implement a professional development program for teachers of grades kindergarten through

3. No more than 5 percent of the funds may be used for technical assistance, and no more than 5 percent may be used for planning and administration.

New Section 1223. Competitive Grants to States; Competitive Subgrants to Local Agencies. From the funds not used under section 1222 (the remaining 25 percent), the Secretary may award to a State educational agency a competitive grant based on an application submitted in accordance with section 1224. The Secretary shall award competitive grants on the basis of a State's performance as described in this section. Any State educational agency receiving a competitive grant must expend 100 percent of these funds on competitive subgrants to local educational agencies.

The section describes how a local educational agency must apply to the State educational agency for funds available under this section. The criteria for receiving such funds are primarily tied to performance in increasing the reading skills of children in grades kindergarten to 3. The local uses of funds under the formula grant section and the competitive grant section are the same.

New Section 1224. State Applications. This section describes the required contents of an application for funds authorized under this subpart. The State educational agency must submit its application to the Secretary. The Secretary must convene a review panel to evaluate the applications and make recommendations to the Secretary with regards to whether they meet the requirements of the subpart. The application requirements and the peer review process are similar to the provisions of the Reading Excellence Act, which this new subpart replaces.

In order for the State to receive a grant under the subpart, the Governor of the State, in consultation with the State educational agency, shall establish a reading and literacy partnership. This section details the required membership of the partnership and its duties.

New Section 1225. Reservations from Appropriations. The Secretary may reserve up to 1 percent of the funds appropriated for this subpart to carry out section 1226 (national activities) and shall reserve $5 million to carry out section 1227 (dissemination of information).

New Section 1226. National Activities. With funds reserved for this section, the Secretary shall carry out an evaluation of programs under this subpart and may provide technical assistance to States, local educational agencies, and schools requesting such assistance.

New Section 1227. Information Dissemination. From the funds reserved for this section, the National Institute for Literacy, in collaboration with the Departments of Education and Health and Human Services, including the National Institute for Child Health and Human Development, shall disseminate information about scientifically based reading research and about effective programs carried out under this subpart, and shall support the continued identification of high quality reading research.

New Section 1228. Definitions. This section contains the definitions of a number of terms that are used in this subpart, including "eligible professional development provider," "instructional staff," "major components of reading instruction," "reading," "rigorous diagnostic reading assessment," and "scientifically based reading re-

search". Several of these definitions are identical to the definitions contained in the Reading Excellence Act.

Section 122. Early Reading Initiative. Section 122 adds a new subpart 3 ("Subpart 3—Early Reading First" to part B of title I, as follows:

Subpart 3—Early Reading First

New Section 1241. Purposes. This section contains 4 purposes for this subpart. They primarily relate to providing preschool age children the knowledge and skills necessary to take advantage of reading instruction once they enter kindergarten.

New Section 1242. Local Early Reading First Grants. From the funds appropriated for this subpart, the Secretary will make 4-year grants to eligible applicants. Such grants will be awarded on the basis of a competitive process established by the Secretary.

The section defines an eligible applicant to be a local educational agency that is eligible under the provisions of subpart 2, 1 or more public or private organizations that serve preschool age (ages 3–5) children, or a combination of such agencies and organizations. The section contains a list of topics that must be addressed in an application by an eligible entity to the Secretary. The Secretary shall award grants on the basis of the quality of the applications utilizing a peer review process.

New Section 1243. Federal Administration. The Secretary of Education shall consult with the Secretary of Health and Human Services in carrying out this subpart.

New Section 1244. Information Dissemination. The National Institute for Literacy shall disseminate information regarding effective projects under this subpart.

New Section 1245. Reporting Requirements. Each applicant receiving a grant shall report annually to the Secretary on their progress in addressing the purposes of this subpart.

New Section 1246. Evaluations. The Secretary shall reserve not more than $5 million from the funding available for this subpart from fiscal years 2002–08 to conduct an independent evaluation of the effectiveness of this subpart.

New Section 1247. Additional research. This section requires the Secretary to reserve $3 million from the appropriations available for this subpart for each of the fiscal years 2002–06 to conduct additional research on language and literacy development in preschool age children.

Part C—Education of migratory children

Section 131—Program Purpose. Section 131 amends section 1301 of the act to make technical amendments to add 2 new purposes. The new purposes ensure that: migratory children who move among the States are not penalized in any manner by disparities among the States in curriculum, graduation requirements, and State student performance and content standards and that migratory children receive full and appropriate opportunities to meet the same challenging State standards that all children are expected to meet.

Section 132—State Application. Section 132 amends section 1304 of the act to require new information for the State application. This information includes a description of joint planning efforts with re-

spect to local, State, and Federal programs and bilingual programs under part A of title III. In addition, States will also be required to consult with parent advisory councils for the purposes of planning and operating programs.

Section 133—Comprehensive Plan. Section 133 makes technical amendments to section 1306 of the act.

Section 134—Coordination. Section 134(1) amends section 1308(b) of the act to establish an information system for electronically exchanging, among the States, health and educational information regarding all students served under this program.

Section 134(2) amends section 1308(c) to authorize $10 million to carry out this section.

Section 134(3) amends section 1308(d)(1) to authorize $3 million to carry out incentive grants as described under current law.

Section 134(4) amends section 1308(e) to require the Secretary to direct the National Center for Education Statistics to collect data on migratory children.

Part D—Initiatives for Neglected, Delinquent, or At Risk Youth

Section 141 of the bill amends part D, "Initiatives for Neglected, Delinquent, or At Risk Students," to read as follows:

Subpart 1—Prevention and intervention programs for children and youth who are neglected, delinquent, or at risk of dropping out

Section 1401—Purpose; Program Authorized. This section repeals the congressional findings currently in the act and states the purpose of subpart 1, which is to improve educational services in local and State institutions for neglected or delinquent children so that they have the opportunity to meet the same challenging State content and student performance standards that all children in the State are expected to meet; to provide such children with the services needed to make a successful transition from institutionalization to further schooling or employment; and to prevent at-risk youth from dropping out of school and to provide dropouts and youth returning from institutions with a support system to ensure their continued education.

Section 1401(b) requires the Secretary to provide grants to State educational agencies so that they can award subgrants to State agencies and local educational agencies to establish or improve programs of education for neglected or delinquent children at risk of dropping out of school before graduation.

Section 1402—Payments for Programs Under this Subpart. This section authorizes the Secretary to allocate to each State educational agency amounts necessary to make subgrants to State agencies under chapter 1. Each State is required to retain funds generated throughout the State under title I, part A based on youth residing in local correctional facilities, or attending community day programs for delinquent children.

Chapter 1—State agency programs

Section 1411—Eligibility. This section states that a State agency may be eligible for assistance under chapter 1 if the State agency is responsible for providing free public education for children: in institutions for neglected or delinquent children; attending commu-

nity day programs for neglected or delinquent children; or in adult correctional institutions.

Section 1412—Allocation of Funds. This section establishes the criteria by which a State agency, including those in Puerto Rico, may be eligible to receive a subgrant under chapter 1. The Secretary is allowed to ratably reduce subgrants if the amount appropriated is insufficient to pay the full amount for which State agencies are eligible.

Section 1413—State Reallocation of Funds. This section allows State educational agencies to reallocate unneeded funds from one State agency to another in need of additional funds.

Section 1414—State Plan and State Agency Applications. This section requires each State educational agency seeking a grant under chapter 1 to submit for approval of the Secretary, a plan for meeting the needs of neglected and delinquent children at risk of dropping out of school. The Secretary is required to approve each State plan meeting the criteria detailed in this section. Each State agency seeking funds to carry out a program must submit an application with specific guidelines to the State educational agencies.

Section 1415—Use of Funds. This section states that funds under chapter 1 shall only be used by State agencies for programs and projects that are consistent with the State plan under section 1414(a) and concentrate on providing participants with the knowledge and skills needed to make a successful transition to secondary school completion, further education, or employment. The number of hours of instruction students receive from State and local sources under chapter 1 programs shall supplement and not supplant the requirements of section 1120A.

Section 1416—Institution-Wide Projects. This section allows State agencies that provide education to neglected or delinquent children to use funds received under part D to upgrade the educational effort of the institutions or programs these children are educated in, if the State agency has developed and approved a plan for that institution or program. This section establishes specific guidelines for the plan.

Section 1417—Three-Year Programs or Projects. This section authorizes State educational agencies to approve State agencies applications for subgrants if the State agency finds it likely that a child will participate in a program for more than 1 year. An application may not be approved for a period exceeding 3 years.

Section 1418—Transition Services. This section authorizes State agencies to reserve 10 percent of the funds received under chapter 1 to support projects that facilitate the transition of children from State-operated institutions to local educational agencies. Projects are to be conducted either by the State agency or through a contract with 1 or more local educational agencies, public agencies, or private non-profit organizations. Reserved funds shall be used only to provide transitional educational services, which may include pupil services and mentoring, to neglected and delinquent children in schools other than State-operated institutions.

Chapter 2—Local agency programs

Section 1421—Purpose. This section states the purpose of chapter 2, which is to support the operation of local educational agency programs that involve collaboration with locally operated correc-

tional facilities to: (1) carry out high quality education programs to prepare youth for secondary school completion, training and employment, or further education; (2) provide activities to facilitate the transition of such youth from the correctional program to further education or employment; and (3) operate dropout prevention programs in local schools for youth at risk of dropping out of school and youth returning from correctional facilities.

Section 1422—Programs Operated by Local Educational Agencies. This section authorizes State educational agencies to award subgrants to local educational agencies with high numbers or percentages of youth residing in locally operated youth correctional facilities. In addition, a local educational agency which includes a correctional facility that operates a school is not required to operate a dropout prevention program if more than 30 percent of the youth attending reside outside of the local educational agency boundaries upon leaving the facility. State educational agencies are required to notify local educational agencies of subgrants.

Section 1423—Local Educational Agency Applications. This section provides detailed criteria for applications to be completed by those local educational agencies seeking assistance from State educational agencies under chapter 2.

Section 1424—Uses of Funds. This section requires that funds provided to local educational agencies under chapter 2 be used for dropout prevention programs which serve youth at educational risk; the coordination of health and social services for such individuals if there is a likelihood that the services will enable them to complete their education; and programs to meet the unique education needs of youth at risk of dropping out of school.

Section 1425—Program Requirements for Correctional Facilities Receiving Funds Under this Section. This section requires correctional facilities that have agreements with local educational agencies to: ensure educational programs in juvenile facilities are coordinated with the student's home school; notify local schools if a youth is identified in need of special education services; provide transition assistance to help youth stay in school; provide support programs to encourage youth who have dropped out to re-enter school; work to ensure facilities are staffed with teachers and other qualified staff who are trained to work with children with disabilities; ensure educational programs in correctional facilities are related to assisting students to meet high educational standards; use technology to assist in coordinating educational programs between the juvenile facility and the community school; involve parents in efforts to improve the educational achievement of their children; coordinate funds received under this program with other local, State, and Federal funds available to provide services to participating youth; and work with local businesses to develop training and mentoring programs for participating youth.

Section 1426—Accountability. This section authorizes a State educational agency to reduce or terminate funding for projects if a local educational agency does not reduce dropout rates or require juvenile facilities to demonstrate that there has been an increase in the number of youth returning to school or pursuing post-secondary opportunities.

Chapter 3—General provisions

Section 1431—Program Evaluations. This section requires State agencies and local educational agencies that conduct programs under chapters 1 and 2 to evaluate the programs. The results of the evaluations should be submitted to the State educational agencies in order to improve subsequent programs.

Section 1432—Definitions. This section provides the meanings of certain terms used in subpart 1, including "adult correctional institution," "at-risk youth," "community day program," and "institution for neglected or delinquent children and youth."

Section 151—21st Century Learnings Centers; Comprehensive School Reform. This section amends of title I by redesignating part F as part H; sections 1601 through 1604 as sections 1901 through 1904, respectively; and by inserting 2 new parts to follow part E of title I, including: Part F (21st Century Community Learning Centers) and Part G (Comprehensive School Reform).

Part F—21st Century Community Learning Centers

Section 1601—Short Title. This section specifies that this part may be cited as the "21st Century Community Learning Centers Act."

Section 1602—Purpose. This section repeals the congressional findings currently in the act and inserts the purpose of part A, which is to provide local public schools, primarily in rural or inner-city communities, to collaborate with public and nonprofit agencies and organizations, local businesses, and educational institutions to offer a broad selection of services that address the needs of the community and to offer extended learning opportunities for children, youth, and adults in the community.

Section 1603—Program Authorization. This section authorizes the Secretary to award grants to local educational agencies and units of general purpose local government on behalf of rural and inner-city public elementary or secondary schools to plan, implement, or expand projects that benefit the educational, health, social service, cultural, and recreational needs of a rural or inner-city community. The Secretary is required to ensure an equitable distribution of assistance among the States, among urban and rural areas of the United States, and among rural and urban areas of a State. The time period for the distribution of grants may not exceed 3 years, and the Secretary may not award grants in an amount less than $50,000.

Section 1604—Eligibility of Certain Organizations and Entities. This section authorizes the Secretary to award grants to community-based organizations and public or private entities that have experience in providing before- and after-school services, on the same basis as local educational agencies. In addition to giving priority to projects that offer a broad selection of services which address the needs of the community, the Secretary is to give priority to projects with academic enrichment components which are submitted jointly by community-based organizations/public or private entities and rural and inner-city public elementary or secondary schools. The Secretary may waive, for the applicants described in this section, the requirement that a project be carried out through or in a school if the Secretary determines that such a requirement

would undermine the effectiveness of the project or limit its accessibility to children and families.

Section 1605—Application Required. This section requires a local educational agency or unit of general purpose local government seeking a grant to submit an application with specific criteria. The Secretary shall give priority to applications describing projects that offer a broad selection of services which address the needs of the community.

Section 1606—Uses of Funds. This section specifies that grant funds shall be used to plan, implement, or expand community learning centers which include not less than 4 of the following activities: literacy education programs; senior citizen programs; children's day care services; integrated education, health, social service, recreational or cultural programs; summer and weekend school programs; expanded library service hours; telecommunications and technology education programs; services for individuals who leave school before graduating from secondary school; services for individuals with disabilities; and academic enrichment activities.

Section 1607—Definitions. This section provides the meaning of the terms "community learning center" and "unit of general purpose local government" for the purposes of this part.

Part G—Comprehensive school reform

New Section 1701—Purpose. This section states the purpose of this part which is to provide financial incentives for schools to develop comprehensive school reforms based upon effective practices and research-based programs that emphasize basic academics and parental involvement so that all children can meet State content and student performance standards.

New Section 1702—Program Authorization. This section authorizes the Secretary to award grants to State educational agencies, by formula to enable them to provide subgrants to local educational agencies to carry out the purpose of this part.

New Section 1703—State Applications. This section requires State educational agencies seeking a grant to submit an application to the Secretary, describing such items as: process and selection criteria; how the State educational agency will ensure that reforms are research-based programs; how the State educational agency will evaluate the implementation of reforms and link the reforms to student achievement; and how the State educational agency will make available technical assistance to the local educational agencies or consortia.

New Section 1704—State Use of Funds. This section requires State educational agencies receiving grants to award competitive subgrants to local educational agencies. The subgrants must be of sufficient size and scope to support the initial costs for the plan selected or designed, in an amount of at least $50,000, and renewable for 2 additional one-year periods. The State educational agency must give priority consideration to local educational agencies that plan to use the funds for schools identified as being in need of improvement or corrective action and demonstrate a commitment to assist schools with budget, professional development, and other strategies to ensure reforms are properly implemented and sustained. The State educational agency shall distribute subgrants equitably to different geographic regions within the State, including

urban and rural areas. State educational agencies may not reserve more than 5 percent of the grant funds for administrative, evaluation, and technical assistance expenses.

New Section 1705—Local Applications. This section requires local educational agencies or consortia seeking subgrants under this part to submit an application to the State educational agencies for consideration.

New Section 1706—Local Use of Funds. This section requires local educational agencies or consortia receiving a subgrant to provide funds to schools eligible for assistance under part A to support a variety of reform activities.

New Section 1707—National Evaluation and Reports. This section requires the Secretary to develop a plan for a national evaluation of the programs assisted under this part. The evaluation shall examine the implementation and results achieved by schools after 3 years of implementing school reforms and the effectiveness of reforms in schools with diverse characteristics.

Part H—School dropout prevention

New Section 1801—Short Title. This section specifies that Part H may be cited as the "Dropout Prevention Act."

New Section 1802—Purpose. This section states the purpose of this part, which is to provide school dropout prevention and to raise academic achievement levels.

Subpart 1—Coordinated national strategy

New Section 1811—National Activities. This section authorizes the Secretary to: (1) collect data regarding participation in Federal dropout prevention and school reentry programs; (2) establish an interagency working group to address dropout prevention and school reentry issues; and (3) create a national recognition program awarding monetary awards to schools that have made extraordinary progress in lowering dropout rates. The Secretary may award not more than 5 contracts for not more than 5 years each to non-Federal entities to conduct an initiative to increase the types of proven strategies for dropout prevention. The Secretary may provide appropriate support to eligible entities, which are defined as those that were providing dropout support to more than 100 schools and published a specific program before the enactment of the Dropout Prevention Act.

Subpart 2—National school dropout prevention initiative

New Section 1821—Program Authorized. New Section 1821(a) states that funds under this part will be allocated to States based on the title I formula if funds appropriated equal or exceed $250 million, but competitively if funds appropriated are less than $250 million.

New Section 1821(b) authorizes funds provided to States under this subpart be used by State educational agencies to award grants to public middle or secondary schools that have dropout rates that are in the highest of all dropout rates in the State for the purpose of supporting dropout prevention programs.

New Section 1821(c) specifies that first-year grants to schools shall be awarded based on school size, cost of strategies, and local cost factors, with grant amounts decreasing during each year of

participation in the program. Schools which create smaller learning communities are eligible for a 10 percent increase in the amount of their grant.

New Section 1821(d) states that grants under this subpart may be awarded for a duration of 3 years, plus an additional 2 years if significant progress is made in reducing the dropout rate.

New Section 1822—Strategies and Capacity Building. This section requires schools receiving grants under this subpart to use grant funds for research-based, sustainable, and widely replicated strategies for dropout prevention and school reentry programs serving the entire school population. This section specifies strategies for targeted purposes and comprehensive reform approaches.

New Section 1823—Selection of Schools. New Section 1823(a) requires schools seeking a grant under this subpart to submit an application, containing specific information, to the State educational agency.

New Section 1823(b) requires State educational agencies to review applications and award grants to schools after a review by a panel of experts on school dropout prevention.

New Section 1823(c) specifies that to be eligible to receive a grant under this subpart, schools must be public schools that serve at least 50 percent of students who are low-income or participate in a school-wide program.

New Section 1823(d) specifies that a school receiving a grant under this subpart may use the funds to secure services from a community-based organization if the school approves the use, the funds are used for dropout prevention, and the organization has demonstrated an ability to provide effective services.

New Section 1823(e) specifies that activities under this subpart must be coordinated with other Federal programs.

New Section 1824—Dissemination Activities. This section requires schools receiving a grant under this subpart to provide information and technical assistance to other schools within the school district.

New Section 1825—Progress Incentives. This section states that local educational agencies shall use funding under this title to provide assistance to schools that have not made progress toward lowering school dropout rates after receiving assistance under this subpart for 2 fiscal years.

New Section 1826—School Dropout Rate Calculation. This section specifies that in order to calculate a school dropout rate, schools shall use: (1) "the annual event school dropout rate for students leaving a school in a single year determined in accordance with the National Center for Education Statistics' Common Core of Data," or (2) a standard method determined by the State educational agency.

New Section 1827—Reporting and Accountability. This section requires schools receiving funding under this subpart to provide, on an annual basis, a report to the Secretary and to the State regarding the status of the implementation of activities funded under this subpart. The Secretary shall evaluate the effectiveness of the activities assisted under this subpart.

New Section 1828—State Responsibilities. New Section 1828(a) requires State educational agencies to report to the Secretary, 1

year after the enactment of the Dropout Prevention Act, all school district and school data regarding school dropout rates.

New Section 1828(b) requires State educational agencies receiving funds under this part to develop and implement education funding formula policies for public schools that provide appropriate incentives to retain students in school.

New Section 1828(c) requires State educational agencies receiving funds under this part to develop uniform, long-term suspension and expulsion policies for serious infractions resulting in more than 10 days of exclusion from school.

New Section 1828(d) requires the Secretary to issue regulations implementing the provisions of this section.

Subpart 3—Definitions; authorization of appropriations

New Section 1831—Definitions. This section provides the meanings of certain terms used in this part, including: "low-income" and "school dropout."

Part F—Education for Homeless Children and Youth

Part F of the bill amends the Education for Homeless Children and Youth authorized as Subtitle B of Title VII of the Stewart D. McKinney Homeless Assistance Act (referred to below as "the act".)

Section 161—Statement of Policy. Section 161 of the bill amends section 721 of the act to state that homelessness alone is not sufficient reason to separate students from the mainstream school environment.

Section 162—Grants for State and Local Activities. Section 162(1) of the bill amends section 722(c) of the act to eliminate Palau as part of those receiving reserved funds and to drop the reference to Palau in the definitions.

Section 162(2) amends section 722(e) of the act to add a new paragraph (3) to prohibit the segregation of homeless students. A State is required to provide a free public education to a homeless child or youth, and it may not segregate such child or youth, either in separate school, or in a separate program within a school, based on such child or youth's status as homeless, except as provided in cases of health or safety emergency or to provide special or supplementary services to those children.

Section 162(3) amends section 722(f) of the act, which deals with the functions of the Coordinator of Education of Homeless Children and Youth in each State, to: (1) strike the provision that the coordinator estimate the number of homeless children in the state, and/or the number of youth served under this subtitle; (2) permit the Secretary to set reporting dates for the collection and transmittal of data the coordinator gathers; (3) clarify the coordination of services provisions, emphasizing not only "coordination" but also "collaboration" of services; (4) add local educational agency liaisons for homeless children and youth and community organizations representing such children and their families among those in the coordination/collaboration effort; and (5) provide technical assistance to local educational agencies to ensure compliance with the prohibition on the segregation of homeless students.

Section 162(4)(A) amends section 722(g)(1) of the act, which deals with State plans, to strengthen assurances that homeless children will not be isolated or stigmatized and to provide that local edu-

cational agencies serving homeless children and youth designate an appropriate staff person (who may also be in charge of administering other Federal programs) to serve as liaison for homeless children and youth and post public notice of the educational rights of such children and youth in locations such as family shelters, and soup kitchens.

Section 162(4)(B) amends section 722(g)(3) of the act, which deals with local educational agency requirements, to expand provisions related to school of origin and to provide for prompt enrollment. A child who becomes homeless is to be served in the school of origin for the duration of the child's homelessness, rather than for the remainder of the academic year. A child who becomes permanently housed is to be served in the school of origin for the remainder of the school year. (The current option of enrolling the child in the attendance area where he or she is actually living is retained.) To the extent feasible, a local educational agency must keep a student in the school of origin except when that is contrary to the wishes of the parent or guardian or, in the case of an unaccompanied youth, the youth. The bill includes a new requirement that a written explanation be provided to the parent or guardian if the child is sent to a school other than the school of origin or the school requested by the parent or guardian. In addition, the bill adds a new provision stipulating that a school must immediately enroll homeless youth, even if they are unable to produce required records. The new school must also contact the old school for the records and refer the child to proper place for immunization if he or she lacks needed shots. A school must immediately enroll homeless youth in cases of an enrollment dispute, pending resolution of the dispute.

Section 162(4)(C) amends section 722(g)(6) of the act, which deals with coordination of services, to consolidate current law provisions regarding coordination of agencies and programs and to add language stating the purpose of coordination, which is to ensure that homeless children and youth have access to available education and related support services and to raise the awareness of school personnel and service providers of the effects of short-term stays in a shelter and other challenges associated with homeless children and youth.

Section 162(4)(D) amends section 722(g)(7) of the act, which deals with the local educational agency liaison, to add provisions that the liaison ensure that: (1) homeless youth have full and equal opportunity to succeed; (2) parents are informed of the education and related opportunities available to their children and are provided with the opportunity to participate in the education of their children; and (3) public notice of the educational rights of homeless children and youth is posted at places such as family shelters and soup kitchens. The bill also includes new provisions requiring local liaisons to coordinate and collaborate with state coordinators and community/school personnel responsible for the education of homeless children and youth and to assist in the resolution of disputes.

Section 163—Local Educational Agency Grants. Section 163(1) of the bill amends section 723(a) of the act, which deals with the services provided by local educational agencies, to clarify current law provisions and to prohibit the segregation of homeless children and youth from the general education population except as is necessary

for health and safety emergencies or to provide temporary, special, supplementary services.

Section 163(2) of the bill amends section 723(b) of the act, which deals with local applications, to add a requirement that the application include an assessment of the educational and related needs of homeless youth (which can be undertaken as a part of needs assessment for other disadvantaged groups).

Section 163(3) of the bill amends section 723(c) of the act, which deals with grant awards to local educational agencies, to provide that grants be awarded on a competitive basis and that grant awards be based on both need and on the quality of the application. Factors to be considered in determining quality include: (1) needs assessment and the likelihood the program will meet those needs; (2) the types, intensity, and coordination of services; (3) involvement of parents; (4) integration of homeless students; (5) quality of evaluation plans; (6) how services under this title will be coordinated with other services; and (7) other indicators as established by the State educational agency.

Section 164—Secretarial Responsibilities. Section 164 of the bill amends section 724 of the act to add new provisions requiring the Secretary to issue guidelines regarding the immediate enrollment of homeless children and youth and to collect data regarding homeless education. In addition, the reporting requirement is updated, and not later than 4 years after enactment, the Secretary is to prepare and submit to the President and appropriate congressional committees a report on the status of education of homeless youth, which includes information on the actions of the Department and the effectiveness of programs supported under this subtitle. Specifically, the Secretary is to publish in the Federal Register, not later than 60 days after date of enactment, guidelines to States describing ways in which a State may assist local educational agencies in immediately enrolling homeless students and how States can review their immunization and medical or school records to make such revisions as appropriate and necessary in order to more quickly enroll homeless students. Under the new information provisions, the Secretary to periodically collect and disseminate data regarding the number and locale of homeless youth, the education and services provided, the extent to which needs are being met, and other data needed to carry out homeless education programs. The Secretary is to coordinate such collection and dissemination with all entities that receive and administer programs for the education of homeless children and youth.

Section 165—Definitions. Section 165 of the bill amends section 725 of the act to include definitions of "local educational agency" and "State educational agency."

Section 166—Authorization of Appropriations. Section 166 of the bill amends section 726 of the act to authorize a funding level of $70 million for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

Section 167—Conforming Amendments. Section 167 of the bill makes conforming changes to references within the act.

TITLE II—TEACHER QUALITY

Part A—Teachers

Section 201—Teacher Quality. Section 201 amends Title II to strike all of Part A and insert new provisions, renaming Title II as "TEACHER QUALITY" and Part A as "TEACHERS."

Part A—Teachers

Provisions of the new Title II, Part A include:

Section 2101—Purpose. Section 2101 states the purpose of part A is to provide grants to State and local educational agencies and eligible partnerships in order to increase student achievement and student performance through such strategies as improving teacher quality and increasing the number of highly qualified teachers in the classroom and hold local educational agencies and schools accountable for improvements in student academic achievement and student performance.

Section 2102—Definitions. Section 2102 provides definitions for the terms "all students," "core academic subjects," "highly qualified," "high need local educational agencies," "institution of higher education," "out of field teacher," "poverty line," and "professional development".

Section 2103—Authorization of Appropriations. Section 2103 authorizes $3 billion for fiscal year 2002 and such sums as necessary for the 6 succeeding fiscal years. It authorizes $100 million for fiscal year 2002 and such sums as necessary for the 6 succeeding fiscal years for National Programs.

Subpart 1—Grants to States

Section 2111—Allotments to States. Section 2111 includes general provisions dealing with formula grants to States, providing that States with applications approved by the Secretary will receive grants in order to make subgrants to local educational agencies and eligible partnerships as well as to carry out specified statewide activities.

Section 2111(b) establishes allotments as follows:

½ of 1 percent is reserved for the outlying areas (United States Virgin Islands, Guam, American Samoa and the Commonwealth of the Northern Mariana Islands).

½ of 1 percent is reserved for the Secretary of Interior for schools operated by the Bureau of Indian Affairs.

Provides a limitation that the amount reserved does not exceed the amount received under the Eisenhower program and section 306 of the Department of Education Appropriations Act, 2001.

The 50 States, the District of Columbia and the Commonwealth of Puerto Rico will first receive an allotment equal to the amount received in fiscal year 2001 from the Eisenhower program and the Class Size Reduction program—subject to a ratable reduction if appropriations are insufficient to meet the hold harmless. Amounts above the fiscal year 2001 levels will be allocated based on the number of individuals age 5 through 17 in the State (50 percent) and on the number of individuals areas 5 through 17 from families with incomes below the pov-

erty level (50 percent). No State may receive less than ½ of 1 percent of the total amounts above the 2001 level.

If a State does not apply for funds, the funding it would have received will be reallotted among the remaining States on the basis described above.

Section 2112—State Applications. Section 2112 requires that the State educational agency submit an application to the Secretary at such time and in such manner as the Secretary may reasonably require. Each application must contain the following information: a description of how the activities to be carried out by the State educational agency will be based on a review of relevant research and an explanation of why the activities are expected to improve student performance and outcomes; a description of how the State educational agency will align activities with State content and student performance standards and State assessments; a description of how the State educational agency will use funds to improve the quality of the teaching force and the educational opportunities for all students; a description of how the State educational agency will coordinate professional development activities authorized under this part with professional development provided under other Federal, State and local programs; an assurance that the State educational agency will consistently monitor the progress of each local educational agency and school in the State in achieving the purpose of this part and meeting the performance objectives and measures described in section 2141. The Secretary shall approve a State application submitted to the Secretary under this section unless the Secretary makes a written determination within 90 days after receiving the application that the application does not meet the requirement of this Act.

Section 2113—State Use of Funds. Section 2113 requires that a State receiving a grant under section 2111 shall reserve a portion of the funds for State activities; 95 percent for local educational agencies; and a portion of the funds for subgrants to local partnerships.

State educational agencies shall use funds to carry out 1 or more of the following activities: (1) reforming teacher certification (including recertification) or licensing requirements to ensure that teachers have necessary subject matter knowledge and teaching skills in the subject area that the teachers teach, that requirements are aligned with challenging State content standards, and that teachers have the subject matter knowledge and teaching skills necessary to meet challenging State student performance standards; (2) carrying out programs that provide support during the initial teaching experience; (3) carrying out programs that establish, expand, or improve alternative routes for State certification of teacher for highly qualified individuals with baccalaureate degree; (4) supporting activities to encourage and support teachers seeking national board certification from the National Board for Professional Teaching Standards or other recognized entities; (5) developing and implementing effective mechanisms to assist local educational agencies and schools in effectively recruiting and retaining highly qualified and effective teachers and principals; (6) funding projects to promote reciprocity of teacher certification or licensure between or among States; (7) testing new teachers for subject matter knowledge, and testing the teachers for State certification or li-

censure; (8) supporting activities that ensure teachers are able to use State content and student performance standards and assessments to improve instructional practices; (9) establishing teacher compensation systems based on merit; and (10) reforming tenure systems. A State receiving a grant must coordinate these activities with those funded under section 202 of the Higher Education Act.

Subpart 2—Subgrants to local educational agencies

Section 2121—Allocations to Local Educational Agencies. States receiving grants shall make grants to eligible LEAs in an amount allocated based on the number of individuals age 5 through 17 in the State (25 percent) and on the number of individuals areas 5 through 17 from families with incomes below the poverty level (75 percent).

Section 2122—Local Application and Needs Assessment. Local educational agencies must submit an application to the State educational agency at such time and in such manner as the State educational agency may reasonably require. Each application submitted must be based on a needs assessment and shall include the following: A description of the activities to be carried out by the local educational agency; a description of how the activities will be based on a review of relevant research and an explanation of why the activities are expected to improve student performance and outcomes; a description of how the activities will have a substantial, measurable and positive impact on student achievement and student performance and how the activities will be used as part of a broader strategy to eliminate the achievement gap that separates low-income and minority students and other students; an assurance that the local educational agency will target funds to schools with the lowest proportion of highly qualified teachers; are identified for school improvement or are identified for school improvement in accordance with other measures of school quality as determined and documented by the local educational agency; a description of how the local educational agency will coordinate professional development activities authorized under this subpart with professional development activities provided under other Federal, State, and local programs; a description of the evaluation plan the local educational agency will carry out pursuant to section 2141; a description of how the local educational agency has collaborated with teachers, paraprofessionals, principals and other relevant school personnel and parents in preparation of the application; a description of the results of the needs assessment; and a description of how the local educational agency will address the ongoing professional development and mentoring needs of teachers and administrators.

Section 2123—Local Use of Funds. This section provides that a local educational agency may use the amount of funds it received under the class-size reduction provisions of the Department of Education Appropriations Act, 2001 to carry out the activities authorized under those provisions. A local educational agency must use funds to carry out 1 or more of the following activities: (1) providing professional development activities that improve the content knowledge, effective instructional practices, and effective use of State standards and assessments of teachers; (2) mentoring; (3) providing teachers and principals with professional development

through institutions of higher education; (4) providing induction and support for beginning teachers; (5) recruiting, hiring, and training teachers; and (6) carrying programs and activities related to teacher tenure reform, merit pay, and testing of teachers in academic subjects that the teachers teach.

Subpart 3—Subgrants to eligible partnerships

Section 2131—Subgrants. This section provides that the State agency for higher education shall use funds to make competitive subgrants to eligible partnerships. Such subgrants are to be equitably distributed geographically within the State and serve all areas of the State. No single participant in a partnership may use more than 50 percent of the funds made available.

Section 2132—Applications. This section requires eligible partnerships to submit applications for funding to the State agency for higher education.

Section 2133—Use of Funds. This section requires that eligible partnerships use funds for: professional development activities in core academic subjects and assisting local educational agencies and teachers, paraprofessionals, or principals with sustained, high-quality professional development activities. An eligible partnership which receives a grant under this subpart and under section 203 of the Higher Education Act must coordinate the activities carried out under both grants.

Section 2134—Definition. This section defines "eligible partnership," which must include a private or State institution of higher education and the division of the institution that prepares teachers, a school of arts and sciences, and a high-need local educational agency. A partnership may also include another local educational agency, a public charter school, an elementary or secondary school, an educational service agency, a nonprofit educational organization, another institution of higher education, a school of arts and sciences within such an institution, the division of such an institution that prepares teachers, a nonprofit cultural organization, an entity carrying out a prekindergarten program, a teacher organization, or a business.

Subpart 4—Accountability

Section 2141—Evaluation Plan for Local Educational Agencies. This section provides that each local educational agency receiving funds under part A must develop an evaluation plan including performance objectives and other measures relating to increasing student achievement and performance for all students, increasing participation in sustained professional development and mentoring, increasing teacher retention among new teachers, and decreasing the use of out-of-field teachers. The evaluation plan may also include other measures of student achievement and performance determined by the local educational agency.

Section 2142—Sanctions for Local Educational Agencies. This section provides that each local educational agency receiving funds under part A must submit an annual report to the State educational agency describing progress towards meeting the purpose of part A and the performance objectives and measures. If the State educational agency determines that a local educational agency has failed to make substantial progress by the end of the third year of

funding, the State educational agency must provide technical assistance to the local educational agency and, if applicable, to schools served by that agency in need of assistance. If the local educational agency fails to make substantial progress by the end of the fifth year of funding, the State educational agency must withhold the funding allocation to the local educational agency for 2 fiscal years and use those funds to assist the LEA to achieve the purpose and meet the objectives and measures.

Subpart 5—National programs

Section 2151—National Programs of Demonstrated Effectiveness. This section provides that the Secretary shall use funds to carry out the following national activities: (1) professional development for school leaders to held develop or enhance their leadership skills, recruitment of school leaders, and mentorship of new school leaders; (2) encouragement and support for teachers seeking advanced certification or credentialing through high quality programs, including programs provided by the National Board for Professional Teaching Standards; (3) support for the Troops-to-Teachers Program through a contract with the Defense Activity for Non-Traditional Education Support of the Department of Defense; (4) support for programs to recruit, prepare, and support mid-career professionals to become highly qualified teachers; and (5) support for a National Teacher Recruitment Campaign to be conducted by a single national coalition of teacher and media organizations, including the National Teacher Recruitment Clearinghouse. A separate authorization of $3 million is provided for the recruitment campaign.

Part—B Mathematics and science partnerships

New section 2201—Purpose. This section states the purpose of part B, which is to improve the performance of students in the areas of mathematics and science by encouraging the participation of States, institutions of higher education, and elementary and secondary schools in programs that: encourage institutions of higher education to establish a system of recruiting and advising mathematics and science teachers; focus on career-long education for mathematics and science teachers; bring together mathematics and science teachers with scientists, mathematicians, and engineers; and develop rigorous curricula aligned with standards and postsecondary studies.

New section 2202—Definitions: Eligible Partnership. This section defines "eligible partnership," which must include a State educational agency, a mathematics or science department of an institution of higher education, and a local educational agency. A partnership may also include another mathematics or science department or a teacher training department, another local educational agency, an elementary or secondary school, a business, or a nonprofit organization. "High need local educational agency" is defined as having the meaning given the term in section 210(b) of the Higher Education Act of 1965. "Summer workshop or institute" is defined as one which lasts during a minimum of 2 weeks, provides direct interaction between students and faculty, and provides for at least 3 days follow-up training in the classroom during the academic year, with specified exceptions.

Subpart 1—Grants to partnerships

New section 2211—Grants Authorized. The Secretary is authorized to award 5-year competitive grants to eligible partnerships. The federal share of such grants is 75 percent for the first year, 65 percent for the second year, and 50 percent for each of the remaining years in the grant period. Priority must be given to partnerships involving a high need local educational agency.

New section 2212—Application Requirements. Applications for grant funds must include: an assessment of needs for teacher quality and professional development for all participating entities; a description of how activities will be aligned with State and local standards; and a description of how activities will be based on a review of relevant research. Applications must also include a description of the proposed program and an evaluation and accountability plan.

New section 2213—Authorized Activities. This section provides that an eligible partnership shall use grant funds for 1 or more of the following activities: developing more rigorous math and science curricula aligned to State and local standards and with the standards expected for postsecondary study in mathematics and science, respectively; creating opportunities for enhanced and ongoing professional development; recruiting math and science majors to teaching; promoting strong teaching skills for math and science teachers and teacher educators; establishing math and science summer workshops or institutes for teachers; establishing distance learning programs for math and science teachers; designing programs to prepare a teacher to provide professional development to other teachers and novice teachers; and designing programs to bring teachers into contact with working scientists.

New section 2214—Evaluation and Accountability Plan. This section requires each eligible partnership to develop an evaluation and accountability plan which includes objectives and measures for improved student performance on State math and science assessments or the Third International Math and Science Study assessment; increased student participation in advanced courses; increased percentages of secondary school classes in math and science taught by teachers with academic majors in those subjects; and increased numbers of math and science teachers who participate in content-based professional development activities.

New section 2215—Report; Revocation of Grant. This section requires grant recipients to report annually to the Secretary regarding progress in meeting performance objectives. If the Secretary determines that a grantee is not making substantial progress in meeting those objectives by the end of the third year of the grant, then no further grant payments will be made.

Subpart 2—Eisenhower Clearinghouse for Mathematics and Science Education

New section 2221—Clearinghouse. This section allows the Secretary, in consultation with the Director of the National Science Foundation, to award a grant or contract to continue the Eisenhower National Clearinghouse for Mathematics and Science Education. The grant or contract will be awarded on a competitive, merit basis by the Secretary for 5 years. The funds shall be used to: maintain a permanent repository of math and science education

instructional materials and programs; compile information on all math and science education programs administered by each Federal agency or department; disseminate information, programs and instructional materials; coordinate with identifiable and existing data bases; gather qualitative and evaluative data on submissions to the Clearinghouse; solicit and gather materials and programs, review the evaluation of the materials and programs, rank them, distribute the results of the reviews and excerpts of materials and links to Internet-based sites and information regarding on-line communities of users to teachers, but not conduct evaluations; and develop and establish an Internet-based site with search mechanism to identify information available through the Clearinghouse. Each Federal agency or department developing math or science educational instructional material or programs shall submit copies to the Clearinghouse. The Secretary shall use a peer review process to choose the recipient of the award, will disseminate information concerning the grant or contract awarded, and may appoint a steering committee to direct the Clearinghouse. Copyright laws apply to material collected by the Clearinghouse. Not later than 2 years after the enactment of this Act, the National Academy of Sciences will conduct a study of the Clearinghouse and submit its report to Congress.

Subpart 3—Preparing tomorrow's teachers to use technology

New Section 2231—Purpose; Program Authority. This section states that the purpose of subpart 3 is to assist consortia in programs preparing prospective teachers to use advanced technology to foster learning environments conducive to preparing all students to meet standards. This section gives the Secretary of Education, acting through the Director of the Office of Educational Technology, the authority to make awards on a competitive basis and for not more than 5 years to pay the Federal share of projects to develop or redesign teacher preparation programs to use advanced technology effectively.

New Section 2232—Eligibility. This section states that, in order to receive an award under this subpart, an applicant must include at least 1 institution of higher education that offers a baccalaureate degree and prepares teachers for their initial entry into teaching, at least 1 State or local educational agency, and 1 or more of: a second institution of higher education, a school or department of education at an institution of higher education, a school or college of arts and sciences at an institution of higher education, a professional association, foundation, museum, library, for-profit business, public or private nonprofit organization, community-based organization, or other entity with the capacity to contribute to the technology-related reform of teacher preparation programs. This section states that the applicant must submit an application to the Secretary and that the application shall include: a description of the proposed project including how the individuals participating would use advanced technology to create learning environments conducive to preparing all students to meet standards; a demonstration of the commitment, including financial, of each member of the consortium and of the active support of the leadership of each member; a description of how each member will be included in the activities; a description of how the project will be continued after Federal funds

end; and a plan for project evaluation, including evaluation to monitor progress toward project objectives. This section states that the Federal share of any project shall not exceed 50 percent and the non-Federal share may be in cash or in kind, including services except in the case of equipment, networking capabilities, or infrastructure—where the Federal share cannot exceed 10 percent and the non-Federal share must be in cash.

New Section 2233—Use of Funds. This section states that recipients must use the funds to create programs that enable prospective teachers to use advanced technology to create learning environments conducive to preparing all students to meet standards and to evaluate the effectiveness of the project. This section states that recipients may use the funds to develop and implement programs that enable educators to learn the range of resources that can be accessed through the use of technology, integrate a variety of technologies into the classroom, evaluate educational technologies and their use, and help students develop their technical skills and digital learning environments; develop alternative teacher development paths; develop performance-based standards and assessments aligned with the standards to measure the capacity of prospective teachers to use technology; provide technical assistance to entities carrying out other teacher preparation programs; develop and disseminate resources and information to assist in preparing teachers; and acquire equipment, networking capabilities, and infrastructure to carry out the project.

Subpart 4—General provisions

New section 2241—Consultation with National Science Foundation. In carrying out the activities authorized by this part, the Secretary shall consult and coordinate with the Director of the National Science Foundation, particularly with respect to the appropriate roles of each in summer workshops or institutes.

New section 2242—Authorization of Appropriations. This section authorizes appropriations for part—activities. The authorization for subpart 1 is $500 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The authorization for subpart 2 is $5 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. The authorization for subpart 3 is $150 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years.

Part C—State and local programs for technology use in classrooms

Section 2301—Purpose; Goal. This section of the bill states the purpose and goal of part C. The purpose of the part is to support a comprehensive system to use technology effectively in elementary and secondary schools to improve student achievement and performance. The goal of the part is to assist every child in crossing the digital divide by ensuring that every child is technologically literate by the time the child finished the 8th grade.

Section 2302—Definitions. This section provides definitions for the terms "adult education," "all students," "information infrastructure," "interoperable; interoperability," "public telecommunications entity," "State educational agency," and "State library administrative agency."

Section 2303—Allotment and Reallotment. Section 2303(a) provides that the Secretary shall reserve sufficient funds to maintain grants awarded under the National Challenge Grants for Technology in Education prior to the enactment of the Better Education for Students and Teacher Act.

Section 2303(b) provides that each State educational agency will receive a grant based on the title I formula, with a minimum grant level of ½ of 1 percent of the amount available each year.

Section 2303(c) provides that the Secretary may reallot any State educational agency allotment which is not needed during a fiscal year to other State educational agencies in proportion to their original allotments. To the extent that a State educational agency is unable to use all or a portion of the reallotted funds in a fiscal year, those additional funds will be similarly realloted among the other State educational agencies.

Section 2304—Technology Grants. Section 2304(a) provides that the Secretary, through the Office of Educational Technology, shall award grants to State educational agencies to be used for competitive grants to local educational agencies. Grant awards to local educational agencies must be of sufficient size, scope, and quality to carry out the purposes of part C. In awarding grants, the State educational agency must give priority to the local educational agencies serving the highest number or percentage of children in poverty and must ensure an equitable distribution of assistance among urban and rural areas of the State.

Section 2304(b) provides that each State educational agency which receives a grant must identify and offer technical assistance to local educational agencies with the highest number or percentage of children in poverty and which demonstrate the greatest need for technical assistance in developing an application for funds.

Section 2305—State Application. This section provides that a State educational agency must submit a statewide educational technology plan in order to receive part C funds. The statewide plan must: outline long-term strategies for improving student performance and achievement through the effective use of technology; outline long-term strategies for financing technology education in the State and describe the participation of other agencies and organizations with the State; and meet other criteria established by the Secretary to enable the State educational agency to assist local educational agencies with the highest numbers or percentages of children in poverty and which demonstrate the greatest need for technology.

Section 2306—Local Uses of Funds. This section provides that local educational agencies, to the extent possible, use part C funds to: use technology to support school reform efforts; provide ongoing professional development in the integration of technology into the curriculum; acquire connectivity linkages, resources, and services; acquire connectivity with wide area networks; provide educational services for adults and families; and repair and maintain school technology equipment. At least 30 percent of local educational agency funds must be used for professional development.

Section 2307—Local Applications. Section 2307(a) requires that a local educational agency apply to the State educational agency for assistance under part C. The application must include an updated version of a strategic, long-range plan that includes: a description

of how activities will be based on a review of relevant research and an explanation of why the activities are expected to improve student achievement; an explanation of how acquired technologies will be integrated into the curriculum; a description of the technologies to be acquired; an explanation of how programs will be developed in collaboration with existing adult literacy service provides; a description of how ongoing, sustained professional development will be provided for teachers, administrators, and school library media personnel; a description of the supporting resources which will be acquired; the projected costs of technologies and related expenses; a description of how technology provided under part C will be coordinated with other technology grant funds; a description of the process for the ongoing evaluation of how technologies will be integrated into the curriculum; and a description of the evaluation plan of the local educational agency.

Section 2307(b) provides that a local educational agency may apply for assistance as part of a consortium with other local educational agenciess, institutions of higher education, intermediate educational units, libraries, or other appropriate educational entities.

Section 2308—Accountability. This section provides that each local educational agency receiving funds under part C must develop an evaluation plan including performance objectives and other measures relating to increased professional development in the effective use of technology, increased access to technology in the classroom, and other indicators reflecting increased student achievement or performance. Each local educational agency must submit an annual report to the State educational agency describing progress towards meeting the purpose of part C and the performance objectives and measures. If a local educational agency has failed to show measurable improvements in all performance measures by the end of the third year of funding, it will not receive funds for the remaining grant years. The State educational agency must provide technical assistance to local educational agencies to assist them in meeting the performance objectives and measures.

Section 2309—National Education Technology Plan. This section requires the Secretary, within 1 year of enactment, to prepare a national long-range plan to support the national technology policy. The Secretary is to consult with a wide range of individuals and organizations in preparing the plan. Upon completion, the plan is to be submitted to the President and to the appropriate committees of Congress and is to be made readily accessible to the public. The plan must include descriptions of: (1) the way in which the Secretary will encourage the effective use of technology to provide all students the opportunity to achieve; (2) joint activities in support of the overall national technology policy to promote the use of technology in education, training, and lifelong learning; (3) the way in which the Secretary will work with educators, educational agencies, and the private sector to facilitate the effective use of technology in education; (4) the way in which the Secretary will promote higher academic achievement and performance, increased access to technology, the use of technology to assist with State systemic reform, the application of technological advances to improve educational opportunities, increased access to high quality adult and family education services, and increased professional develop-

ment opportunities; (5) the way in which the Secretary will determine the feasibility and desirability of establishing guidelines to facilitate an easy exchange of date and effective use of technology in improving education; (6) the way in which the Secretary will promote the exchange of information regarding the effective use of technology in education; and (7) the Secretary's long-range measurable goals and objectives relating to the purposes of part C.

Section 2310—Authorization of Appropriations. This section authorizes a funding level of $1 billion for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years. A grant recipient under part C may use no more than 5 percent of grant funds for administrative costs or technical assistance.

Section 202. Teacher Mobility. This section, the "Teacher Mobility Act," adds a new part D entitled "Part D—Portability of Teacher Pensions and Credentials" to title II.

Part D—Portability of teacher pensions and credentials

New Section 2401. Definition. This section defines "pension" as a pension provided under an employee pension benefit plan, as defined in section 3(2) of the Employee Retirement Income Security Act of 1974.

New Section 2402. National Panel of Portability of Teacher Pensions and Credentials. Section 2402(a) establishes a National Panel of Portability of Teacher Pensions and Credentials (the "panel").

Section 2402(b) provides that the 9 members of the panel will be appointed by the Secretary from among practitioners and experts with experience relating to teacher pensions and credentials.

Section 2402(c) provides that members will be appointed for the life of the panel.

Section 2402(d) sets the duties of the panel as studying options for increasing reciprocity of recognition of teacher credentials and portability of teacher pensions between States and as reporting the results of the study to the Secretary and the appropriate committees of Congress within 1 year.

Section 2402(e) gives the panel the powers to hold hearings, take testimony, and receive evidence the panel considers advisable; to secure such information from any Federal department or agency as the majority of the panel requests; and to use the United States mails in the same manner and under the same conditions as other Federal departments and agencies.

Section 2402(f) states that members of the panel shall receive no compensation, but shall be allowed travel expenses and that Federal employees may be detailed to the panel without interruption or loss of civil service status or privilege.

Section 2402(g) states that Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the panel.

Section 2402(h) states that funds necessary to carry out this act are authorized for fiscal year 2002 and shall remain available until expended.

TITLE III—MOVING LIMITED ENGLISH PROFICIENT STUDENTS TO ENGLISH FLUENCY

Section 301—Amendment to the Elementary and Secondary Education Act of 1965. This section renames title III "Bilingual Edu-

cation, Language Enhancement, and Language Acquisition Programs" and amends the title to read as follows:

Part A—Bilingual education

The new part A includes the following provisions:

Section 3001—Short Title. New section 3001 provides that the short title of part A is "Bilingual Education Act."

Section 3002—Purpose. New section 3002 states that the purpose of part A is to promote systemic improvement for educational programs serving limited English proficient students.

Section 3003—Authorization of Appropriations. New section 3003 authorizes a funding level of $300 million for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years. At least 25 percent of such funds are reserved to carry out subpart 3.

Section 3004—Native American and Alaska Native Children in School. New section 3004 provides that specified schools and other entities serving Native American and Alaska Native children shall be considered to be a local educational agency for the purposes of this part. Eligible entities submit applications for assistance under part A directly to the Secretary.

Section 3005—Residents of the Territories and Freely Associated Nations. New section 3005 provides that, for carrying out part A programs in the outlying areas, the term "local educational agency" includes public entities whose mission is the preservation and maintenance of native languages.

Subpart 1—Bilingual education capacity and demonstration grants

Section 3101—Financial Assistance for Bilingual Education. New section 3101 states that the purpose of subpart 1 is to develop the capacity of local educational agencies, institutions of higher education, and community-based organization to enhance their capacity to provide high-quality instruction to children and youth of limited English proficiency and to help such children and youth develop proficiency in English.

Section 3102—Program Enhancement Projects. New section 3102(a) states that the purpose for Program Enhancement Projects is to: provide grants to entities for locally designed, high quality instruction to children and youth of limited English proficiency; help children and youth develop English language proficiency; and help children and youth in attaining the standards established under section 1111(b) of this act.

New section 3102(b) authorizes the activities for Program Enhancement Projects which shall include: developing comprehensive preschool, elementary, or secondary education programs for limited English proficient children and youth; providing high quality professional development; and annually assessing the English proficiency of all limited English proficient students. Other activities may include: upgrading reading and other academic skills; developing accountability systems to monitor academic progress of limited English proficient and formerly limited English proficient students; implementing family education programs; acquiring and applying effective instructional materials; providing intensified instruction; adapting best practice models; assisting limited English

proficient students with disabilities; and implementing applied learning activities.

New section 3102(c) defines entities which are eligible to apply for Project Enhancement Projects as being: one or more local educational agencies; one or more local educational agencies in collaboration with an institution of higher education, community-based organization, or local or State educational agency; or a community-based organization or institution of higher education which has an application approved by the local educational agency.

New section 3102(d) authorizes the Secretary, if the Secretary so chooses, to give priority in awarding grants to an entity that serves a school district which has either a total enrollment of less than 10,000 students or a large percentage or number of limited English proficient students and which has limited or no experience in serving limited English proficient students.

Section 3103—Comprehensive School and Systemwide Improvement Grants. New section 3103(a) states that the purposes of Comprehensive School and Systemwide Improvement Grants are to: provide financial assistance to schools and local educational agencies for implementing bilingual education programs; assist limited English proficient students in meeting the standards established under section 1111(b); and improve instructional programs in schools and local educational agencies that serve significant percentages of students with limited English proficiency or significant numbers of such students.

New Section 3103(b) specifies that grants awarded under this section shall be used for: improving instructional programs for limited English proficient students; aligning activities with State and local school reform efforts; providing training to improve instruction and assessment of limited English proficient students; implementing culturally and linguistically appropriate family education programs; coordinate training activities with title II of the Higher Education Act; coordinating activities with other programs; providing services to meet the full range of the educational needs of limited English proficient students; annually assessing the English proficiency of limited English proficient students; and developing accountability systems. This section also lists several permissible activities.

New Section 3103(c) specifies the reservation of funds for continued payments of grants awarded prior to the date of enactment for which the grant period has not ended. One-third of remaining funds will be used to award grants for activities carried out within an entire school district, and two-thirds of such funds will be used to award grants for activities carried out within individual schools.

New section 3103(d) defines entities which are eligible to apply for Comprehensive School and Systemwide Improvement Grants as being: one or more local educational agencies; or one or more local educational agencies in collaboration with an institution of higher education, community-based organization, or local or State educational agency.

Section 3104—Applications. New section 3104 sets out requirements for the application of grant funds under subpart 1.

New section 3104(b) provides that the State educational agency must review an application and provide written comments to be included with the application.

New section 3104(c) provides that an eligible entity may address the comments provided by the State educational agency.

New section 3104(d) provides that the Secretary must take the State educational agency comments into consideration.

New section 3104(e) authorizes the Secretary to waive the requirement for State educational agency review of the application if the agency can demonstrate that the requirement would impede the agency's ability to fulfill the requirements of participation in the State grant program.

New Section 3104(f) provides that the application must document that the applicant has sufficient qualified personnel and that the leadership personnel of each participating school have been involved in developing and planning the program.

New Section 3104(g) provides that grant applications must include: a description of the need for the proposed program, including data on the number and characteristics of students to be served and the professional development needs of the instructional personnel who will provide services; a description of the program to be implemented, including how it will be coordinated with other programs and will ensure accountability in achieving high standards; a description of any collaborative activities with other entities; an assurance that State and local funds will not be reduced if grant funds are received; an assurance that teachers employed in the program will be proficient in English and in the native language of the majority of the students taught by the teachers (if the instruction in the program is in the native language as well as English); a budget for grant funds; a description of services to be provided, including specific achievement and school retention goals; and assurances that the program will be integrated with the overall educational program and that the application has been developed in consultation with an advisory council.

New section 3104(h) provides that the Secretary may approve a grant application only if: the program will use qualified personnel; the needs of children in nonprofit private elementary and secondary schools have been taken into account; student evaluation and assessment procedures are valid, reliable, and fair; federal funds will be used to supplement, not supplant, State and local funds; grant assistance will contribute to building the capacity of the applicant to provide a program on a regular basis; and the applicant uses State and national dissemination sources.

New section 3104(i) provides the Secretary shall give priority to a grant applicant who: experiences a dramatic increase in the number or percentage of limited English proficient students enrolled in the applicant's programs and has limited or no experience in serving limited English proficient students; is a local educational agency that serves a school district that has a total district enrollment of less than 10,000 students; demonstrates that the applicant has a proven record of success in helping limited English proficient children and youth learn English and meet high academic standards; proposes programs that provide for the development of bilingual proficiency in English and another language; or serves a school district with a large percentage or number of limited English proficient students. The Secretary shall also give consideration to the degree to which the program involves collaborative efforts and

shall give due consideration to applications providing personnel training.

Section 3105—Capacity Building. New section 3105 provides that grant recipients shall use funds to build their capacity to continue to offer high-quality programs once assistance is reduced or eliminated.

Section 3106—Programs for Native Americans and Puerto Rico. New section 3106 provides that programs under this subpart serving Native American children, Native Pacific Island children, and children in the Commonwealth of Puerto Rico may include activities designed for Native American children and youth studying Native American languages, except that one outcome of such programs shall be increased English proficiency among Native American children. Funds may also be used for children and youth of limited Spanish proficiency

Section 3107—Evaluations. New section 3107 requires each grant recipient to conduct an annual evaluation which will review the progress of the recipient in achieving the objectives of the program and determine whether the students being served by the program are meeting the State's student performance standards.

Section 3108—Construction. New section 3108 provides that nothing in subpart 1 should be construed to prohibit a local educational agency from serving limited English proficient children and youth in the same educational settings with students who have similar educational needs.

Subpart 2—Research, evaluation, and dissemination

Section 3121—Authority. New section 3121 authorizes the Secretary to conduct data collection, dissemination, research, and ongoing program evaluation activities to improve instruction of children and youth with limited English proficiency. Such activities are to be carried out through the Office of Bilingual Education and Minority Language Affairs.

Section 3122—Research. New section 3122 requires the Secretary to conduct research through the Office of Educational Research and Improvement in coordination with the Office of Bilingual Education and Minority Language Affairs. The research is required to have practical application and may include research on effective instructional practices and may also include establishing a common definition of "limited English proficient student". At least 5 percent of the funds must be used for field-initiated research conducted by grant recipients.

Section 3123—Academic Excellence Awards. New section 3123 authorizes the Secretary to make grants to State educational agencies to assist in recognizing local educational agencies and other public and nonprofit entities whose programs have demonstrated significant progress in assisting limited English proficient students to learn English and achieving the content standards. Each State seeking an grant shall submit an application.

Section 3124—State Grant Program. New section 3124 authorizes awards to State educational agencies which demonstrate that they effectively provide for the education of limited English proficient students through their own or through other federal education programs. Such awards may not exceed 5 percent of the total awarded to local educational agencies in the State under sub-

part 1, but may not be less than $200,000. Funds may be used to assist local educational agencies with program design, student assessment, evaluation, accountability systems, and data collection. Funds may also be used to train State educational agency personnel. State educational agencies receiving awards must provide an annual report to the Secretary summarizing the use of award funds.

Section 3125—National Clearinghouse for Bilingual Education. New section 3125 requires the Secretary to establish and support a national clearinghouse to collect, analyze, synthesize, and disseminate information about bilingual education and related programs. Functions of the clearinghouse include that it is to: be administered as an adjunct clearinghouse supported by the Office of Educational Research and Improvement; coordinate with other federal efforts; develop a monitoring system; disseminate through comprehensive regional assistance centers a listing of individuals who might be used as a resource by local educational agencies; and publish an annual list of grant recipients under subpart 1.

Section 3126—Instructional Materials Development. New section 3126 authorizes grants for the development, publication, and dissemination of instructional materials in Native American and Native Hawaiian languages, in the language of Native Pacific Islanders and other natives of the outlying areas, and in other low-incidence languages. Priority is given to proposals for materials in languages indigenous to the United States or the outlying areas and for materials consistent with voluntary national and State content standards.

Subpart 3—Professional development

Section 3131—Purpose. New section 3131 describes the purpose of this subpart as supporting professional development and the dissemination of information about appropriate instructional practices related to the education of limited English proficient children and youth.

Section 3132—Training for All Teachers Program. New section 3132 authorizes five-year grants to local educational agencies or to one or more local educational agencies in a consortium with one or more State educational agencies, institutions of higher education, or non-profit organizations to offer pre-service and in-service professional development programs for teachers, administrators, and other personnel to improve their provision of services to limited English proficient children and youth. Grantees are to use funds to conduct high-quality, long-term professional development activities, which may include: developing induction programs; implementing school-based collaborative efforts; coordinating activities with other programs; implementing education technologies to improve instruction; establishing professional networks; and developing curricular materials.

Section 3133—Bilingual Education Teachers and Personnel Grants. New section 3133 authorizes five-year grants to institutions of higher education in consortia with local or State educational agencies for pre-service and in-service professional development of teachers and other educational personnel and for national professional development institutes. In addition, five-year grants may also be awarded to State and local educational agencies

for in-service professional development. Priority is given to institutions of higher education, in consortia with local or State educational agencies, which prepare new bilingual education teachers.

Section 3134—Bilingual Education Career Ladder Program. New section 3134 authorizes five-year grants to institutions of higher education in consortia with local or State educational agencies (consortia may also include community-based organizations or professional education organizations) for bilingual education career ladder programs and for recruitment of bilingual education teachers. Permissive activities include development of curricula, stipends and other financial assistance, and programs to introduce secondary school students to careers in bilingual education. Special consideration is provided for applicants which provide for: participant completion of baccalaureate and master's degree teacher education programs; teacher proficiency in English as a second language; coordination with TRIO and other federal programs; and student financial aid.

Section 3135—Graduate Fellowships in Bilingual Education Program. New section 3135 authorizes fellowships for masters, doctoral, and post-doctoral study related to the instruction of limited English proficient children and youth. Fellowship recipients must work in an activity related to the education of limited English proficient children and youth or repay assistance received. The specifics of the fellowship are to be set by the Secretary in regulation. Priority may be given to institutions of higher education that demonstrate experience in assisting fellowship recipients find employment in bilingual education.

Section 3136—Application. New section 3136 establishes general requirements for the receipt of grants under subpart 3. It deals with consultation, needs assessment, assurances, State educational agency review of applications, outreach and technical assistance, and assurance of adequate representation of Hispanic-serving institutions.

Section 3137—Stipends. New section 3137 authorizes the Secretary to pay stipends to individuals participating in subpart 3 training programs.

Section 3138—Program Evaluations. New section 3138 requires subpart 3 grant recipients to evaluate their programs annually. The evaluations are to include information regarding the number of participants, the effectiveness of the program, and the teaching effectiveness of graduates of the program.

Section 3139—Use of Funds for Second Language Competence. New section 3139 provides that awards under subpart 3 may be used to develop a participant's competence in a second language for use in instructional programs.

Part B—Foreign Language Assistance Program

Section 3201—Short Title. New section 3201 provides that the short title of part B is "Foreign Language Assistance Act of 1994".

Section 3202—Program Authorized. New section 3202 authorizes three-year matching grants to State educational agencies or local educational agencies for innovative model programs of foreign language study for elementary and secondary school students. The federal match is 50 percent, but it may be waived for a local educational agency which can demonstrate lack of adequate resources

to pay the non-federal share. State educational agency grants shall be for programs that promote systemic approaches to improving foreign language learning. Local educational agency grants must show promise of being continued beyond the grant period, demonstrate approaches which can be disseminated, and may include professional development. At least three-fourths of the funds must be used to expand foreign language learning in the elementary grades.

Section 3203—Applications. New section 3203 includes application requirements. The Secretary shall give special consideration to applications which: include intensive summer foreign language programs for professional development; promote two-way language learning; promote the sequential study of a foreign language; make effective use of technology; promote innovative activities, such as immersion; and are carried out through a consortium between the grantee and an elementary or secondary school.

Section 3204—Elementary School Foreign Language Incentive Program. New section 3204 authorizes incentive payments to public elementary schools which provide students with a program designed to lead to communicative competency in a foreign language.

Section 3205—Authorization of Appropriations. New section 3205 authorizes appropriations of $35 million for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years, of which no more than $20 million may be used in each fiscal year to carry out the elementary school foreign language incentive program.

Part C—Emergency Immigrant Education Program

Section 3301—Purpose. New section 3301 sets out findings related to the education of immigrant students and states the purpose of Part C, which is to assist eligible local educational agencies that experience unexpectedly large increases in their student population due to immigration in providing educational services to those students.

Section 3302—State Administrative Costs. New section 3302 permits State educational agencies to reserve up to 1.5 percent of the amount allocated to them for administrative costs. State educational agencies may reserve up to 2 percent if they distribute funds to local educational agencies competitively.

Section 3303—Withholding. New section 3303 permits the Secretary to withhold Part C funds from a State educational agency if, after notice and opportunity for a hearing, the Secretary determines that the State educational agency has failed to meet the requirements of Part C. The Secretary may also require that the State educational agency not make further payments to specified local educational agencies whose actions are involved with the failure to meet these requirements.

Section 3304—State Allocations. New section 3304 establishes the allocation of Part C funds to State educational agencies. Each participating State receives an allocation equal to the State's proportion the number of immigrant students relative to the total number of immigrant students in all States participating in the program. Immigrant student counts are determined on a local educational agency basis, with eligible local educational agencies being those which have at least 500 immigrant students or 3 percent of

total enrollment comprised of such students—whichever is less. If Part C funding exceeds $50 million, a State educational agency may reserve up to 20 percent of its payment to award competitive grants to local educational agencies—at least half of which must go to the local educational agencies with the highest numbers and percentages of immigrant students. The remaining competitive grant funds may be awarded either to the local educational agencies described above or to local educational agencies with a sudden influx of immigrant children which would otherwise not be eligible for assistance under Part C.

Section 3305—State Applications. New section 3305 provides that State educational agencies must apply for funds and sets out assurances which must be included in the application, including an assurance that funds not distributed by competitive grant will be provided to local educational agencies on the basis of their immigrant student count and an assurance that immigrant students attending nonpublic schools are served. The application must be approved by the Secretary.

Section 3306—Administrative Provisions. New section 3306 provides that the Secretary must notify a State educational agency regarding the amount of its allocation for the succeeding year no later than June 1 each year. If a local educational agency is prohibited from, has substantially failed or is unwilling to provide educational services for children enrolled in nonpublic schools, the Secretary must arrange for the provision of services to such children. Waivers of the local educational agency's requirements to offer these services are subject to consultation, withholding, notice, and judicial review requirements in accordance with the provisions of title I.

Section 3307—Uses of Funds. New section 3307 sets out a number of permissive uses of funds, the purpose of which is to enhance instructional opportunities for immigrant students. A local educational agency may form a consortia with one or more local educational agencies, institutions of higher education, and nonprofit organizations and may also make subgrants.

Section 3308—Reports. New section 3308 requires State educational agencies to report every 2 years to the Secretary concerning the expenditure of funds by local educational agencies under this part. Each local educational agency receiving funds under this part shall submit to the State educational agency such information as may be necessary for such report. The Secretary shall submit, once every 2 years, a report to the appropriate committees of the Congress concerning programs assisted under Part C.

Section 3309—Authorization of Appropriations. New section 3309 authorizes appropriations of $200 million for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

Part D—Administration

Section 3401—Release Time. New section 3410 requires the Secretary to allow professional development programs funded under part A to use such funds for professional release time to enable individuals to participate in programs assisted under the subpart.

Section 3402—Education Technology. New section 3402 provides that funds made available under part A may be used to provide for the acquisition or development of education technology or instructional materials, including authentic materials in languages other than English, access to and participation in electronic networks for materials, training and communications, and incorporation of such resources in curricula and programs such as those funded under title III.

Section 3403—Notification. New section 3403 provides that the State educational agency, and when applicable, the State board for postsecondary education, shall be notified within three working days of the date an award under part A is made to an eligible entity within the State.

Section 3404—Continued Eligibility. New section 3404 provides that entities receiving grants under this title shall remain eligible for grants for subsequent activities which extend or expand and do not duplicate those activities supported by a previous grant under this title. In considering applications for grants under this title, the Secretary shall take into consideration the applicant's record of accomplishments under previous grants under this title.

Section 3405—Coordination and Reporting Requirements. New section 3405 requires the Secretary to coordinate with other programs serving limited English proficient children and youth administered by the Department and by other agencies, to assure that data collected by the Department include data on limited English proficient children and youth (to the extent feasible), publish and disseminate all requests for proposals for subpart 1 programs. In addition, the Director of the Office of Bilingual Education and Minority Language Affairs shall report to the Secretary and House and Senate authorizing committees every other year on activities related to this title.

Part E—General provisions

Section 3501—Definitions; Regulations. New section 3501 provides definitions for the terms "bilingual education program," "children and youth," "community-based organization," "community college," "director," "family education program," "immigrant children and youth," "limited English proficiency and limited English proficient," "Native American and Native American language," "Native Hawaiian or Native American Pacific Islander native language educational organization," "native language," "office," "other programs for persons of limited English proficiency," "paraprofessional," and "special alternative instructional program."

Section 3502—Regulations and Notification. New section 3502 requires the Secretary to consult with State educational agencies, local educational agencies, and groups involved in bilingual education in developing title III regulations. It also includes provisions for parental notification of items related to the program and for the option to decline enrollment of their children in bilingual education programs. Parents are also to receive this information in a manner and form understandable to them.

TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

Section 401—Amendment to the Elementary and Secondary Education Act of 1965. This section amends title IV and inserts the following:

Part A—State grants

The new part A renames title IV, part A as "State Grants."

Provisions of title IV, part A include:

Section 4001—Short Title. This section specifies that part A may be cited as the "Safe and Drug-Free Schools and Communities Act of 1994."

Section 4002—Findings. This section provides new congressional findings regarding this part, including: (1) every student should attend a school in a drug- and violence-free learning environment; (2) the widespread illegal use of alcohol and drugs among the Nation's secondary school students, and increasingly by students in elementary schools, constitutes a grave threat to such students' physical and mental well-being, and significantly impedes the learning process; (3) drug and violence prevention programs are essential components of a comprehensive strategy to promote school safety, youth development, positive school outcomes, and to reduce the demand for and illegal use of alcohol, tobacco and drugs throughout the Nation; (4) drug and violence prevention programs are most effective when implemented within a research-based, drug and violence prevention framework of proven effectiveness; (5) research clearly shows that community contexts contribute to substance abuse and violence; (6) substance abuse and violence are intricately related and must be dealt with in a holistic manner; and (7) research has documented that parental behavior and environment directly influence a child's inclination to use alcohol, tobacco or drugs.

Section 4003—Purpose. This section states the purpose of Part A which is to support programs that prevent violence in and around schools and prevent the illegal use of alcohol, tobacco, and drugs; involve parents; and are coordinated with related Federal, State, school, and community efforts and resources.

Section 4004—Funding. This section authorizes specific funding levels for fiscal year 2002 and such sums as may be necessary for the 6 succeeding fiscal years for the following programs: $700 million for the State Grants program under subpart 1; $150 million for the National Programs under subpart 2; and $75 million for the National Coordinator Initiative under section 4122. In addition, this section authorizes $5 million in each of fiscal years 2002 through 2004 to carry out the "Grants to Combat the Impact of Experiencing or Witnessing Domestic Violence on Elementary and Secondary School Children" authorized in section 4125.

Subpart 1—State grants for drug and violence prevention programs

Section 4111—Reservations and Allotments. This section requires the Secretary to: reserve 1 percent of the amount made available under section 4004(1) for Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands; reserve 1 percent of the same amount for the Secretary of the Interior to carry out programs under this part for Indian youth;

reserve not more than $2 million for the National impact evaluation required by section 4117(a); and reserve 0.2 percent of above amount for programs for Native Hawaiians under section 4118.

Section 4112—State Applications. This section requires States seeking an allotment to submit an application to the Secretary including: a comprehensive plan for the use of funds under the Governor's program and the State Department of Education's program; a needs assessment and results of ongoing State evaluation activities; assurances that stakeholders were consulted; measurable goals; a description of how the funds will be spent; a description of how the State will receive input from parents; and a comprehensive plan for using and monitoring the funds received under title IV. The State plan shall also include a comprehensive plan for the Governor's program by the chief executive officer.

Section 4113—State and Local Educational Agency Programs. This section reserves 80 percent of the funds made available to States to be used for State support and grants to local educational agencies for drug and violence prevention activities. State and local programs must implement activities that are research-based initiatives, and States are required to implement a uniform management and information reporting system so that expenditures of these funds can be clearly tracked. A State educational agency may use up to 5 percent of available funds for technical assistance and 5 percent for the administrative costs of carrying out responsibilities.

State educational agencies may choose between the following two options for allocating remaining funds to local educational agencies: (1) at least 70 percent to schools based on enrollment and up to 30 percent allocated at the State's discretion or to schools the State determines to have the greatest need; or (2) up to 70 percent on a competitive basis to those schools with the greatest need, and 30 percent to those schools the State determines require additional help to run a program but which might not meet the "greatest need" criteria. These options would allow States to choose and define a competitive or baseline minimum grant system and still allow them to help those schools that could not compete under that system.

Section 4114—Governor's Programs. This section reserves 20 percent of a State's allocation for Governors' programs, of which not less than 95 percent of the funds must be used for research-based substance abuse/violence reduction through a broad range of activities. Governors are authorized to add their money directly to the funds being sent to schools and communities to serve out-of-school youth and to undertake community mobilization activities related to substance abuse and violence.

Section 4115—Local Applications. This section states that in order to be eligible for a distribution under section 4113(d), a local educational agency must submit an application to the State educational agency. The application shall: include a needs assessment; set measurable goals and objectives; utilize effective research-based programs; ensure participation of community groups; and include a program evaluation.

Section 4116—Local Drug and Violence Prevention Programs. This section requires local educational agencies to use funds received under subpart 1 to adopt and carry out a comprehensive drug and violence prevention program. The program shall be de-

signed for all students and school employees in order to prevent the use, possession, and distribution of tobacco, alcohol, and illegal drugs; prevent violence and promote school safety; and create a disciplined environment conducive to learning. The program must also include activities to promote the involvement of parents and coordination with community groups and agencies.

Section 4117—Evaluations and Reporting. This section requires the Secretary of Education to consult with the newly created National Advisory Committee to conduct an independent biennial evaluation of the impact of programs assisted under subpart 1 and on other recent and new initiatives to combat violence in schools. The evaluation shall determine whether funded programs conform to the principles of effectiveness; target research-based programs such as risk factors and/or protective factors/buffers or assets; reduce drug use, school violence, and the presence of firearms at schools; and have conducted effective parental involvement and voluntary training activities. The Department of Education, States, and the Governors are required to implement program and financial monitoring. Every 2 years, States shall provide the Secretary with a report detailing the implementation and outcomes of the State's and local educational agencies programs and their effectiveness, the State's progress toward attaining its goals for drug and violence prevention, and the State's efforts to inform parents of, and include parents in, violence and drug prevention efforts. In addition, local educational agencies are required to provide State educational agencies with the information they may need to complete the State reports.

Section 4118—Programs for Native Hawaiians. This section authorizes the Secretary to provide grants to or enter into cooperative agreements with organizations that serve and represent Native Hawaiians in order to plan, conduct, and administer programs that are authorized by and consistent with the provisions of title IV for the benefit of Native Hawaiians. For the purposes of this section, Native Hawaiians are those individuals whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

Subpart 2—National programs

Section 4121—Federal Activities. This section authorizes the Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, to carry out programs to prevent the illegal use of drugs and violence among students, and to promote safety and discipline for students. The Secretary may carry out programs directly or award grants to public and private nonprofit organizations and individuals for a variety of activities designed to prevent the illegal use of drugs and violence among students from pre-school through the postsecondary level.

Section 4122—National Coordinator Program. This section states that the Secretary shall provide for the establishment of a National Coordinator Program under which grants are awarded to local educational agencies for the hiring of drug prevention and school safety program coordinators. Coordinators shall be responsible for developing, conducting, and analyzing assessments of drug and crime

problems at their schools, and administering the safe and drug free grant program.

Section 4123—Safe and Drug Free Schools and Communities Advisory Committee. This section creates a Safe and Drug Free Schools and Communities Advisory Committee. The Advisory Committee shall: coordinate Federal drug and violence prevention programs; develop core data sets and evaluation programs; provide technical assistance and training; provide for the diffusion of research-based programs; and review other regulations and standards developed under this title. The committee will include representatives from the Department of Education, the Centers for Disease Control and Prevention, the National Institute on Drug Abuse, the National Institute on Alcoholism and Alcohol Abuse, the Center for Substance Abuse Prevention, the Center for Mental Health Services, the Office of Juvenile Justice and Delinquency Prevention, the Office of National Drug Control Policy, and the State and local government education agency representatives. The Advisory Committee shall annually consult with State and local coordinators of school and community-based substance abuse and violence prevention programs and other interested groups.

Section 4124—Hate Crime Prevention. This section authorizes the Secretary to make grants to local educational agencies and community-based organizations for the purpose of providing assistance to localities most directly affected by hate crimes. Grants may be used to: (1) develop education and training programs designed to prevent and reduce the incidences of crimes motivated by hate; (2) develop curriculum to improve conflict or dispute resolution skills of students, teachers and administrators; (3) develop equipment and instructional materials to meet the needs of hate crime or conflict programs; and (4) provide professional training and development for teachers and administrators on the causes, effects, and resolutions of hate crimes.

Section 4124(b) requires local educational agencies seeking a grant under this section to submit an application to the Secretary that includes a request for funds, a description of the schools and communities to be served by the grants, and an assurance that the Federal funds will be used to supplement and not supplant non-Federal funds. Applications shall also include a comprehensive plan describing the hate crime problems within the school or community and a description of the program to be developed or augmented by Federal funds.

Section 4124(c) requires the Secretary, in awarding grants, to consider the incidence of crimes in the community and should attempt to achieve an equitable geographic distribution. If possible, the Secretary shall make available information regarding successful hate crime prevention programs.

Section 4124(d) provides that, every 2 years, the Secretary shall submit a report to Congress describing the grants and awards, the activities of grant recipients, and an evaluation of programs established by this section.

Section 4125. Grants to Combat the Impact of Experiencing or Witnessing Domestic Violence on Elementary and Secondary School Children. This section authorizes the Secretary to award competitive grants and contracts to elementary and secondary schools that work with experts to support training, programming, support serv-

ices, and policies relating to children experiencing or witnessing domestic violence. The confidentiality of the victim and the victim's family must be maintained. The section includes definitions of "domestic violence," "experts," "witness domestic violence," and "witness."

Subpart 3—General provisions

Section 4131—Definitions. This section provides the meanings of certain terms used in this part, including, "community-based organization," "drug and violence prevention," "hate crime," "nonprofit," "objectively measurable goals," "protective factor, buffer, or asset," "risk factor," "school-aged population," and "school personnel."

Section 4132—Materials. This section states that drug prevention programs supported under part A should convey a message that the use of drugs and alcohol is illegal and harmful. In addition, the Secretary may not prescribe the use of specific curriculum for programs supported under this part, but may evaluate the effectiveness of the curriculum.

Section 4133—Prohibited Uses of Funds. This section prohibits the use of funds under part A for construction and medical services, drug treatment or rehabilitation, except for pupil services or referral to treatment for students who are victims or witnesses to crime or who use alcohol or drugs.

Section 4134—Quality Rating. This section encourages States to establish a standard of quality for drug and alcohol prevention programs implemented in elementary and secondary schools and to identify and designate a school that achieves such standard as a quality program school. The standard shall address: a comparison of the rate of illegal use of drugs and alcohol by students; the rate of suspensions or expulsions of students for offenses; the effectiveness of the prevention programs; the involvement of parents and community members in the design of prevention programs; and the extent of review of existing community prevention programs before implementation of the public school program. Schools wishing to receive a quality school program designation shall submit a request to the State and the State shall create a list of the designated schools for the public.

Section 402—Gun-Free Requirements. This section amends title IV by adding the following:

Part B—Gun possession

Part B retains current law with respect to "Gun Possession" as follows:

Section 4201—Gun-Free Requirements. This section specifies that this part may be cited as the "Gun-Free Schools Act of 1994." Part B requires States receiving Federal funds under this act to have a State law requiring local educational agencies to expel from school for at least 1 year any student who brings a weapon to school. This part should not prevent a local educational agency that has expelled a student from the student's regular school setting from providing educational services to the student in an alternative setting. Local educational agencies seeking assistance from State educational agencies, shall provide to the State an assurance that such local educational agency is in compliance with the State law and a description of the circumstances surrounding any expulsions

imposed under the State law. States shall report this information to the Secretary on an annual basis.

Section 4202—Policy Regarding Criminal Justice System Referral. This section states that no funds under part B shall be made available to a local educational agency unless the agency has a policy requiring referral to the criminal justice or juvenile delinquency system of any student who brings a firearm or weapon to a school served by the agency.

Section 403. School Safety and Violence Prevention. Section 403 adds a new Part C, entitled "School Safety and Violence Prevention", to title IV, as follows:

Part C—School safety and violence prevention

Section 4301—School Safety and Violence Prevention. This section states that Federal funds under title IV and subpart 4 of title V of this act may be used for: training school personnel to identify potential threats; training community members and school personnel to identify troubled youth; delinquency and violence prevention programs; comprehensive school security assessments; purchase of metal detectors, locks, and surveillance cameras; collaborative efforts with community-based organizations to reduce violence; assistance in establishing school uniform policies; school resource officers; and other innovative programs to reduce school violence.

Section 4302—School Uniforms. This section states that nothing in this act should be construed to prohibit schools from establishing a school uniform policy. Funds under title IV and subpart 4 of title V may be used to establish a school uniform policy.

Section 4303—Transfer of School Disciplinary Records. This section requires States receiving Federal funds under this act to assure the Secretary that the State has a procedure in place by which local educational agencies must transfer the suspension and expulsion records of any student to any private or public elementary or secondary school in which that student seeks enrollment. This requirement does not apply to private schools. This section also amends the National Child Protection Act of 1993 to specify that individuals who are employed, or seek employment, with schools are included in the provisions of that act relating to background checks.

Section 404—Environmental Tobacco Smoke. Section 403 adds a new Part D, entitled "Environmental Tobacco Smoke", to title IV, as follows:

Part D—Environmental tobacco smoke

Section 4401—Short Title. This section specifies that this part may be cited as the "Pro-Children Act of 2000."

Section 4402—Definitions. This section provides the meanings of certain terms used in part D, including: "children," "children's services," "indoor facility," "person," and "Secretary."

Section 4403—Nonsmoking Policy for Children's Services. This section prohibits smoking within any indoor facility owned or leased or contracted for, and utilized for the provision of regular or routine kindergarten, elementary or secondary education or library services to children; or regular or routine health care or day care or early childhood development (Head Start services). Any portion

of a facility that is used for inpatient hospital treatment of individuals dependent on, or addicted to drugs or alcohol and private residences are exempt from the provision. The prohibitions shall be published in the Federal Register by the Secretary. Such prohibitions shall be effective 90 days after such notice is published or 270 days after the enactment of this act, whichever occurs first. Failure to comply with a prohibition shall be considered a violation of this act and a civil penalty in an amount not to exceed $1,000 shall be charged. A civil penalty may be assessed in a written notice, or an administrative compliance order may be issued.

Section 4404—Preemption. This section states that nothing in this part is intended to preempt a provision of a State law or a political subdivision of a State that is more restrictive than a provision in this part.

Section 501—Public School Choice and Flexibility. This section renames title V of Elementary and Secondary Education Act of 1965 "Public School Choice and Flexibility" and amends the title to read as follows:

TITLE V—PUBLIC SCHOOL CHOICE AND FLEXIBILITY

Part A—Public school choice

Subpart 1—Charter schools

This subpart maintains current law provisions dealing with charter schools, transferring the provisions from part C of title X of the act to subpart 1 of part A of title V and making minor drafting changes for purposes of clarification and consistency.

Section 5111. Purpose. New section 5111 maintains the current law purpose relating to charter schools.

Section 5112. Program Authorized. New section 5112 maintains current law provisions authorizing grants to State educational agencies to conduct a charter school grant program. The section also provides for the awarding of grants to eligible applicants in cases where the State educational agency elects not to participate in or does not have an application approved under this program.

Section 5113. Applications. New section 5113 maintains current law provisions outlining the content of grant applications submitted under this subpart.

Section 5114. Administration. New section 5114 maintains current law provisions describing the selection criteria to be used by the Secretary in awarding grants and the use of subpart 1 funds.

Section 5115. National Activities. New section 5115 maintains current law provisions requiring the Secretary to reserve funds to carry out national information, study, evaluation, data gathering, and dissemination activities.

Section 5116. Federal Formula Allocation During First Year and For Successive Enrollment Expansions. New section 5116 maintains current law provisions dealing with the allocation of title I funds to a charter school within 5 months after the charter school opens and to a charter school that first opens after November 1 of any academic year.

Section 5117. Solicitation of Input from Charter School Operators. New section 5117 maintains current law provisions regarding the consultation with individuals directly involved in the operation of charter schools in the development of rules and regulations for

this subpart or for any other Federal program involving charter schools.

Section 5118. Records Transfer. New section 5118 maintains current law provisions dealing with the transfer of student records to a charter school.

Section 5119. Paperwork Reduction. New section 5119 maintains current law provisions stating that implementation of this subpart should result in a minimum amount of paperwork for eligible applicants and charter schools.

Section 5120. Definitions. New section 5120 maintains current law provisions defining the terms "charter school," "developer," "eligible applicant," and "authorized public chartering agency."

Section 5121. Authorization of Appropriations. This section authorizes $190 million in funding for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

Subpart 2—Magnet schools assistance

Section 5131—Findings and Statement of Purpose. This section provides congressional findings and the purpose of this part which is to assist in the desegregation of schools served by local educational agencies by providing financial assistance to: (1) eliminate, reduce, or prevent minority group isolation; (2) promote systemic reform efforts; (3) develop innovative educational methods and practices; (4) develop courses of instruction which strengthen knowledge of academic subjects and marketable skills; (5) improve capacity of magnet schools to operate after Federal funding is terminated; and (6) ensure that magnet schools students have equitable access to the education necessary to succeed.

Section 5132—Program Authorized. This section authorizes the Secretary to make grants to local educational agencies for magnet schools.

Section 5133—Definition. This section defines the term "magnet school."

Section 5134—Eligibility. This section defines eligibility standards for the receipt of magnet school grants.

Section 5135—Applications and Requirements. This section requires a local educational agency seeking assistance under this part to submit an application to the Secretary. This section also includes a description of the requirements of the application.

Section 5135(b)(2)(E) amends current law to provide equitable consideration for students in the local attendance area, consistent with desegregation guidelines and the capacity of the program to accommodate these students. Other provisions of current law are maintained.

Section 5136—Priority. This section provides guidelines for the prioritization of applicants by the Secretary. This section amends current law by giving priority to applicants that propose activities to build local capacity to operate the program once Federal assistance has ended. Other provisions of current law are maintained.

Section 5137—Use of Funds. This section specifies the allowable uses of grant funds. This new section amends current law to: allow grant recipients to use funds for professional development in order to facilitate self-sufficiency after Federal assistance has ended; offer the flexibility of a magnet school program in order to serve local students not enrolled in a magnet school program; and enable

the local educational agency to have flexibility in designing magnet schools for students of all grades. Other provisions of current law are maintained.

Section 5138—Prohibition. This section prohibits the use of funds for transportation or any activity that does not augment academic improvement.

Section 5139—Limitations. This section provides for the duration of awards, limits on planning funds, and amount and timing of awards. This section increases the percentage of funds which may be expended for planning in the second and third years to 25 and 15 percent respectively. This section also clarifies that professional development is not planning.

Section 5140—Innovative Programs. This section authorizes the Secretary to award grants to local educational agencies to conduct innovative programs that involve strategies other than magnet schools to achieve desegregation goals and assist students in meeting State and local standards. This section amends provisions of current law to update references. Other provisions of current law are maintained.

Section 5141—Evaluations. This section provides guidelines for evaluations of projects under this part and for technical assistance for grant recipients. This new section amends current law to provide that evaluations shall address how magnet school programs will continue once assistance under this part has ended. This section also amends current law to require the Secretary to collect and disseminate information to the public on successful magnet school programs. Finally, this section amends provisions of current law to update references. Other provisions of current law are maintained.

Section 5142—Authorization of Appropriations; Reservation. This section authorizes a funding level of $125 million for fiscal year 2002 and such sums as may be necessary for the 6 succeeding fiscal years. Other provisions of current law are maintained.

Subpart 3—Public school choice

Section 5151—Public School Choice. This section allocates funds to States, which are to allocate all these funds to local educational agencies to carry out school improvement activities. Each local educational agency receiving funds under this subpart or under part A of title I, with the exception of local educational agencies located in a States which receives a minimum grant, must provide all students enrolled in a school identified for school improvement with the option to transfer to another public school within the agency that has not been identified for school improvement. An exception is provided in cases where the option to transfer is prohibited by State or local law. If a local educational agency can demonstrate to the State educational agency that it lacks the capacity to provide all students with the option to transfer, the agency must permit as many students as possible—selected on an equitable basis—to transfer. A funding level of $225 million for fiscal year 2002 and such sums as may be necessary in each of the 6 succeeding fiscal years is authorized for this section.

Part B—Flexibility

Subpart 1—Education flexibility partnerships

Section 5201—Short Title. Section 5201 cites subpart 1 of part B as the "Education Flexibility Partnership Act of 2001".

Section 5202—Definitions. Section 5202 defines "eligible school attendance area," "school attendance area," and "State." These definitions apply to subpart 1 of part B.

Section 5203—Education Flexibility Partnership. Section 5203(a) establishes the Educational Flexibility (Ed-Flex) Program.

Section 5203(b) describes the programs that are included under Ed-Flex.

Section 5203(c) describes waivers that are not authorized under Ed-Flex.

Section 5203(d) describes the treatment of existing Ed-Flex Partnership States.

Section 5203(e) requires the Secretary to publish a notice in the Federal Register which describes the Secretary's decision to authorize State educational agencies to issue waivers.

Subpart 2—Rural Education Initiative Program

New section 5221—Short Title. This section provides that subpart 2 of title V may be cited as the "Rural Education Achievement Program."

New section 5222—Purpose. This section states the purpose of the subpart is to address the unique needs of rural school districts which frequently lack the personnel and resources needed to compete for Federal competitive grants and frequently receive formula allocations in amounts too small to be effective in meeting their intended purposes.

New section 5223—Authorization of Appropriations. This section authorizes $300 million for fiscal year 2002, of which $125 million shall first be made available to carry out chapter 1, and such sums as may be necessary for each of the 6 succeeding fiscal years

Chapter 1—Small, Rural School Achievement Program

New section 5231—Formula Grant Program Authorized. This section authorizes rural educational agencies with an average daily attendance of 600 students or fewer to consolidate the funds they receive under Titles II, IV, and V of the Elementary and Secondary Education Act. These funds may be used to improve student achievement in accordance with the provisions of sections 1114, 1115, 1116, 2123, or 4116.

New section 5232—Competitive Grant Program Authorized. This section authorizes the Secretary to award grants to small rural educational agencies to carry out innovative assistance activities. The grant will be equal to $100 multiplied by the total number of students in excess of 50 students that are in average daily attendance. No grant may be less than $20,000 or more than $60,000.

New section 5233—Accountability. This section requires that each participating educational agency must administer an assessment, consistent with the assessment used pursuant to section 1111(b) of the Elementary and Secondary Education Act, to assess the academic achievement of students in schools served by the local educational agency. At the end of 3 years of participation in this

program, the state educational agency shall determine whether students served by the participating local educational agency have improved their performance on the assessments. If student achievement has not improved, the local educational agency may no longer participate in the program.

New section 5234—Ratable Reductions in Case of Insufficient Appropriations. This section provides for ratable reductions in case of insufficient appropriations.

Chapter 2—Low-Income and Rural School Program

New section 5241—Definitions. This section provides definitions of "poverty line" and "specially qualified agency" for use in chapter 2 of title V which provides funding for the Low-Income and Rural School Program.

New section 5242—Program Authorized. This section authorizes the Secretary of Education to make grants to state educational agencies that are located in rural communities and that have student populations of which 20 percent or more come from families with incomes below the poverty line.

New section 5243—State Distribution of Funds. This section describes the authorized uses of funds and provides that the State educational agency may distribute funds to local educational agencies on a competitive basis or on the basis of a formula based on the number of students in average daily attendance at the eligible local educational agency.

New section 5244—Applications. This section requires each State educational agency or local educational agency in a non-participating State to submit an application to the Secretary of Education. The application shall, at a minimum, include measurable goals and objectives, including specific goals and objectives relating to increased student academic achievement, decreased student drop out rates, or other factors.

New section 5245—Accountability. This section requires each State educational agency to prepare and submit to the Secretary an annual report that describes the method that funds were distributed to local educational agencies, how the funds were used by these agencies, and the degree to which the State made progress toward meeting the goals and objectives described in the application. The section also provides that a participating local educational agency that receives a grant under this subpart may not continue to participate if after 3 years it has not improved student academic achievement.

New section 5246—Supplement Not Supplant. This section provides that funds shall be used to supplement and not supplant other Federal, State, or local education funds.

New section 5247—Special Rule. This section provides that no local educational agency may concurrently participate in both chapter 1 and chapter 2.

Subpart 3—Waivers

Section 5251—Waivers of Statutory and Regulatory Requirements. Section 5251(a) gives the Secretary waiver authority.

Section 5251(b) describes the waiver process. A State educational agency, local educational agency, or Indian tribe seeking a waiver will submit a waiver request to the Secretary that identifies the

Federal programs affected by the waiver, describes which Federal requirements are to be waived and how the waiving will improve quality of instruction or improve student academic performance, (if applicable) describes which similar State and local requirements will be waived, describes specific outcomes for all students, and describes how schools will continue to provide assistance to the same populations served by programs for which waivers are requested.

Section 5251(c) specifies that the Secretary shall not waive certain statutory or regulatory requirements that pertain to the following: allocation of funds to States, local educational agencies, or other recipients; maintenance of effort; comparability of services; use of Federal funds to supplement (not supplant) non-Federal funds; equitable participation of private school students and teachers; parental participation and involvement; applicable civil rights requirements; charter school requirements; prohibitions regarding State aid or use of funds for religious worship or instruction; or the selection of a school attendance area or school under subsections (a) and (b) of section 1113 (except that the Secretary may grant a waiver to allow a school attendance area or school to participate in activities under part A of title I if the percentage of children from low-income families in the school attendance area of such school or who attend such school is not less than 10 percentage points below the lowest percentage of such children for any school attendance area or school within the local educational agency that meets the requirements of subsections (a) and (b) of title 1).

Section 5251(d) establishes that an approved waiver under this section may be for 3 years. The Secretary may extend the period of time for the waiver if the Secretary determines that the waiver has been effective and the waiver is in the public interest.

Section 5251(e) requires a local educational agency that receives a waiver under this section to submit a report to the State educational agency at the end of the second year and each subsequent year for which a waiver is received. This section also requires a State educational agency that receives local educational reports to submit a report to the Secretary. In addition, the Secretary is also required to submit a report to the House and Senate education committees summarizing the use of waivers and whether the waivers increased the quality of instruction or student academic performance.

Section 5251(f) authorizes the Secretary to terminate a waiver if the Secretary determines that the waiver has been inadequate or if the waiver is no longer necessary to achieve its original purposes.

Section 5251(g) requires that a notice of the Secretary's decision to grant each waiver will be published in the Federal Register.

Subpart 4—Innovative education program strategies

Section 5301—Purpose; State and Local Responsibility. Section 5301(a) lists the purposes of subpart 4 which are: to support local and state education reform efforts; to provide a continuing source of innovation and educational improvement, including support for library services and instructional and media materials; and to develop education programs to improve school, student, and teacher performance including professional development and class size reduction programs.

Section 5301(b) specifies that the administration of these funds are the responsibility of the State educational agencies and the responsibility for design and implementation of the programs rests primarily with local educational agencies.

Section 5302—Authorization of Appropriations; Duration of Assistance. Section 5302(a) authorizes $850 million for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

Section 5302(b) authorizes the Secretary to make payments to State educational agencies in accordance with the purposes described under section 5301(a).

Section 5303—Definition of Effective Schools Program. Section 5303 describes an effective schools program as: promoting school-level planning; instructional improvement; and staff development for all personnel; and increasing academic performance for all children.

Chapter 1—State and local programs

Section 5311—Allotment to States. Section 5311(a) specifies the percentage of funds reserved for the outlying areas for subpart 4 activities.

Section 5311(b) establishes the State allotment formula.

Section 5311(c) defines "school-age population" and "State" as they apply to State allotment.

Section 5312—Allocation to Local Educational Agencies. Section 5312(a) describes the allocation of funds to local educational agencies.

Section 5312(b) describes the calculation of enrollments.

Section 5312(c) specifies the distribution of funds from the State educational agency to the local educational agency.

Chapter 2—State programs

Section 5321—State Uses of Funds. Section 5321(a) authorizes the State educational agency activities which include: State administration; support for planning and implementing charter schools; support for designing and implementing student assessments; support for State and local standards implementation; and technical assistance.

Section 5321(b) specifies the amount of funds available for State administration.

Section 5322—State Applications. Section 5322(a) specifies the State application requirements.

Section 5322(b) specifies that the State application is for a period of 3 years and may be amended annually.

Section 5322(c) specifies that a local educational agency that receives less than an average of $10,000 under this part, for 3 years will not be audited more than once every 5 years.

Chapter 3—Local innovative educational programs

Section 5331—Targeted Use of Funds. Section 5331(a) establishes that local educational agencies shall use the funds awarded under chapter 1 for innovative assistance.

Section 5331(b) describes an array of activities, programs, and initiatives that may be used for innovative assistance. These include: programs for the acquisition of instructional and educational

materials (such as library services, media materials, and assessments); professional development programs; activities designed to advance student performance; parental involvement initiatives; programs to reduce class size; programs to improve academic performance of educationally disadvantaged students; expansion of best practice models; literacy programs; technology activities; school improvement programs; activities for gifted and talented students; programs to provide same gender schools or classrooms; service learning programs; and school safety programs. All activities shall be: tied to promoting high academic standards; used to improve student performance; and part of an overall education reform strategy.

Section 5332—Administrative Authority. Section 5332 allows a State educational agency or a local educational agency to enter into grants or contracts with higher education institutions, libraries, museums, and public and private nonprofit entities.

Section 5333—Local Application. Section 5333(a) specifies the contents of a local educational agency application.

Section 5333(b) specifies that the local educational agency application shall be for a period of 3 years and may be amended annually.

Section 5333(c) gives the local educational agency complete discretion in determining how funds are expended at the local level.

Chapter 4—General administrative provisions

Section 5341—Maintenance of Effort; Federal Funds Supplementary. Section 5341(a) describes maintenance of effort requirements.

Section 5341(b) specifies that a State or local educational agency may only use funds received under this subpart to supplement (not supplant) other funding sources.

Section 5342—Participation of Children Enrolled in Private Schools. Section 5342(a) specifies that State education agencies shall provide benefit for children enrolled in private schools with programs or projects under this subpart.

Section 5342(b) describes expenditures of funds under this subpart for children enrolled in private schools.

Section 5342(c) requires that the funds provided under this subpart must be controlled by a public agency and that public agency employees must provide the services.

Sections 5342(d) through (i) describes the arrangement for provision of services to private school children if a State or local educational agency, through either State or local law, is prohibited from providing services.

Section 5343—Federal Administration. Section 5343(a) requires the Secretary, upon request, to provide technical assistance to State and local educational agencies.

Section 5343(b) gives the Secretary authority to issue regulations.

Section 5343(c) requires that funds become available on July 1 of each fiscal year.

Part C—Flexibility in the use of administrative and other funds

Section 5401—Consolidation of State Administrative Funds for Elementary and Secondary Education Programs. Section 5401(a)

establishes the process for a State educational agency to consolidate administrative funds if the State educational agency chooses the consolidation process.

Section 5401(b) establishes that a State educational agency may use consolidated administrative funds for activities that: strengthen coordination of programs; disseminate model programs and practices; and provide technical assistance.

Section 5401(c) provides for consolidated recordkeeping for State educational agencies that consolidate administrative funds.

Section 5401(d) requires the Secretary to review State educational agencies that consolidate administrative funds.

Section 5401(e) enables a State educational agency that does not use all of its administrative funds to use those remaining funds for program activities.

Section 5401(f) gives a State educational agency the ability to consolidate funds for standards and assessment development as described under title I of this act.

Section 5402—Single Local Educational Agency States. Section 5402 requires a State educational agency that also serves as a local educational agency to describe how duplication of administrative functions will be eliminated.

Section 5403—Consolidation of Funds for Local Administration. Section 5403(a) establishes that a local educational agency may consolidate administrative funds.

Section 5403(b) requires the State educational agency to establish procedures for responding to requests from local educational agencies to consolidate administrative funds.

Section 5403(c) specifies the conditions for a local educational agency to consolidate administrative funds.

Section 5403(d) describes the use of administrative funds for a local educational agency that chooses to consolidate administrative funds.

Section 5403(e) provides for consolidated recordkeeping for local educational agencies that consolidate administrative funds.

Section 5404—Administrative Funds Studies. Section 5404(a) requires the Secretary to conduct an evaluation of State and local uses of administrative funds for programs covered under this act.

Section 5405—Consolidated Set-Aside for Department of the Interior Funds. Section 5405 establishes a transfer of funds mechanism to the Department of Interior for those consolidated funds pertaining to part A of title VII and to subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act.

Section 5406—Availability of Unneeded Program Funds. Section 5406 allows a local educational agency to transfer not more than 5 percent of a program's unused funds to another program.

Part D—Coordination of programs; consolidated State and local plans and applications

Section 5501—Purpose. Section 5501 describes the purpose for coordinating and consolidating State and local plans and applications.

Section 5502—Optional Consolidated State Plans or Applications. Section 5502(a) establishes the authority for compiling consolidated State plans or applications.

Section 5502(b) requires the Secretary to collaborate with State educational agencies, local educational agencies, public and private entities, parents, students, and teachers to establish criteria and procedures for consolidated planning.

Section 5503—General Applicability of State Educational Agency Assurances. Section 5503(a) requires a State educational agency that submits a consolidated plan to have on file with the Secretary a single set of assurances that are applicable to each program.

Section 5503(b) establishes that section 441 of the General Education Provisions Act does not apply to programs under this act.

Section 5504—Additional Coordination. Section 5504(a) directs the Secretary to seek coordination of programs with other members of the Cabinet for the purpose of enhancing coordination and reducing administrative burdens.

Section 5505—Consolidated Local Plans or Applications. Section 5505(a) enables a local educational agency to submit a consolidated plan or application to a State educational agency.

Section 5505(b) specifies that a State educational agency that has submitted and had approved a consolidated State plan or application may require local educational agencies in the State to submit consolidated local plans.

Section 5505(c) requires a State educational agency to collaborate with local educational agencies in establishing procedures for the submission of consolidated plans and applications.

Section 5505(d) specifies that a State educational agency will require a local educational agency to submit only necessary material as part of its plan or application.

Section 5506—Other General Assurances. Section 5506(a) requires any applicant that submits a plan under this Act to have on file, with the State educational agency, a set of assurances for each program for which a plan or application has been submitted.

Section 5506(b) specifies that section 442 of the General Education Provisions Act does not apply to programs under this act.

Part E—Advanced placement programs

Section 5601—Short Title. This section specifies that part E may be cited as the "Access to High Standards Act."

Section 5602—Findings and Purposes. This section states the findings and purposes of this part. The purposes are to encourage more of the students who take advanced placement courses to take the exam; to build on the benefits of advanced placement programs for students; to support State and local efforts to raise academic standards through advanced placement programs; to increase the availability and broaden the range of schools that have advanced placement programs; to build on present State programs and demonstrate that larger and more diverse groups of students can participate and succeed in advanced placement courses; to provide greater access to advanced placement courses; to provide access to advanced placement courses for students in schools that do not offer the courses; and to increase the participation of low-income individuals in taking advanced placement tests.

Section 5603—Funding Distribution Rule. This section authorizes the Secretary to give priority to funding activities under the Advanced Placement Incentive Program (section 5606) and to distribute 70 percent of remaining funds to carry out Advanced Place-

ment Program Grants (section 5604) and 30 percent to carry out Online Advanced Placement Courses (section 5605).

Section 5604—Advanced Placement Program Grants. This section authorizes the Secretary to award grants on an annual basis for a period of 3 years to State educational agencies and local educational agencies in order to expand access for low-income individuals to advanced placement incentive programs that involve teacher training; pre-advanced placement course development; curriculum coordination and articulation between grade levels that prepare students for advanced placement courses; curriculum development; books and supplies; and other activities. All entities seeking a grant shall submit an application to the Secretary. Those entities receiving grants shall annually report to the Secretary: the number of students taking advanced placement courses; the number of advanced placement tests taken by students; the scores on the advanced placement tests; and demographic information regarding individuals taking the advanced placement courses. The Secretary shall annually compile the information and submit a report to Congress.

Section 5605—On-Line Advanced Placement Courses. This section authorizes the Secretary to award grants, on a competitive basis, to State educational agencies to enable them to award grants to local educational agencies to provide students with on-line advanced placement courses. State educational agencies seeking a grant shall submit an application to the Secretary and in awarding grants, priority should be given to local educational agencies that: serve high concentrations of low-income students; serve rural areas; and would not otherwise have access to on-line advanced placement courses. Grant funds may be used to purchase on-line curriculum or course materials and to train teachers.

Section 5606—Advanced Placement Incentive Program. This section authorizes the Secretary to award grants to State educational agencies in order to reimburse low-income individuals to cover part or all of the costs of advanced placement test fees. If an excess of funds exists, State educational agencies may use the grant funds to increase the enrollment of low-income individuals in advanced placement courses; the participation of low-income individuals in advanced placement courses; and the availability of advanced placement courses in schools serving high-poverty areas. Grant funds shall supplement and not supplant other non-Federal funds that are available to assist low-income individuals in paying for the cost of advanced placement test fees.

Section 5607—Definitions. This section provides the meanings of certain terms used in this part, including: "advanced placement incentive program," "advanced placement test," "high concentration of low-income students," "low-income individual," "institution of higher education," and "State."

Section 5608—Authorization of Appropriations. This section authorizes $50 million for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

Section 601—Parental Involvement and Accountability. This section renames title VI as "PARENTAL INVOLVEMENT AND ACCOUNTABILITY" and amends the title to read as follows:

TITLE VI—PARENTAL INVOLVEMENT AND ACCOUNTABILITY

Part A—Parental assistance

New Section 6101—Parental Information and Resource Centers. This section states the purpose of this part which is to: (1) provide leadership, technical assistance, and financial support to nonprofit organizations and local educational agencies to help implement successful and effective parental involvement policies, programs, and activities; (2) strengthen partnerships among parents, teachers, principals, administrators, and other school personnel; (3) develop and strengthen the relationship between parents and the schools; (4) further the developmental progress of children; and (5) coordinate activities funded under this part with other parental involvement initiatives in the act.

New Section 6101(b) authorizes the Secretary to award grants (while ensuring geographic distribution of grants) to nonprofit organizations, or consortia of nonprofits and local educational agencies, to establish school-linked or school-based parental information and resource centers to provide training, information, and support to parents of elementary and secondary school students, individuals who work with parents, and organizations that carry out parent education and family involvement programs.

New Section 6102—Applications. This section requires agencies and organizations seeking grants under this part to submit an application to the Secretary which must include a broad range of assurances. Each organization or consortium receiving a grant will be governed by a board of directors which includes parents or organizations that represent parents. At least ½ of the overall funding provided each fiscal year must serve areas with high concentrations of low-income families.

New Section 6103—Uses of Funds. This section states that grant funds shall be used to: (1) assist parents in participating effectively in their children's education; (2) obtain information about the range of options, programs, services, and resources available at all levels of the government to assist parents and school personnel who work with parents; (3) help parents learn and use the technology applied in their children's education; (4) plan, implement, and fund activities for parents that coordinate the education of their children with other Federal programs that serve their children; and (5) provide support for State or local educational personnel if the participation of such personnel will further the activities assisted under the grant.

New Section 6104—Technical Assistance. This section states that the Secretary shall provide technical assistance, by grant or contract, for the establishment, development, and coordination of parent training, information, and support programs and parental information and resource centers.

New Section 6105—Reports. This section requires agencies and organizations receiving assistance under this part to submit to the Secretary, on an annual basis, information concerning parental information and resource centers assisted under this part.

New Section 6105(b) requires the Secretary to annually disseminate to the public and the Congress, the information that each organization or consortium submits.

New Section 6106—General Provisions. This section states that no person shall be required to participate in a parent education or developmental screening program. In addition, no program or center assisted under this part shall take any action that infringes on the right of a parent to direct the education of their children.

New Section 6107—Authorization of Appropriations. This section authorizes a funding level of $50 million for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

Part B—Improving academic achievement

New section 6201—Education Awards.

New section 6210(a) authorizes the Secretary to make "Achievement in Education Awards" to States that, beginning with the 2002–2003 school year, make the most progress in improving educational achievement. Awards will be made on the basis of: (1) the progress of economically disadvantaged and minority students in meeting State student performance standards as measured by State assessments and (beginning with the 2nd year for which data are available for all States) the progress of such students on State assessments under the National Assessment of Educational Progress (NAEP); (2) overall improvement in student achievement as measured by State assessments and (beginning with the 2nd year for which data are available for all States) the progress of all students on State assessments NAEP; (3) improvement in the English proficiency of students who enter school with limited English proficiency; (4) increased percentage of students who graduate from high school; and (5) increased percentage of students who take advanced coursework. The Secretary is to give greatest weight to a State's success in improving the performance of economically disadvantaged and minority students.

New section 6210(b) permits the Secretary to make 1–time bonus payments to States that develop the new assessments required by this bill in advance of the deadlines included in the bill.

New section 6210(c) permits the Secretary to make "No Child Left Behind Awards" to schools that have made greatest progress in improving the educational achievement of economically disadvantaged students.

New section 6210(d) permits the Secretary to make awards for activities, such as character education, that are designed to promote the improvement of elementary and secondary education.

New section 6202—Loss of Administrative Funds. New section 6202 establishes penalties for States that—based on State assessment and State NAEP results—fail to make adequate yearly progress and whose economically disadvantaged and minority students fail to make statistically significant progress in the academic subjects for which the State has developed content and student performance standards. If such failure persists for 2 consecutive fiscal years, the Secretary is required to reduce up to 30 percent of the State's administrative funds. If such failure persists for 3 or more consecutive fiscal years, the Secretary is required to reduce up to 75 percent of the State's administrative funds.

New section 6203—Authorization of Appropriations. New section 6203 authorizes $400 million for fiscal year 2002 and such sums as may be necessary in the 6 succeeding fiscal years to develop and

implement the standards and assessments required under section 1111 of the act. The section authorizes $110 million for fiscal year 2002 and such sums as may be necessary in the 6 succeeding fiscal years to administer State assessments under NAEP. The section authorizes $50 million for fiscal year 2002 and such sums as may be necessary in the 6 succeeding fiscal years for the awards, bonuses, and improvement activities authorized under section 6201.

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

Section 701—Amendment to the Elementary and Secondary Education Act of 1965. This section transfers programs currently authorized under title IX to title VII, renaming Title VII "Indian, Native Hawaiian, and Alaska Native Education" and amending the title to read as follows:

Part A—Indian education

Section 7101—Findings. New section 7101 maintains the current law statement of findings regarding Indian education.

Section 7102—Purpose. New section 7102 maintains the current law purpose of part A.

Subpart 1—Formula grants to local educational agencies

Section 7111—Purpose. New section 7111 maintains the current law purpose of subpart 1.

Section 7112—Grants to Local Educational Agencies. New section 7112 maintains current law provisions regarding the distribution of grants to local educational agencies and Indian tribes.

Section 7113—Amount of Grants. New section 7113 sets out grant awards. The order of the subsections has changed in that the subsection related to schools operated or supported by the Bureau of Indian Affairs is now subsection (b).

Section 7114—Applications. New section 7114 maintains the current law provisions regarding application requirements.

Section 7115—Authorized Services and Activities. New section 7115 adds 4 new kinds of services and activities to the 7 services and activities in current law. These activities include: activities that promote the incorporation culturally responsive teaching and learning strategies; activities that incorporate American Indian and Alaska Native specific curriculum content; activities that promote coordination and collaboration between tribal, Federal, and State public schools; and family literacy services. The section also limits the amount of funds spent on administrative costs to not more than 5 percent.

Section 7116—Integration of Services Authorized. New section 7116 allows local educational agencies which receive formula grants under part A the ability to commingle all of the federal funding they receive for educating Indian children, regardless of which agency provides it, into one coordinated comprehensive program to meet the specific needs of Indian children. Local educational agencies that choose to do this will submit a single plan describing how they intend to consolidate funding and specifying the student achievement goals that they will meet.

Section 7117—Student Eligibility Forms. New section 7117 allows the Secretary to use either the count certified by the Bureau

of Indian Affairs, or the count of the number of students for whom the school has eligibility forms when awarding grants to tribal schools. It also allows each local educational agency to select either a particular date or period (up to 31 days) to count the number of children it will claim for purposes of receiving a grant. The choice of the child counts allows the schools to avoid the burden of 2 separate counts.

Section 7118—Payments. New section 7118 maintains current law provisions dealing with payments by the Secretary to local educational agencies.

Section 7119—State Educational Agency Review. New section 7119 modifies the current requirements for application review by the Secretary (as the requirement that a local educational agency must submit an application to the Secretary is already in section 7114(a)), while maintaining the requirement that the local educational agency must submit the application to State educational agency for its possible comments.

Subpart 2—Special programs and projects to improve educational opportunities for Indian children

Section 7121—Improvement of Educational Opportunities for Indian Children. New section 7121 maintains the 11 types of grants authorized under this section while adding a provision for family literacy service and adds 2 new provisions as requirements for applications for dissemination grants: that the application must include information demonstrating that the proposed program is a research-based program, and that the application must contain a description of how the applicant will incorporate the proposed activities into the ongoing school program involved once the grant period is over. New section 7121 limits the amount of funds spent on administrative costs to not more than 5 percent.

Section 7122—Professional Development. New section 7122 modifies the preference for programs that train Indian students. The obligation of service has been modified to include only those persons who receive pre-service training.

Section 7123—Fellowships for Indian Students. New section 7123 maintains current law provisions authorizing the Secretary to award fellowships to Indian students for study in graduate and professional programs at institutions of higher education.

Section 7124—Gifted and Talented Indian Students. New section 7124 maintains current law provisions authorizing the Secretary to establish 2 centers for gifted and talented Indian students at tribally controlled community colleges and to support demonstration programs relating to gifted and talented Indian students.

Section 7125—Grants to Tribes for Education Administrative Planning and Development. New section 7125 maintains current law provisions authorizing the Secretary to make grants to Indian tribes and tribal organizations approved by Indian tribes to develop a centralized tribal administrative entity to coordinate education programs and related activities. A funding level of $3 million is authorized for each of the fiscal years 2002 through 2008.

Subpart 3—Special programs relating to adult education for Indians

Section 7131—Improvement of Educational Opportunities for Adult Indians. This section maintains current law provisions authorizing the Secretary to make grants to State and local educational agencies and to Indian tribes, institutions, and organizations to support adult education activities.

Subpart 4—National research activities

Section 7141—National Activities. New section 7141 maintains current law provisions authorizing the Secretary to conduct research and evaluation activities related to the education of Indian children and adults.

Subpart 5—Federal administration

Section 7151—National Advisory Council on Indian Education. New section 7151 maintains current law provisions establishing a National Advisory Council on Indian Education.

Section 7152—Peer Review. New section 7152 maintains current law provisions permitting the Secretary to use a peer review process to review applications submitted under subpart 2, 3, or 4.

Section 7153—Preference for Indian Applicants. New section 7153 maintains current law provisions giving preference to Indian applications for grants and contracts under subpart 2, 3, or 4.

Section 7154—Minimum Grant Criteria. New section 7154 maintains current law provisions providing that the Secretary may approve only applications which are of sufficient size, scope, and quality to achieve the objectives of the grant or contract and which are based on relevant research findings.

Subpart 6—Definitions; authorizations of appropriations

Section 7161—Definitions. New section 7161 maintains current law definition of terms applicable to part A.

Section 7162—Authorization of Appropriations. New section 7162 authorizes a funding level of $93 million for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out subpart 1; $20 million for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out subparts 2 through 4. No funds are authorized for carrying out subpart 5.

Part B—Native Hawaiian education

Section 7201—Short title. New section 7201 provides that part B may be cited as the "Native Hawaiian Education Act".

Section 7202—Findings. New section 7202 sets forth congressional findings regarding Native Hawaiians and education and includes new findings that reflect the new legal position of the United States relative to the status of Native Hawaiians as set forth in the brief filed by the United States in the U.S. Supreme Court on July 28, 1999.

Section 7203—Purposes. New section 7203 maintains the current law purposes related to the education of Native Hawaiians.

Section 7204—Native Hawaiian Education Council and Island Councils. New section 7204 authorizes the Secretary to make direct grants to Native Hawaiian educational organizations; provides that

the Native Hawaiian Education Council will be reduced to 21 members; changes the composition, appointment, terms of Council members; and authorizes seven Island councils, so that each island will now have its own council.

Section 7205—Program Authorized. New section 7205 consolidates the following programs: the Family-Based Education Centers program; the Higher Education program; the Gifted and Talented; Curriculum Development, Teacher Training and Recruitment program; and Community-Based Education Learning Center into a single authority and adds 3 new permissible activities: family literacy services; activities which enhance beginning reading and literacy among K–3rd grade; and early education and care services for children pre-natal to age 5. New section 7205 also establishes priorities for the award of contracts or grants; includes special rules and conditions; provides that qualified Native Hawaiian student attending a post-secondary institution outside the State of Hawaii shall not be prevented from receiving a fellowship; that individuals who receive a fellowship are required to serve the Native Hawaiian community either during their fellowship period or upon completion of the program of post-secondary education. New section 7205 also limits the amount of funds spent on administrative costs to not more than 5 percent and authorizes $28 million for fiscal year 2002 and such sums as may be necessary for the 6 succeeding fiscal years for these activities.

Section 7206—Administrative Provisions. New section 7206 maintains current law provisions relating to applications for funds.

Section 7207—Definitions. New section 7207 maintains current law definitions applicable to part B.

Part C—Alaska Native education

Section 7301—Short Title. New section 7301 provides that part C may be cited as the "Alaska Native Educational Equity, Support, and Assistance Act".

Section 7302—Findings. New section 7302 maintains current law findings related to Alaska Native education.

Section 7303—Purposes. New section 7303 maintains the current law purposes of part C.

Section 7304—Program Authorized. New section 7304 consolidates the following programs serving Alaska Native children and adults: The Educational Planning, Curriculum, Development, Teacher Training, and Recruitment program; Home-Based Education for Preschool Children program; and Student Enrichment Programs into a single authority and adds family literacy services as an additional activity. New section 7304 also limits the amount of funds spent on administrative costs to not more than 5 percent and authorizes $17 million for fiscal year 2002 and such sums as may be necessary for the 6 succeeding fiscal years for these activities.

Section 7305—Administrative Provisions. New section 7305 maintains current law provisions relating to applications for funds.

Section 7306—Definitions. New section 7306 maintains current law definitions applicable to part C.

Section 702—Conforming Amendments. This section of the bill provides for conforming amendments to references in other acts, reflecting the transfer of title IX programs to the new title VII.

TITLE VIII—REPEALS

Section 801(a) of the bill repeals titles IX through XIV of the Elementary and Secondary Education Act of 1965.

Section 801(b) of the bill repeals the Goals 2000: Education America Act.

TITLE IX—MISCELLANEOUS PROVISIONS

Section 901—Independent Evaluation. Section 901 amends the act by adding a new "TITLE IX—MISCELLANEOUS PROVISIONS" and "Part A—INDEPENDENT EVALUATION".

Part A—Independent evaluation

Provisions of the new Title IX, Part A include:

Section 9101—In General. New Section 9101 authorizes the Secretary to award a grant to the Board on Testing and Assessment of the National Research Council of the National Academy of Sciences in order to conduct an ongoing evaluation of high stakes assessments used by a representative sample of state and local educational agencies. The evaluation shall be conducted in consultation with the Department and shall not exceed 4 years in duration. The evaluation shall be based on a research design designed by the board, in consultation with others. The evaluation shall address at least the 3 components described in section 9102.

Section 9102—Components Evaluated. New Section 9102 describes the 3 components mentioned in Section 9101.

Section 9102 (1) establishes Students, Teachers, Parents, Families, Schools, and School Districts as a component to be addressed by the evaluation. The evaluation of this component shall include: overall change in what students are learning based upon independent measures; changes in course offerings, teaching practices, course content, and instructional material; measures of teacher satisfaction with the assessments; changes in rates of teacher and administrator turnover; changes in dropout, grade retention, and graduation rates for students; the relationship of student performance on the assessments to school resources, teacher and instructional quality, or such factors as language barriers or construct-irrelevant disabilities; changes in the frequency of referrals for enrichment opportunities, remedial measures, and other consequences; changes in student post-graduation outcomes, including admission to, and signs of success at colleges, community colleges or technical school training programs; cost of preparing for, conducting, and grading the assessments in terms of dollars expended by; the school district and time expended by students and teachers; changes in funding levels and distribution of instructional and staffing resources for schools based on the results of the assessments; purposes for which the assessments or components of the assessments are used beyond what is required under part A of title I, and the consequences for students and teachers because of those uses; differences in the areas studied under this section between high poverty and high concentration minority schools and school districts, and schools and school districts with lower rates of poverty and minority students; and the level of involvement of parents and families in the development and implementation of the assess-

ments and the extent to which the parents and families are informed of assessment results and consequences.

Section 9102 (2) establishes Students With Disabilities as a component to be addressed by the evaluation. The evaluation of this component shall include: the overall improvement or decline in academic achievement for students with disabilities; the numbers and characteristics of students with disabilities who are excluded from the assessments, and the number and type of modifications and accommodations extended; changes in the rate of referral of students to special education; changes in attendance patterns and dropout, retention, and graduation rates for students with disabilities; changes in rates at which students with disabilities are retained in grade level; changes in rates of transfers of students with disabilities to other schools or institutions; and the level of involvement of parents and families of students with disabilities in the development and implementation of the assessments and the extent to which the parents and families are informed of assessment results and consequences.

Section 9102 (3) establishes Low Socio-Economic Students, Limited English Proficient Students, and Minority Students as a component to be addressed by the evaluation. The evaluation of this component shall include: the overall improvement or decline in academic achievement for such students; the numbers and characteristics of such students excused from taking the assessments, and the number and type of modifications and accommodations extended to such students; changes in the rate of referral of such students to special education; changes in attendance patterns and dropout and graduation rates for such students; changes in rates at which such students are retained in grade level; changes in rates of transfer of such students to other schools or institutions; and the level of involvement of parents and families of low socio-economic students, and racial and ethnic minority students in the development and implementation of the assessments and the extent to which the parents and families are informed of assessment results and consequences.

Section 9103—Reporting. New Section 9103 requires the Secretary to make public the results of the evaluation each year and to report the findings of the evaluation to Congress and to the States, not later than 2 months after completion of the evaluation.

Section 9104—Definitions. New Section 9104 provides definitions for the terms "High Stakes Assessment," and "Standardized Test".

Section 9105—Authorization of Appropriations. New Section 9103 authorizes $4 million for fiscal year 2002. The funds shall remain available until expended.

IX. ADDITIONAL VIEWS

ADDITIONAL VIEWS OF SENATOR MICHAEL B. ENZI

First, I want to applaud the entire Committee for unanimously advancing this important bill before the full Senate. We invested tremendous resources in attempting to reauthorize ESEA last year, and I am pleased that we have made it our first priority this year. I am also impressed with the support of the new Administration in seeing President Bush's number one priority take the next step in the legislative process.

This education reform bill reflects an understanding of the variation in needs between urban, suburban, and rural schools. The bill arguably addresses the concerns of all stakeholders in our children's education, and it does so in a bipartisan way. I believe the bill has struck a meaningful compromise and reflects a strong but appropriate role for the federal partnership in elementary and secondary education.

The state of Wyoming has invested tremendous amounts of time and money in developing high standards of learning, reliable assessments, strong parental involvement initiatives and other research-based education innovations. This bill builds upon that work and solidifies the shared commitment to academic achievement for all children.

However, the state of Wyoming is currently facing a crisis in education—a teacher shortage. It's not about class size, though. It's about teacher salaries and a dwindling supply of qualified educators, particularly in light of the high new standards which students must meet. But, this is a problem where there is a federal role in the solution. Under Title II of our bill, the focus is not only on preparing teachers, but on helping schools recruit and retain high quality teachers. Reducing class sizes will be an allowable use of funds under this Title, if that's the unique need of a particular school.

The bill also emphasizes the need to improve access to education technology and to USE it in the process of improving academic achievement. The goal of eliminating the duplicative administrative application process and allowing schools to have one pot of funds for the range of technology uses, including teacher and administrative staff training, will make a difference. The digital divide will shrink and technology will become even more relevant as an educational tool.

Very importantly, the bill clarifies the purpose of the President's requirement that states expand existing assessments and take on the new practice of participating annually in the NAEP test (National Assessment of Educational Progress). Those clarifications go a long way in addressing the fundamental concern by all parties that the federal government not enact additional unfunded mandates, and that the states continue to retain the flexibility to de-

sign their own standards of learning for students, versus nationalized standards or assessments.

And, while not a part of this reauthorization, we would be remiss in meeting our commitment to the education of all children if we do not also prioritize full funding of the Individuals with Disabilities Education Act as we advocate for meaningful education reform. I look forward to this Committee's continued support for strong increases in funding for IDEA. Funding this important but costly federal requirement is as critical as requiring academic success in our classrooms.

I look forward to seeing this bill through the legislative process and am committed to enacting a reform measure that puts children first.

ADDITIONAL VIEWS OF SENATORS KENNEDY, HARKIN, BINGAMAN, MURRAY, EDWARDS, DODD, MIKULSKI, WELLSTONE, REED, AND CLINTON

Ninety percent of American children attend public schools. We owe it to them to ensure that every public school and every teacher is able to help all school children in the nation reach their full potential.

Few issues are as important as education. Democrats believe Congress should help all children meet high standards of achievement by strengthening federal support for innovative reforms and demanding tough accountability for results for our children.

Seven years ago, Congress and President Clinton took urgent steps to turn around failing schools. With passage of the GOALS 2000 legislation in 1994, and the reauthorization of the Elementary and Secondary Education Act that same year, we established bold new goals for schools to prepare children to succeed in today's world by mastering the basics and reaching high standards of achievement.

These were important actions that launched changes in schools across America. Now we need to build on this progress. More change is necessary—much more—if we are to turn around failing schools and give our children the education they need and deserve.

Democrats and Republicans alike agree that no child should be left behind—regardless of background, race, or gender, or whether a child is homeless, a child of a migrant worker, or an immigrant. Every child has the right to a high-quality education.

We commend President Bush for identifying education as one of his early priorities, and for encouraging Congress to act on needed reforms. We share the Administration's goals of greater help for local schools to meet the most urgent needs, and holding schools accountable for the results.

As we move forward on today's reforms, Democrats believe that we need to meet five important goals:

Targeting resources to high-need districts;

Holding schools accountable for substantial progress and improved student achievement;

Providing our children and teachers with smaller classes in safe, modern school buildings;

Ensuring that our children will have qualified teachers in every classroom and a qualified principal in every school;

Helping communities and schools provide research-based programs that support learning—such as parent involvement, after-school programs, technology in the classroom and early reading programs.

In approving the BEST Act, we believe the Committee took a major step towards strengthening and expanding the federal helping hand to support these kinds of innovations, and to help all children meet high standards of achievement. The centerpiece of the bill is new testing and accountability measures that will help parents, educators, and community members gauge how well our children are learning.

The Committee took a major step forward in adopting the essential elements of Senator Bingaman's accountability bill and President Bush's testing and accountability plan.

We are also pleased that the bill includes dedicated funds for turning around failing schools—a strong step towards ensuring that more underserved children get the extra assistance they need to succeed in school. We know that these reforms can work and we want to ensure every school succeeds.

But, we must remember that tests and accountability are simply the measure of reforms—they are not the reforms themselves. Tests don't put a qualified teacher in the classroom. Tests don't reduce class size. Tests don't make schools safer or stop a building from crumbling.

Therefore, as this legislation moves forward, it is essential to strengthen it through measures to provide students and teachers with the support they need to succeed. We must ensure that teachers are guaranteed funding for professional development and mentoring; that communities are guaranteed funds to continue to reduce class sizes; and that communities get the continued help they need to meet their most urgent repair and renovation needs.

But, we know that to achieve these much needed reforms, communities require additional resources to implement reform. We must ensure that our efforts to authorize additional resources will not become an empty promise when it's time to make tough choices on the national budget and in the appropriations process. Real change in education requires real investments.

We are deeply concerned that the President's budget contains little more than a cost of living increase for our nation's schools, and few new investments to improve them.

Democrats hope that as the full Senate acts on education in the coming weeks, we will put ourselves to the test to work together to pass a bipartisan reauthorization of ESEA and a bipartisan budget that significantly increases funding for education. We should hold ourselves to a high standard of accountability for achieving those goals.

Public education is one of the finest achievements of American democracy, and one of the most critical investments we can make to ensure a bright future for the nation's children. We look forward to working with the President and colleagues on both sides of the aisle to move forward on strong reforms with solid support. We owe the nation's children no less.

Strengthening accountability for better student achievement

We applaud the bill's adoption of new requirements for statewide accountability systems based on each state's standards and assessments. The Committee also adopted Democratic proposals to hold states, districts, and schools accountable for real achievement progress for all students, and to require states, districts, and schools to set specific, measurable goals for improvement that ensure that all students will be proficient on state standards within 10 years. The bill also requires school report cards to inform parents about the quality of their schools and the progress toward meeting student achievement goals. Report cards are required at the state, district, and school levels on the results of the assess-

ments as well as the number of students excluded from assessments. We are concerned that the bill did not adopt our proposal to report the results for prior years so that parents could clearly monitor a school's progress, or to report teacher qualifications and drop out rates.

Another significant addition to the bill that will help shine the light on the efforts of our states and districts to turn around failing schools is the requirement that states report the names and numbers of low-performing schools, and the steps that states are taking to meet their responsibility to help such schools improve. This is an important and common-sense provision to address the fact that the Department of Education does not have an exact accounting of this type of information. We also support measures in Title I that provide parents the right to know the qualifications of their children's teachers.

Importantly, the bill adopts the President's and our proposal to require that assessment results be disaggregated for various student groups. Disaggregation of results ensures that existing achievement gaps are closed between disabled students, students with limited English proficiency, migrant students, or minority students and the rest of the student population.

We are also pleased that the Committee has adopted the essential elements of Senator Edwards' School Support and Improvement Act of 2001. We believe that appointing specially trained support or assistance teams is a proven effective practice to help low-performing schools get back on track. By requiring states to make these teams a priority in their efforts to turn around their low-performing schools, we can help ensure that every child across the nation has access to a quality public school.

Democrats also have serious concerns that the bill does not effectively address the issue of the quality of assessments. The Independent Review Panel on Title I has reported to Congress that "many states use assessment results from a single test—often traditional multiple choice tests. Although these tests may have an important place in state assessment systems, they rarely capture the depth and breadth of student knowledge reflected in state content standards." The report goes on to say that "better assessments for instructional and accountability purposes are urgently needed."

Democrats are concerned that there is insufficient emphasis in this bill on ensuring that states develop the high quality assessments that are so critical to any accountability system. We believe that it is most important to ensure that quality, rather than quantity or speed in completing assessments, should be the top priority in this legislation because accountability systems will only be as effective as the measurements they include. In order to ensure that tests are of high quality, states should be required to present evidence that the assessments they use are of adequate technical quality for every purpose for which they are used including high stakes purposes for individual students.

It is also critical that states align assessments with their standards and curriculum. The best assessments measure the range and depth of student knowledge and should include more than just multiple choice questions. They should also include performance-

based approaches to testing in all subjects assessed to measure higher order thinking skills and understanding.

Democrats believe that an important element of the Committee bill is the manner in which it measures "annual yearly progress." Under the bill, we are pleased that such progress is measured not only by test results, but also reduced drop-out rates and other measures of student achievement. States should do all they can to obtain a complete picture of student achievement and school success by using multiple indicators of student achievement.

In addition, we are pleased that the Committee adopted Senator Wellstone's amendment authorizing a National Research Council study on the impact of high stakes tests on students, teachers, and curricula. As the use of high stakes tests becomes more widespread, it is critical for policy makers to understand better how they effect student learning.

However, the Democrats believe strongly that assessments and accountability are critical, but they are only a part of education reform. Assessments must be accompanied by significant investments in the programs we know work, so that students have the opportunity to do well on the tests and schools have the resources to address the learning gaps the tests reveal. We will not be able to achieve real education reform unless we do much more to fund schools' capacity to teach students well and to help those who are not doing well.

Targeting funds to the neediest students

We believe that providing every child with a world-class, high quality education requires both a serious investment in school reform and a rigorous insistence on educational results. The Committee-reported BEST Act makes significant strides in insisting on results. But much more work remains to be done by Congress to ensure an adequate investment in school reform.

The federal investment in school reform should be of sufficient size and focus to provide disadvantaged children the best chance at educational success. Children can learn to high standards, but not all children face the same challenges in achieving that goal.

Targeting education resources to high-need areas is a necessity. Since its inception more than 35 years ago, Title I has recognized that children in poverty are at a unique educational disadvantage. What has become increasingly clear since ESEA was first enacted is that poor children living in poor communities are at an even larger disadvantage. They have heightened educational needs and their schools have fewer resources to meet those needs.

If we fail to invest sufficient resources in high-need schools and districts, we support the status quo and support failure. We can and should do better. The Committee bill provides the authority for Congress to make significant investments in proven effective reforms targeted to the neediest communities. Now we must ensure that Congress and the Administration actually provide those investments.

Focusing on reading well early

We commend President Bush and Chairman Jeffords for their leadership in making child literacy a priority and developing this

strong legislation. We also commend the First Lady for her remarkable commitment to helping all children learn to read.

Learning to read well is the cornerstone of every child's education. We know that reading skills are fundamental to effective learning in all subjects. The ability to read effectively is the gateway to opportunity and success throughout life.

Many successful programs are helping children learn to read well. But too often, the best programs are not available to all children. As a result, large numbers of children are denied the opportunity to learn to read well. Forty percent of 4th grade students do not achieve the basic reading level, and 70 percent of 4th graders are not proficient in reading.

Children who fail to acquire basic reading skills early in life are at a disadvantage throughout their education and later careers. They are more likely to drop out of school and to be unemployed. We need to do more to ensure that all children learn to read well—and learn to read well early—so they have a greater chance for successful lives and careers.

In October 1996, President and Mrs. Clinton initiated a new effort to call national attention to child literacy by proposing the "America Reads Challenge." Many of us in Congress strongly supported their call for increased aid for reading tutors and other steps to improve child literacy. Today, over 1,000 colleges and universities are committed to the "America Reads Work Study Program," and 59 of these institutions are in Massachusetts.

Their efforts led to the successful bipartisan passage of the Reading Excellence Act in 1998 that gave priority to professional development in research-based techniques for improving children's reading skills.

The committee bill builds on the Reading Excellence Act and is a major step toward meeting the goal of helping every child learn to read early in life. It embraces President Bush's proposal to expand the Reading Excellence Act by tripling funding for it, and by creating a new Early Reading First pilot program to help children get the reading skills they need before they are of school age. It provides children, parents, schools, and communities with the resources and opportunities they need to improve child and family literacy—and the help can't come a minute too soon.

The BEST Act recognizes that teachers must have adequate resources and proper training to teach reading well. Teachers often must provide special assistance to children who are having difficulty learning to read. Too often, teachers lack the time, the skills, and the resources to provide children with that assistance. The act creates new opportunities for teachers to obtain the training they need to teach reading effectively.

The committee bill encourages local school districts to build partnerships and work in cooperation with community organizations and state agencies. It ensures that local, State, and national efforts to improve literacy are coordinated, and that the most effective resources and practices are used to meet the needs of children. It also provides communities with support to provide children with trained tutors to give them the opportunity to practice reading with adults.

Children whose parents are involved in their education, who read to them, and who work with them on language skills are more like-

ly to become successful readers. They achieve higher test scores. They have better school attendance records. They graduate at higher rates. And they are more likely to go to college. But children whose parents lack a strong educational foundation are less likely to do so.

Funds will continue to be made available to the National Institute for Literacy to gather and disseminate information about the best practices for improving child literacy, so that every school and community can take advantage of them.

This bill targets funds for literacy programs on schools where the needs are greatest. Children in poor schools are more likely to live in homes with parents who have not completed high school and are unemployed. Children from such homes are 5 to 6 times more likely to drop out of school than other children. We should help ensure that they get the opportunities they need to learn to read well.

The bill will help provide children with the readiness skills and support they need to learn to read once they enter school. It will help teach every child to read in these early years—from preschool though the 3rd grade. And it will improve the instructional practices of teachers and other staff in elementary schools with the greatest need for extra help.

The BEST Act ensures that the best methods and resources are more widely available to schools, families, and children across the country, and we are pleased to support it.

Meeting the national need to support school libraries

However, we cannot increase the literacy skills of America's students without providing students with access to an adequate supply of up-to-date reading materials. Indeed, research has documented a clear connection between well-equipped, well-staffed school libraries and increased literacy, reading achievement, and overall academic success. Unfortunately, schools across the Nation are still dependent on collections purchased in the mid-1960's and 1970's with dedicated funding provided under the Elementary and Secondary Education Act of 1965. Since 1981, when this funding was folded into what is currently the title VI block grant, school libraries have suffered. This 20-year experiment in leaving school library funding to States and school districts has failed. Consequently, school library shelves are filled with inaccurate books which pre-date the landing of manned spacecraft on the moon, the breakup of the Soviet Union, the end of apartheid, the Internet, and advances in scientific research.

At the committee markup, Senator Reed presented clear examples of old school library books filled with outdated facts and offensive stereotypes that line our school library shelves. We are dismayed that the committee failed to restore funding for school libraries or to increase student access to up-to-date school library materials. The needs of school libraries have been unaddressed for too long. We urge the restoration of funding to update and improve the Nation's school libraries. Otherwise, our goal of eliminating illiteracy will be thwarted.

Public school repair and renovation

The facts about the condition of our Nation's schools are well known. The average age of our Nation's schools is 42 years and 14 million children attend classes in buildings that are unsafe or inadequate. In addition, the National Center for Education Statistics estimates that $127 billion is needed simply to bring our nation's schools up to overall good condition.

In March, the American Society of Civil Engineers issued a Report Card for America's Infrastructure which reported serious problems with the physical infrastructure in our nation. Once again, school buildings received the lowest grade of all facilities in the Nation—a D minus.

Clearly, this is a national problem that deserves a comprehensive national response. However, the committee bill does not address this pressing national concern.

Last year, we made substantial progress on this issue by including a new school repair and renovation program in the education appropriations bill. The fiscal year 2001 appropriations bill included a $1.2 billion bipartisan initiative to help communities address their most urgent repair and renovation needs. This legislation was agreed to by the House, the Senate and the White House.

In Committee, Senators Harkin and Reed offered a bipartisan amendment to reauthorize the school repair and renovation program and increase the authorization to $1.6 billion. The amendment continued the split between school modernization and IDEA as negotiated in last year's appropriations bill. Seventy-five percent of the funds would be used to finance urgent repairs such as fixing leaky roofs, replacing faulty wiring or making repairs to bring schools up to local safety and fire codes. The remaining funding would support activities related to IDEA Part B or technology related to school construction.

The school repair program is a key component in a two-prong strategy to modernize the Nation's schools. Some schools have simply outlived their usefulness and need to be replaced. In addition, the record enrollment in our nation's public schools has caused overcrowding that can only be remedied by building new schools. That's why we hope Congress will also pass much-needed legislation to provide interest-free school modernization bonds that will finance at least $25 in new construction.

Nearly three-quarters of the nation's schools are over 30 years old. According to the National Center for Education Statistics, when a school is between 20 and 30 years of age, frequent replacement of equipment is necessary. Between 30 and 40 years, all of the original equipment should have been replaced including the roof and electrical systems. After 40 years, a school begins to deteriorate rapidly and after 60 years most schools are abandoned.

There is a legitimate federal role to help fix our nation's crumbling schools, and we can do so without undermining local control of education. We were disappointed by the defeat of the Harkin-Reed Amendment on a 10–10 party line vote, and hope the Senate will adopt the program on the floor with bipartisan support.

Reducing class size

Smaller classes in the early grades can have a positive impact on students for years to come by ensuring students learn the basics, improve classroom discipline, providing more individual attention, and encouraging parents and teachers to work more closely together. By including the Class Size Reduction program in the appropriations bills over the last three years, Congress has taken an important, bipartisan step to ensure that the nation's students are learning in less crowded classrooms. Unfortunately, the committee bill does not include a guaranteed funding stream for Class Size Reduction, abandoning our bipartisan commitment to the teachers, parents, and students of this country.

The party line vote rejecting Senator Murray's amendment to include the Class Size Reduction program in this bill is a rejection of sound education policy. Studies have shown what parents, students and teachers have always known: smaller classes make a difference. Despite numerous comprehensive, high-quality studies confirming the benefits of smaller classes in the early grades, our Republican colleagues rejected the Class Size Reduction program.

In small classes, students receive more individual attention and instruction. Students with learning disabilities are identified earlier, and their needs can be met without placing them in costly special education. In small classes, teachers are better able to maintain discipline, and parents and teachers can work together more effectively to support children's education. The Federal Government has always taken a special responsibility for disadvantaged students, the very students that studies show benefit the most from smaller classes in the early grades. A recent study found that if all children were in smaller classes in the early grades, that change alone could close the black/white gap in students taking college entrance exams by as much as 60 percent. But today, there are still too many students in overcrowded classrooms. The average class size in this country is over 22 students, with some of the most crowded classrooms in urban areas. Almost half of all elementary school teachers have class sizes of 25 students or more.

Teachers, parents, and students also want high-quality, well-prepared teachers. Including class size reduction as an allowable use of funds within a teacher quality block grant may foster the illusion of "local control," but in reality it creates a false choice between investing in smaller classes and investing in professional development, mentoring, and recruiting activities. We know that good education reform includes both boosting teacher quality and reducing class sizes, and we should provide communities the support they need communities address both issues sufficiently by providing dedicated funding streams for both class size reduction and professional development.

The current Class Size Reduction program is already flexible. Small school districts that do not receive enough Federal funding to pay a starting teacher's full salary may combine these funds with other funds to pay the salary of a full or part-time teacher, or may use the funds for professional development. Any school district that has already reduced class sizes in the early grades may use these funds to reduce class sizes in other grades, or to improve teacher quality. Districts can already use up to 25 percent of their

Class Size Reduction funds for professional development, mentoring, or recruitment. The only qualification is that all teachers hired with Class Size Reduction funds must be fully qualified.

The first year of Federal Class Size Reduction program has helped schools hire 29,000 teachers who are already teaching in smaller classes across the country. As a result, approximately 1.7 million students are learning in classrooms that are no longer overcrowded. An additional 8,000 teachers will be hired with the funds provided by the fiscal year 2001 appropriations, creating smaller learning environments for hundreds of thousands of additional students. We should not abandon our commitment to teachers, parents, and students to help them reduce class sizes, and we hope the full Senate will adopt Senator Murray's amendment.

Ensuring a qualified teacher in every classroom and a qualified principal in every school

Over the next 10 years, we will need to recruit more than 2 million teachers to teach the record number of elementary and secondary students in our public schools. Nothing in education is more important than ensuring a highly qualified teacher for every classroom. Research shows that what teachers know and can do is the most important influence on what students learn. Increased knowledge of academic content by teachers and effective teaching skills are associated with increases in students achievement.

Research shows that current professional development activities often fail to generate significant improvements in teaching or even impact teaching practice. Moreover, a recent survey of teachers found that professional development is too short-term, with a majority of teachers participating in professional development activities that last only 1 to 8 hours a year. As a consequence, only about one in five teachers felt very well prepared to address the needs of students with limited English proficiency, those from culturally diverse backgrounds, and those with disabilities, or to integrate educational technology into the curriculum.

The Committee bill includes strong definitions of professional development, mentoring, and highly qualified teacher, and contains strong accountability and application requirements. In particular, the bill contains many of the elements that research indicates constitute effective mentoring and professional development—sustained, intensive activities that focus on deepening teachers knowledge of content; collaborative working environments; and training that is aligned with standards and embedded in the daily work of the school.

At the same time, however, the bill allows title II–A funding to be used for purposes other than professional development and mentoring. Accordingly, districts could spend all of the funding on signing bonuses, teacher tenure system reform, merit pay, and teacher testing. As a result, teachers would not get any of the professional development they need.

An amendment was added in the markup to expand the allowable uses of funds to include merit pay for teachers, reform of tenure, and teacher testing. We underscore that this language in no way should be interpreted to interfere with or alter the integrity of existing local control or local collective bargaining agreements.

We are particularly disappointed that the Committee failed to adopt Senator Kennedy's amendment to guarantee teachers that at least 50 percent of the title II–A funds will be used for the professional development of all teachers and mentoring of new teachers. The amendment would have made professional development and mentoring a top priority to ensure that teachers get the support they need to succeed in the classroom and help all children meet high standards of achievement.

We don't disagree with any of the uses of funds under title II–A. However, the current structure of the Committee bill is a step backwards for teachers. Currently, teachers are guaranteed $485 million for professional development and mentoring activities—and its not enough to meet the need. Under the committee bill, a local school district could spend all the funding on recruitment activities, leaving current teachers out in the cold.

We believe that local school districts should have flexibility in the use of funds, but not to the extent that they ignore the needs of teachers for on-going, high-quality, and locally designed professional development and mentoring activities.

Such a requirement is absolutely critical if we are to meet the challenge of ensuring that teachers have the training, assistance, and support to sustain them throughout their careers and increase student achievement.

It is also critical so that parents know that their child is being taught by a qualified teacher.

Democrats believe the bill should have included this goal explicitly as a requirement in Title II with a timeline and a specific date for implementation. However, we are pleased that the committee agreed to include provisions in a floor manager's package addressing Senator Kennedy's teacher quality accountability amendment. His amendment to Title II–A would require that schools serving Title I students must have a highly qualified teacher in every classroom within 4 years. Senator Gregg and Senator Jeffords argued that the Committee should modify the amendment to focus the program on schools in which at least 50 percent of their students are in poverty.

In addition, because qualified and well-prepared teachers are critical to improving student achievement, we hope that a compromise can be reached on the amendment proposed by Senator Reed to set a funding bar under Title I for professional development at the district level at 10 percent.

Although the Committee bill includes a strong definition of professional development, it does not include language to ensure that recruitment activities are of the same high quality. It does little good to recruit teachers into schools and train them if we cannot retain them in the profession. Fifty percent of urban educators leave the profession within 5 years. We want to ensure that federal funds support only those recruitment programs that are linked to or include activities that are proven effective in retaining teachers.

The key elements for effective teacher retention were laid out by the National Commission on Teaching and America's Future in 1996. Effective programs organize professional development around standards for teachers and students; provide a year long, pre-serv-

ice internship; include mentoring and strong evaluation of teacher skills; and offer stable, high quality professional development.

Title II would be strengthened by including Senator Wellstone's amendment to ensure that any teacher recruitment programs funded by Federal dollars incorporate high quality retention practices, and we hope it will receive bipartisan support on the floor.

There is widespread agreement that a good principal is the keystone of a good school. However, there is great concern that the supply of quality principals may not meet the increasing demand for quality school leadership. Moreover, principals often lack opportunities for high-quality professional development. Too often, such development is in the form of one-day workshops not geared to the needs of most principals. We must do all we can to provide opportunities for mentoring and professional development for principals—and it must be of high quality, readily available, and geared toward the practical needs of principals as instructional leaders.

We are pleased that the committee bill includes a National School Leadership program, which allows the Secretary to award grants for professional development activities for principals to develop and enhance their leadership skills. However, we need to do more if we are to send a strong signal to the Nation's communities that we will help provide stronger school leaders in every school. We hope that the bill will be strengthened by adding requirements for resources to be spent on professional development and leadership activities for principals, and including principals in professional development activities, as appropriate, throughout Title II.

We should do all we can to ensure a qualified teacher in every classroom and a qualified principal in every school, particularly for the neediest children.

Expanding 21st Century Community Learning Centers

By providing high quality after-school, weekend, and summer programs, 21st Century Community Learning Centers keep children safe, help parents work, and expand children's learning opportunities. Yet, demand for these programs continues to outpace supply. According to a report from the U.S. Census Bureau last year, almost 7 million children aged 5 to 14 are left unsupervised on a regular basis during the after-school hours.

Research shows that children who are home alone after school hours report higher use of alcohol, cigarettes, and marijuana. Nearly 45 million children ages 14 years and younger are injured in their homes every year and most unintentional, injury-related deaths occur when children are out of school and unsupervised. Children home alone after school are also more likely to be victims of crime or to commit crimes themselves. Violent crimes by juveniles—murder, sexual assault, robbery and aggravated assault—peak between 3:00 p.m. and 6:00 p.m. The rate of juvenile violence during those hours is four times the rate during the standard teenage curfew hours of 10:00 p.m. to 6:00 a.m.

Yet, despite the overwhelming evidence of need for more and better quality after-school alternatives, the Department of Education had sufficient resources last year to fund only 310 of the over 2,000 applications it received under the 21st Century Community Learn-

ing Centers program. More than 1,000 high-quality applications went unfunded.

Given the critical shortage of high-quality after-school programs, we are pleased that the Committee voted unanimously to accept an amendment by Senator Dodd to increase the authorization for the 21st Century Community Learning Centers program from $846 million to $1.5 billion.

With $1.5 billion in funding, over 2.1 million children across the nation would be provided extended learning opportunities in safe environments—approximately one million more children than can now be served. This level of investment would eliminate as much as a quarter of the Nation's "latch-key" crisis. Although the amendment that was accepted is an authorization increase, and funding is still subject to annual appropriations, the Committee's unanimous approval of Senator Dodd's amendment sends a strong signal to the Administration and to the Appropriations Committee that the Committee places a high priority on funding for this program.

We are also pleased that the Committee reached agreement during the Executive Session on allowing community-based organizations to apply for grants under the 21st Century Community Learning Centers program. Under the agreement, an equal priority will be given to applications from the following applicants: Title I-eligible schools; joint applications from community-based organizations and Title I-eligible schools; and community-based organizations serving Title I schools. Importantly, the agreement also provides that the locus of 21st Century Community Learning Centers programs will remain in public schools, unless the Secretary determines, on a case-by-case basis, that requiring a particular program to operate in a school would undermine the program's effectiveness or limit its accessibility. In addition, it will clarify that a primary purpose of the 21st Century Community Learning Centers program is to enhance and increase extended learning time for students so that all children can meet high standards of achievement.

Increasing authorization of appropriations for Title I, Part A

We are pleased that the Committee increased the authorization level for grants to local educational agencies under Title I, Part A to $15 billion for fiscal year 2002. But, we are disappointed that the Committee did not accept Senator Dodd's amendment to provide annual increases in the authorization levels for Title I over the next 7 years in order to reach full funding by fiscal year 2008. We believe that in this area, the Committee abdicated its responsibility to help ensure that all children meet high standards of achievement.

Title I grants to local educational agencies are the primary method by which Congress helps low-income schools provide services to educationally at-risk students to enable them to meet challenging academic standards. It also helps States and communities to close the achievement gap between low-income and high-income schools, and turn around failing schools.

Studies have shown that 80 percent of low-income school districts report that Title I is driving school reform and that reading and math performance has improved in low-income schools. The Department of Education's National Assessment of Title I—which was

done in consultation with an independent review panel—found that since 1992, national reading performance has improved for 9–year olds in the highest poverty public schools and math achievement also has improved among students in the highest poverty public schools.

Other studies show that since the 1994 reauthorization of ESEA, students receiving Title I services have increased their reading achievement in 21 of 24 urban districts studied, and increased their math achievement in 20 of 24 urban districts studied. Nevertheless, a significant gap remains between student achievement in low-income schools and high-income schools.

The Committee bill would impose significant testing and accountability measures to help states and schools close this gap. We agree that it is important to measure student progress and hold States and schools accountable, but testing and accountability are not the reforms themselves. We must provide schools with the necessary resources to implement reforms, such as more intensive supplemental instruction and new research-based curricula.

However, Congress provides sufficient funding to meet only one-third of the need, as defined by the Title I formula. So, not only does Title I not serve all eligible children, but local educational agencies that receive Title I funds receive only about one-third of the amount that Congress has determined is necessary to help them close the achievement gap.

Senator Dodd's amendment, although subject to annual appropriations, would have sent a strong signal that the Committee believes that Congress' goal must be to provide schools with the resources they need to provide all children with the education they need and deserve, and it should be a top national priority.

Meeting the needs of children with limited English proficiency

The Committee bill marks a step forward in providing for the academic achievement of limited English proficient (LEP) students, and ensuring that these children are not left behind. Over the past decade, the Nation's overall school enrollment has grown by 14 percent. Over the same period, the LEP student population in our schools has grown by 104 percent, and LEP children now number over 3.5 million of the nation's schoolchildren. As this population grows, so too grows the need of the Nation's schools to ensure the academic success of LEP children.

Democrats are pleased with provisions relating to LEP children in Title I, and view the disaggregation requirements included in the bill's accountability provisions as critical to ensuring that LEP students are not overlooked as states determine adequate yearly progress. Under the bill, states will set annual, numerical goals for the progress of LEP children, ensuring that schools no longer depend on average student achievement data in the aggregate to determine academic progress. These new provisions are critical to closing the achievement gap between LEP children and their English-speaking peers.

Democrats are also pleased that the bill maintains and strengthens the Bilingual Education Act, and streamlines existing bilingual education programs while incorporating additional accountability measures for achievement in all academic content areas, as well as

proficiency in English. We are pleased that provisions under Title III target funds to areas with large LEP student populations, and also provide assistance to areas that have limited or no experience in serving such populations.

Closing the digital divide

Educational technology can enhance the classroom environment in ways that were unimaginable only a decade ago and can help students develop independent thinking and problem solving skills. We are pleased that the BEST Act includes a substantial investment in this important priority, and includes Senator Mikulski's national education goal to close the digital divide. We are also pleased with the requirement in the Committee bill that states and districts set aside 30 percent of technology funds for professional development for teachers. Our investment in technology infrastructure in schools will not be realized unless we ensure that teachers know how to use this important learning tool.

Despite significant gains in technological capacity and connectivity, schools serving low-income children continuously lag behind in understanding how to integrate technology effectively into the curriculum. This "digital divide" is an issue of growing concern across the country. Children who are not exposed to technology and taught how to use it are at a disadvantage in their education and in the workplace. We know that low-income and minority students are less likely to own computers at home, making the accessibility of technology at school even more critical for these children. Also, many rural districts face challenges that technology is helping them to overcome. For example, districts that could never offer Advanced Placement or foreign language courses in the past are now able to do so through distance learning. Because of the federal government's special obligation to provide extra resources to our most disadvantaged children, we are pleased that the Committee accepted Senator Murray's amendment to target funds for technology to high-poverty districts, and to ensure an equitable distribution of funds among rural and urban districts. When faced with a digital divide, it is not time to abandon this role, but to reinforce it by ensuring federal dollars go where they are most needed. We also favor a federal commitment to research and development so that new innovations in the use of technology can continue to enrich the learning experiences of the Nation's children.

Improving school and community safety

We are pleased that the bipartisan Safe and Drug-Free Schools and Communities Act, authored by Senator DeWine, Senator Dodd, and Senator Murray, is included in the Committee bill. Changes made to the act focus on improving accountability and enhancing the effectiveness of this program. The legislation requires states and schools to adhere to the "Principles of Effectiveness" in the design, implementation, and evaluation of their programs. The bill also increases federal coordination, while providing states with the flexibility to better target these dollars.

We are pleased with the adoption of Senator Wellstone's amendment concerning domestic violence and child abuse. Domestic vio-

lence and child abuse both are causes and predictors of juvenile violence, so this addition will significantly enhance the Safe and Drug-Free Schools and Communities Act. We also are pleased with the adoption of Senator Sessions' amendment concerning violence-prevention training and other allowable uses of funds.

Increasing parental involvement

Research shows that regardless of economic, ethnic, or cultural background, parental involvement is a major factor in determining a child's academic success. Parental involvement contributes to better grades and test scores, higher homework completion rates, better attendance, and greater discipline. We are pleased that the bill takes many steps to bolster the existing parental involvement provisions in ESEA.

In particular, the bill ensures that families of children in Title I schools can: access information on their children's progress and the performance of their children's school in terms they can understand; involves parents in school support teams to help in the process of turning around failing schools; ensures that parents are involved in violence and drug prevention programs so they can reinforce the safe and drug-free message at home; requires states to collect and disseminate information about effective parental involvement practices; requires states and districts to annually review parental involvement activities of districts and schools to ensure the activities are effective; and requires technical assistance for Title I schools and districts that are having problems implementing parental involvement activities.

We are also pleased that amendments proposed by Senator Reed to further strengthen parental involvement in the bill will be adopted as the bill moves to the Senate floor. These amendments support and encourage the use of technology to enhance parental involvement activities; add to the definition of professional development activities that encourage and enhance the ability of teachers to provide instruction on how to work with and involve parents; add a requirement that districts describe how they will provide training to enable teachers to involve parents in their child's education; and revise the definition of parental involvement.

But the bill does not go far enough. Too often, states, districts, and schools fail to adequately inform and involve parents because they lack the funding to do so. We are disappointed that Senator Reed's amendment, which would provide the needed resources, accountability, and flexibility to ensure that parental involvement activities are actually carried out, was not passed. Senator Reed's amendment would provide $500 million to school districts, with strict accountability measures, to supplement and support recognized and proven initiatives that improve student achievement through parental involvement. In addition, the amendment would require states seeking funding under ESEA to: (1) describe, implement, and evaluate parental involvement policies and practices; and (2) provide public notice of its parental involvement policies in a manner and language understandable to parents, and to provide the opportunity for parents and others to comment on such policies.

This amendment is critical, particularly in light of the bill's new requirement to test all students in grades 3 through 8 every year.

Given the proven connection between increased student achievement and parental involvement, we should not pass up this opportunity to provide all schools, teachers, and parents with the tools to increase parental involvement. As the bill moves to the floor, we urge the addition of these provisions.

Addressing the social, health, and other needs of children

Beyond academic concerns, we recognize that children bring many social, health, and mental health problems to school that interfere with their ability to learn. Before children can turn their full attention to school, their basic needs must be met. Therefore, we are disappointed that the bill eliminates coordinated services under title XI and eliminates the Elementary School Counseling Demonstration Program.

We are also disappointed that the Committee bill does not include Senator Reed's amendment which would authorize school-community partnerships to provide children and families with links to existing community prevention and intervention services such as child care, health, mental health, nutrition, family support, literacy, parenting skills, and dropout prevention. Such services exist in a fragmented fashion in many communities, and families which would otherwise be eligible to receive the services cannot obtain them without coordination at a site housed under one familiar roof—their child's school. The coordination of these services not only removes barriers to a successful education, but promotes the overall health and well-being of the student as well. Without this amendment, along with Senator Harkin's amendment to establish and expand effective counseling programs in elementary and secondary schools, we will not achieve the improved academic results this bill demands.

Undermining accountability, targeting, and reform through block grants

Senator Frist offered and withdrew an amendment to authorize Straight A's block grants. We believe that Straight A's would have undermined the bill, and created a tangled web of administrative chaos and policies that undermine national priorities in education, such as reducing class size, improving teacher quality, and closing the digital divide.

Block grants undermine the targeting of resources to the neediest students and eliminate critical accountability provisions that help ensure better results for all children. The Straight A's proposal undermines the tough accountability and testing requirements championed by President Bush. While we support greater flexibility in education funding and the consolidation of many existing programs, block grants are the wrong direction for education, and do nothing to spur change in public schools.

Straight A's block grants are anti-local control, anti-accountability, and pro-status quo

The Academic Achievement for All Act—"Straight A's"—abandons the national commitment to help the nation's most disadvantaged children get a good education through proven effective reforms of public schools. The amendment would give states a blank

check for over $12 billion in current funding and over $22 billion in funding under the BEST Act—and then turns its back on holding states accountable for results.

History shows that block grants haven't worked—and they won't work now. Block grants eliminate accountability. A 1997 study by the Center on Budget and Policy Priorities found that the Maternal and Child Health Block Grant suffered from lack of accountability and illustrated the difficulty of tracking how states use funds and how many children were reached. Under the Straight A's proposal, states are not held accountable for educational results until after 5 years. By that time, many students will have lost five years of potential gains in student achievement.

Under the amendment, states must only demonstrate statewide performance. They can ignore individual failing schools if a few schools excel—and increase the statewide average. A state could demonstrate statewide overall progress based on progress by wealthier communities, while a lack of progress in disadvantaged communities remains statistically hidden. States should have to demonstrate progress in student achievement in each school and each district, so that no community or child is left behind. This amendment is in direct conflict with President Bush's initiatives and the BEST Act provisions for annual accountability for improvement for disaggregated groups of children at the school, district, and state levels, annual report cards, rewards and sanctions based on annual progress, and for new annual tests.

In addition, the accountability provisions in the Republican block grant proposal are of little significance. If states fail to make progress, the only required response is to prohibit the state from participating in the block grant program. Even this weak repercussion is unlikely to be implemented, because the states define progress without any federal or local input or general legislative parameters. Under the BEST Act, states set goals for student performance, but these goals are reviewed by the Secretary of Education and must be set within the context of the goal that all students attain proficiency within 10 years. Annual, numeric goals must be set for improved performance, as well as separate goals for low-income and minority students, in order to ensure that achievement gaps are eliminated. If schools or districts fail to meet these goals, districts and states, respectively, must take action to assist the school or district, and supplemental resources are provided. Research-based school improvement strategies must be implemented. If the school or district continues to fail, sanctions are imposed.

But under Straight A's, none of these requirements apply. There is no real accountability for closing the achievement gap in the Republican block grant proposals. Although the proposals require states to set goals for certain groups, as mentioned above, goals for student performance are set at the state level and there is little consequence for failure. In addition, the proposal would free participants from requirements in current law to include *all* students in state assessments. Under the Republican block grant proposal, "all students" is defined as "all students attending public or charter schools that are participating in the state's assessment system." There are no provisions requiring states to include all students in

that assessment system. Therefore, a state could exclude students from assessments without any accountability for their performance.

Block grants threaten funding for education. Historically, Congress increases funding for programs targeted on national priorities, not block grants. This is no time to reduce our investment in education. We should increase it. According to a 1995 GAO study, total funding for nine block grants created in 1981 declined by 12 percent, or $1 billion, in 1982. Funding for title VI (formerly Chapter 2) has decreased by 50 percent since FY82, when the block grant was created. In FY82, $708 million (in 1999 dollars) was appropriated for the programs. In FY99, $375 million was appropriated.

In contrast, because Title I, technology, and other Federal programs are targeted to important national priorities, appropriations for these programs have increased over time. For example, funding for Title I has almost doubled since FY82, from $4.1 billion (in FY99 dollars) to $7.9 billion in fiscal year 2000. Unfortunately, even with the increases, these programs are still underfunded.

In addition, some of the programs that were originally consolidated, such as grants for professional development, magnet schools, and gifted and talented education, were later re-created as separate Federal programs. After submerging these programs in a block grant, Congress—on a bipartisan basis—decided that these needs were not being met at the state and local levels and remained priorities of national importance.

Block grants leave the door open for waste and abuse—and provide no focus on proven effective strategies to improve schools. Last year, Senator DeWine, in urging increased accountability measures, noted the poor history of states and local districts in spending Safe and Drug-Free Schools and Communities funds; he characterized those dollars as being "raided" for pet projects or to support ineffective methods. School districts and schools could use scarce public tax dollars to support fads and gimmicks with no basis in research or proven practice. They could even use the money to support the football team, to buy computer games, or to buy new office furniture, if they decide that these uses serve "educational purposes." In short, the Act provides no assurance that federal funds will go to improve instruction and teacher quality, strengthen curriculum, reduce class size, provide extended learning opportunities, or support other proven strategies for helping all students learn to high standards.

Under Straight A's, there is no accountability at the school district or school level. Only the state must show that it has substantially—not entirely—met its own goals. If a state does not partially meet its goals, the only penalty is that after five years, it can no longer block grant the programs. There is no requirement for reporting at the district or school level on progress in improving student achievement, and there is no requirement for helping to improve low-performing schools.

History also shows that block grants allow the misdirection of funds. When states and localities received billions of dollars in the tobacco settlement, we heard their good intentions to use the funds to improve health care and stop children from smoking. Some state and local officials have kept that commitment. But many others

have succumbed to the pressure to use the tobacco funds to build new sidewalks, provide new tax breaks, build new prisons, and, in the case of Los Angeles, pay the legal settlement costs in the recent police corruption cases. The tobacco funds do not have the limitations that would apply to this education bill. But we all know that there will be large pressures on the states to use the education block grant proposed in this bill for activities that do very little to enhance the quality of public schools.

The block grants authorized by the amendment harken back to mistakes made during the early days of Title I. A 1969 report on how the 1965 Title I program funds were spent—when Title I was a state block grant—shows that states seriously misused the funds. State bureaucracies were fattened with funds that were supposed to go to schools. States and districts used funds to purchase football and band uniforms. Some purchased swimming pools. We cannot afford to go back to those days. We must insist that Federal funds are spent on improving the academic achievement of all students.

Block grants also undermine targeting to disadvantaged communities. The Straight A's program holds school districts harmless for the amount of funding they received under Title I in the previous year. Therefore, any new money appropriated could be reallocated to wealthier districts and schools. Needy districts would no longer be assured the additional funding they should get due to increased enrollments of poor children. In addition, the amendment does not protect any within-district targeting provisions under Title I. At FY2001 funding levels other than title I, over $4.3 billion could be spent in any district without a single dime going to needy schools.

We acknowledge the pressures that state governments face in funding education. But we know that States don't target resources to the neediest schools and children who need additional help. Federal funds are significantly more targeted to low-income children than state funds. A recent General Accounting Office (GAO) report found that state formulas are less targeted on high-need children and school districts than federal formulas. GAO found that states provide an additional 62 cents for each needy child for every dollar for all children, while the federal investment provided $4.73 per poor child for every dollar for all children.

The Straight A's program also undermines local control. The amendment concentrates educational decision-making at the state level. By authorizing the state to decide whether it will enter into a performance agreement, the Act gives the state ultimate authority to determine the parameters of the agreement, including which schools and school districts will receive funds and how funds may be spent. Far from giving local districts flexibility, as policies and waiver provisions under current law have, Straight A's would increase the power of governors over local education policy at the expense of local districts, local school officials, and parents.

Proponents of Straight A's argue that block grants are needed to return control of education to local communities. The reality is that there is already significant local control of education, and the 1994 ESEA reauthorization provided even more flexibility to local authorities in how they spend Title I dollars. States and communities provide 92 percent of funding for education. The federal government—which provides only 8 percent of all K–12 education fund-

ing—cannot run local schools. What Washington can do, however, is help local communities meet education reform priorities when their budgets are stretched too thin. Washington can also target scarce public tax dollars on areas of national need, serve as a strong partner in education reform, and help establish a system that holds all officials accountable for children's academic progress.

GAO found that for major federal elementary and secondary education programs, the Department of Education sent over 99 cents of every dollar to states, and states, in turn, sent 94 cents to local school districts. There is no massive waste or federal bureaucracy in federal education programs.

The Straight A's block grants also deny special populations of students guaranteed help for meeting high standards. Migrant, homeless, and immigrant students would no longer be assured the extra help they need to stay in school and succeed in school.

States could use the money for any "educational purposes," including private school vouchers that would drain funds away from public schools. In the Committee mark up last year, Senator Gregg confirmed that funds under Straight A's could be used to support private school vouchers if a state approved them. Billions of public tax dollars could be diverted to private and religious schools, with no accountability for raising students' academic achievement. This diversion would represent a major shift in priorities for the role of the federal government in education.

Finally, Straight A's abdicates our responsibility in a reauthorization to examine and improve federal efforts. If there are issues with federal programs, we should fix them—not just hand them off to the states and local communities.

We would have staunchly opposed the Straight A's amendment in Committee had it been offered, and we will oppose it if it is offered on the floor.

Undermining standards-based reform under Title I and diverting scarce public dollars from needy public schools to private schools through vouchers

Currently, Title I is funded at approximately $8.6 billion, only one-third of the level needed to fully fund the program. We are pleased that the Committee maintained Senator Dodd's amendment to increase the Title I authorization from $10 billion to $15 billion that was adopted unanimously last year. However, at the same time that we signaled strong support for the program and standards-based reform, Senator Gregg's amendment to make Title I "portable" would have undermined them.

The portability proposal gives students and parents false hope by promising increased educational support for low-income students. "Portability" under Senator Gregg's amendment would allocate a per-child share of Title I funds to virtually every school in a district, regardless of whether a school contains the concentration of need presently required to receive a Title I allocation. Because Title I funding levels are only sufficient to serve about one-third of eligible students, this provision would result in an immediate and drastic cut in the level and quality of supplementary educational services provided to low-achieving children.

Under portability, the targeting of Title I funds on schools and pupils with the greatest need for assistance would be substantially reduced. Districts in the highest poverty quartile currently receive 43 percent of Title I funds, but only 23 percent of state and local funds. This amendment would enable states to distribute Title I funds in a way that creates further inequities in spending and result in a significant reduction in Title I resources for the neediest recipients and the highest poverty schools.

For decades, Congress has recognized that schools enrolling high concentrations of children living in poverty face the most difficult challenges, and are much more likely to have higher proportions of children who are failing to meet state academic standards. As a result, Title I grants have been historically concentrated on the higher poverty schools, and they should continue to be targeted in this way if they are to address the greatest needs. If Title I funds are dispersed among public schools regardless of need, or to numerous private outside providers, the program will not be able to function as intended. The solution to ensuring that all eligible children are served by Title I is not an unworkable portability scheme, but it is for Congress to fully fund Title I. The Congressional Research Service has estimated that it would cost over $24 billion to fully serve all eligible children—three times the current funding level.

Redistributing funds through portability hurts poor children. The Congressionally-mandated Prospects Study strongly suggests that the need for Federal assistance is greatest in schools with high concentrations of poverty. As shown before, children can be given more public school choice, without destroying the targeting of funds to schools with high concentrations of poverty.

Portability would also provide too little money to purchase educational services on an individual basis, or in schools with small numbers of Title I students. When funds are combined and concentrated on a substantial number of low-income pupils, however, they are far more effective. In fact, the bill already recognizes this important fact. Section 1001 (Statement of Purpose) states that one of the purposes of Title I is accomplished by ". . . distributing resources sufficient to make a difference to local education agencies and schools where the needs are greatest." Under Senator Gregg's amendment, if students opt to take their allotment to an outside provider, what happens to the students who remain in the original school? The school will not be able to maintain the same level of services with only a fraction of what it had been receiving. Further, what if a parent requests supplemental services from an outside provider but also elects to stay in the home school and continue to receive Title I services there?

Portability undermines reform. Since the 1994 reauthorization, states, districts and schools have been restructuring their Title I programs with a focus on helping all children achieve to high state standards. The National Assessment of Title I reports that these changes are beginning to show results and are contributing to increased student achievement. Portability would wreak havoc on this process by disrupting program funding in current Title I schools. The current average Title I per-pupil expenditure of $775 can provide a significant amount of resources and services, but only if combined to help a substantial number of students in a school.

Tying Title I dollars to individual students diminishes the benefits and success of schoolwide programs and research-based school reform models.

Portability reduces or eliminates Title I program accountability for the achievement of eligible students. Current provisions hold schools accountable for improved student achievement. Under this proposal, parents of eligible children could use their Title I funds to purchase supplementary educational services from a wide variety of providers, including private and religious schools and for-profit businesses. There is no mechanism to ensure such providers provide quality services to children, and no accountability measures are required of these providers.

Portability also opens the door to private school vouchers, at a time when courts are again rejecting these questionable policies enacted at the state and local levels. Public schools would be required at the request of parents to contract with a tutorial assistance provider, which could include private and religious schools and other religious entities. The proposal would allow public money to pay such entities for provision of private educational services. Since the public school administers the program, will the public school also be responsible for assuring that a child's academic achievement is improving, even if the students are receiving services at nonpublic schools?

Portability doesn't guarantee any child a better education. Allowing children to take their portable grant to a private school or an off-campus after-school program does not necessarily mean they will receive a better education. Unless private schools are required to publicly report student achievement data in the same manner as public schools, we have no information regarding the quality of education in those schools. It would be irresponsible to send public dollars into "mystery" institutions of questionable quality.

We know that standards-based reform and schoolwide programs are making a difference. For example, approximately 80 percent of the students at Baldwin Elementary School in Boston, Massachusetts are identified as low income and many of the students are recent immigrants. With a strong focus on professional development and high standards and with Title I funds, test scores increased substantially from 1996 to 2000 when 96 percent of third graders and 91 percent of fifth graders passed the reading test. Sixty percent of third graders and 39 percent of fifth graders scored at the proficient or advanced levels.

At Gladys Noon Spellman Elementary in Cheverly, Maryland, in 1994, only 17 percent of third graders scored at or above the satisfactory level on the state test. Title I funds were used to implement reform. Each teacher was paired with another staff member to provide small group instruction during a 90 minute reading and language arts block in the mornings. All staff utilized their specialties as a basis for language instruction and were provided with professional development. By 1999, 73 percent of third-graders performed at or above satisfactory on the state test.

Democrats strongly believe that Title I and other Federal programs should be focused on the neediest students, and should provide consequences for failure. Portability and voucher schemes undermine those efforts and support the status quo.

We believe that we must change the status quo for children attending failing schools. We must invest additional resources in programs that work to improve student achievement. We must hold schools, districts, and states accountability for better results. We must require schools to change when they are failing their students and to offer parents public school choice options. The Committee bill meets these goals. We should strengthen school reform, not undermine it.

Conclusion

The Committee bill represents important progress in strengthening and improving public schools in every community. This progress includes a strong federal helping hand, accountability for results, targeting to the neediest communities, and a clear focus on priority areas of national need. The nation's children deserve no less.

EDWARD M. KENNEDY.
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JACK REED.
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X. CHANGES IN EXISTING LAW

In compliance with rule XXVI paragraph 12 of the Standing Rules of the Senate, the following provides a print of the statute or the part or section thereof to be amended or replaced (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

BETTER EDUCATION FOR STUDENTS AND TEACHERS ACT

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SECTION 1. [20 U.S.C. 6301 note] [TABLE OF CONTENTS] *SHORT TITLE.*

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SEC. 2. PURPOSE.

It is the purpose of this Act to support programs and activities that will improve the Nation's schools and enable all children to achieve high standards.

SEC. 3. DEFINITIONS.

Except as otherwise provided, in this Act:

(1) AVERAGE DAILY ATTENDANCE.—

(A) IN GENERAL.—Except as provided otherwise by State law or this paragraph, the term "average daily attendance" means—

(i) the aggregate number of days of attendance of all students during a school year; divided by

(ii) the number of days school is in session during such school year.

(B) CONVERSION.—The Secretary shall permit the conversion of average daily membership (or other similar data) to average daily attendance for local educational agencies in States that provide State aid to local educational agencies on the basis of average daily membership or such other data.

(C) SPECIAL RULE.—If the local educational agency in which a child resides makes a tuition or other payment for the free public education of the child in a school located in another school district, the Secretary shall, for purposes of this Act—

(i) consider the child to be in attendance at a school of the agency making such payment; and

(ii) not consider the child to be in attendance at a school of the agency receiving such payment.

(D) CHILDREN WITH DISABILITIES.—If a local educational agency makes a tuition payment to a private school or to a public school of another local educational agency for a child with a disability, as defined in section 602 of the Individuals with Disabilities Education Act, the Secretary shall, for the purposes of this Act, consider such child to be in attendance at a school of the agency making such payment.

(2) AVERAGE PER-PUPIL EXPENDITURE.—The term "average per-pupil expenditure" means, in the case of a State or of the United States—

(A) without regard to the source of funds—

(i) the aggregate current expenditures, during the third fiscal year preceding the fiscal year for which the determination is made (or, if satisfactory data for that year are not available, during the most recent preceding fiscal year for which satisfactory data are available) of all local educational agencies in the State or, in the case of the United States for all States (which, for the purpose of this paragraph, means the 50 States and the District of Columbia); plus

(ii) any direct current expenditures by the State for the operation of such agencies; divided by

(B) the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

(3) CHILD.—The term "child" means any person within the age limits for which the State provides free public education.

(4) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a public or private nonprofit organization of demonstrated effectiveness that—

(A) is representative of a community or significant segments of a community; and

(B) provides educational or related services to individuals in the community.

(5) CONSOLIDATED LOCAL APPLICATION.—The term "consolidated local application" means an application submitted by a local educational agency pursuant to section 5505.

(6) CONSOLIDATED LOCAL PLAN.—The term "consolidated local plan" means a plan submitted by a local educational agency pursuant to section 5505.

(7) CONSOLIDATED STATE APPLICATION.—The term "consolidated State application" means an application submitted by a State educational agency pursuant to section 5502.

(8) CONSOLIDATED STATE PLAN.—The term "consolidated State plan" means a plan submitted by a State educational agency pursuant to section 5502.

(9) COUNTY.—The term "county" means one of the divisions of a State used by the Secretary of Commerce in compiling and reporting data regarding counties.

(10) COVERED PROGRAM.—The term "covered program" means each of the programs authorized by—

(A) part A of title I;

(B) part C of title I;

(C) part C of title II;

(D) part A of title IV (other than section 4114); and

(E) subpart 4 of part B of title V.

(11) CURRENT EXPENDITURES.—The term "current expenditures" means expenditures for free public education—

(A) including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges,

and net expenditures to cover deficits for food services and student body activities; but

(B) not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds received under subpart 4 of part B of title V.

(12) DEPARTMENT.—The term "Department" means the Department of Education.

(13) EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" means a regional public multiservice agency authorized by State statute to develop, manage, and provide services or programs to local educational agencies.

(14) ELEMENTARY SCHOOL.—The term "elementary school" means a nonprofit institutional day or residential school, including a public elementary charter school, that provides elementary education, as determined under State law.

(15) FREE PUBLIC EDUCATION.—The term "free public education" means education that is provided—

(A) at public expense, under public supervision and direction, and without tuition charge; and

(B) as elementary school or secondary school education as determined under applicable State law, except that such term does not include any education provided beyond grade 12.

(16) GIFTED AND TALENTED.—The term "gifted and talented", when used with respect to students, children or youth, means students, children or youth who give evidence of high performance capability in areas such as intellectual, creative, artistic, or leadership capacity, or in specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities.

(17) 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.

(18) LOCAL EDUCATIONAL AGENCY.—

(A) IN GENERAL.—The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State, or for such combination of school districts or counties as are recognized in a State as an administrative agency for the State's public elementary or secondary schools.

(B) ADMINISTRATIVE CONTROL AND DIRECTION.—The term includes any other public institution or agency having administrative control and direction of a public elementary school or secondary school.

(C) BIA SCHOOLS.—The term includes an elementary school or secondary school funded by the Bureau of Indian Affairs but only to the extent that such inclusion makes such school eligible for programs for which specific eligibility is not provided to such school in another provision of law and such school does not have a student population

that is smaller than the student population of the local educational agency receiving assistance under this Act with the smallest student population, except that such school shall not be subject to the jurisdiction of any State educational agency other than the Bureau of Indian Affairs.

(19) MENTORING.—The term "mentoring", when used with respect to mentoring other than teacher mentoring, means a program in which an adult works with a child or youth on a 1-to-1 basis, establishing a supportive relationship, providing academic assistance, and introducing the child or youth to new experiences that enhance the child or youth's ability to excel in school and become a responsible citizen.

(20) OTHER STAFF.—The term "other staff" means pupil services personnel, librarians, career guidance and counseling personnel, education aides, and other instructional and administrative personnel.

(21) OUTLYING AREA.—The term "outlying area" means the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and for the purpose of section 1121 and any other discretionary grant program under this Act, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(22) PARENT.—The term "parent" includes a legal guardian or other person standing in loco parentis.

(23) PARENTAL INVOLVEMENT.—The term "parental involvement" means the participation of parents on all levels of a school's operation, including all of the activities described in section 1118.

(24) PUBLIC TELECOMMUNICATIONS ENTITY.—The term "public telecommunication entity" has the same meaning given to such term in section 397 of the Communications Act of 1934.

(25) PUPIL SERVICES PERSONNEL; PUPIL SERVICES.—

(A) PUPIL SERVICES PERSONNEL.—The term "pupil services personnel" means school counselors, school social workers, school psychologists, and other qualified professional personnel involved in providing assessment, diagnosis, counseling, educational, therapeutic, and other necessary services (including related services as such term is defined in section 602 of the Individuals with Disabilities Education Act) as part of a comprehensive program to meet student needs.

(B) PUPIL SERVICES.—The term "pupil services" means the services provided by pupil services personnel.

(26) SCIENTIFICALLY BASED RESEARCH.—The term "scientifically based research" used with respect to an activity or a program, means an activity based on specific strategies and implementation of such strategies that, based on theory, research and evaluation, are effective in improving student achievement and performance and other program objectives.

(27) SECONDARY SCHOOL.—The term "secondary school" means a nonprofit institutional day or residential school, including a public secondary charter school, that provides secondary education, as determined under State law, except that such term does not include any education beyond grade 12.

(28) SECRETARY.—The term "Secretary" means the Secretary of Education.

(29) STATE.—The term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and each of the outlying areas.

(30) STATE EDUCATIONAL AGENCY.—The term "State educational agency" means the agency primarily responsible for the State supervision of public elementary schools and secondary schools.

(31) TEACHER MENTORING.—The term "teacher mentoring" means activities that—

(A) consist of structured guidance and regular and ongoing support for beginning teachers, that—

(i) are designed to help the teachers continue to improve their practice of teaching and to develop their instructional skills; and

(ii) as part of a multiyear, developmental induction process—

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

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

(B) may include the establishment of a partnership by a local educational agency with an institution of higher education, another local educational agency, a teacher organization, or another organization.

(32) TECHNOLOGY.—The term "technology" means state-of-the-art technology products and services, such as closed circuit television systems, educational television and radio programs and services, cable television, satellite, copper and fiber optic transmission, computer hardware and software, video and audio laser and CD–ROM discs, video and audio tapes, web-based learning resources, including online classes, interactive tutorials, and interactive tools and virtual environments for problem-solving, hand-held devices, wireless technology, voice recognition systems, and high-quality digital video, distance learning networks, visualization, modeling, and simulation software, and learning focused digital libraries and information retrieval systems.

[TITLE I—HELPING DISADVANTAGED CHILDREN MEET HIGH STANDARDS

[SEC. 1001. [20 U.S.C. 6301] DECLARATION OF POLICY AND STATEMENT OF PURPOSE.

[(a) STATEMENT OF POLICY.—

[(1) IN GENERAL.—The Congress declares it to be the policy of the United States that a high-quality education for all individuals and a fair and equal opportunity to obtain that education are a societal good, are a moral imperative, and improve the life of every individual, because the quality of our indi-

vidual lives ultimately depends on the quality of the lives of others.

[(2) ADDITIONAL POLICY.—The Congress further declares it to be the policy of the United States to expand the program authorized by this title over the fiscal years 1996 through 1999 by increasing funding for this title by at least $750,000,000 over baseline each fiscal year and thereby increasing the percentage of eligible children served in each fiscal year with the intent of serving all eligible children by fiscal year 2004.

[(b) RECOGNITION OF NEED.—The Congress recognizes that—

[(1) although the achievement gap between disadvantaged children and other children has been reduced by half over the past two decades, a sizable gap remains, and many segments of our society lack the opportunity to become well educated;

[(2) the most urgent need for educational improvement is in schools with high concentrations of children from low-income families and achieving the National Education Goals will not be possible without substantial improvement in such schools;

[(3) educational needs are particularly great for low-achieving children in our Nation's highest-poverty schools, children with limited English proficiency, children of migrant workers, children with disabilities, Indian children, children who are neglected or delinquent, and young children and their parents who are in need of family-literacy services;

[(4) while title I and other programs funded under this Act contribute to narrowing the achievement gap between children in high-poverty and low-poverty schools, such programs need to become even more effective in improving schools in order to enable all children to achieve high standards; and

[(5) in order for all students to master challenging standards in core academic subjects as described in the third National Education Goal described in section 102(3) of the Goals 2000: Educate America Act, students and schools will need to maximize the time spent on teaching and learning the core academic subjects.

[(c) WHAT HAS BEEN LEARNED SINCE 1988.—To enable schools to provide all children a high-quality education, this title builds upon the following learned information:

[(1) All children can master challenging content and complex problem-solving skills. Research clearly shows that children, including low-achieving children, can succeed when expectations are high and all children are given the opportunity to learn challenging material.

[(2) Conditions outside the classroom such as hunger, unsafe living conditions, homelessness, unemployment, violence, inadequate health care, child abuse, and drug and alcohol abuse can adversely affect children's academic achievement and must be addressed through the coordination of services, such as health and social services, in order for the Nation to meet the National Education Goals.

[(3) Use of low-level tests that are not aligned with schools' curricula fails to provide adequate information about what children know and can do and encourages curricula and in-

struction that focus on the low-level skills measured by such tests.

[(4) Resources are more effective when resources are used to ensure that children have full access to effective high-quality regular school programs and receive supplemental help through extended-time activities.

[(5) Intensive and sustained professional development for teachers and other school staff, focused on teaching and learning and on helping children attain high standards, is too often not provided.

[(6) Insufficient attention and resources are directed toward the effective use of technology in schools and the role technology can play in professional development and improved teaching and learning.

[(7) All partners can contribute to their children's success by helping at home and becoming partners with teachers so that children can achieve high standards.

[(8) Decentralized decisionmaking is a key ingredient of systemic reform. Schools need the resources, flexibility, and authority to design and implement effective strategies for bringing their children to high levels of performance.

[(9) Opportunities for students to achieve high standards can be enhanced through a variety of approaches such as public school choice and public charter schools.

[(10) Attention to academics alone cannot ensure that all children will reach high standards. The health and other needs of children that affect learning are frequently unmet, particularly in high-poverty schools, thereby necessitating coordination of services to better meet children's needs.

[(11) Resources provided under this title can be better targeted on the highest-poverty local educational agencies and schools that have children most in need.

[(12) Equitable and sufficient resources, particularly as such resources relate to the quality of the teaching force, have an integral relationship to high student achievement.

[(d) STATEMENT OF PURPOSE.—The purpose of this title is to enable schools to provide opportunities for children served to acquire the acknowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children. This purpose shall be accomplished by—

[(1) ensuring high standards for all children and aligning the efforts of States, local educational agencies, and schools to help children served under this title to reach such standards;

[(2) providing children an enriched and accelerated educational program, including, when appropriate, the use of the arts, through schoolwide programs or through additional services that increase the amount and quality of instructional time so that children served under this title receive at least the classroom instruction that other children receive;

[(3) promoting schoolwide reform and ensuring access of children (from the earliest grades) to effective instructional strategies and challenging academic content that includes extensive complex thinking and problem-solving experiences;

[(4) significantly upgrading the quality of instruction by providing staff in participating schools with substantial opportunities for professional development;

[(5) coordinating services under all parts of this title with each other, with other educational services, and, to the extent feasible, with health and social service programs funded from other sources;

[(6) affording parents meaningful opportunities to participate in the education of their children at home and at school;

[(7) distributing resources, in amounts sufficient to make a difference, to areas and schools where needs are greatest;

[(8) improving accountability, as well as teaching and learning, by using State assessment systems designed to measure how well children served under this title are achieving challenging State student performance standards expected of all children; and

[(9) providing greater decisionmaking authority and flexibility to schools and teachers in exchange for greater responsibility for student performance.

[SEC. 1002. [20 U.S.C. 6302] AUTHORIZATION OF APPROPRIATIONS.

[(a) LOCAL EDUCATIONAL AGENCY GRANTS.—For the purpose of carrying out part A, other than section 1120(e), there are authorized to be appropriated $7,400,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(b) EVEN START.—For the purpose of carrying out part B, there are authorized to be appropriated $118,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(c) EDUCATION OF MIGRATORY CHILDREN.—For the purpose of carrying out part C, there are authorized to be appropriated $310,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(d) PREVENTION AND INTERVENTION PROGRAMS FOR YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT RISK OF DROPPING OUT.—For the purpose of carrying out part D, there are authorized to be appropriated $40,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(e) CAPITAL EXPENSES.—For the purpose of carrying out section 1120(e), there are authorized to be appropriated $41,434,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(f) ADDITIONAL ASSISTANCE FOR SCHOOL IMPROVEMENT.—For the purpose of providing additional needed assistance to carry out sections 1116 and 1117, there are authorized to be appropriated such sums as may be necessary for fiscal year 1996 and each of the three succeeding fiscal years.

[(g) FEDERAL ACTIVITIES.—

[(1) SECTION 1501.—For the purpose of carrying out section 1501, there are authorized to be appropriated $9,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(2) SECTIONS 1502 AND 1503.—For the purpose of carrying out sections 1502 and 1503, there are authorized to be appro-

priated $50,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[SEC. 1003. [20 U.S.C. 6303] RESERVATION AND ALLOCATION FOR SCHOOL IMPROVEMENT.

[(a) PAYMENT FOR SCHOOL IMPROVEMENT.—

[(1) IN GENERAL.—Except as provided in paragraph (3), each State may reserve for the proper and efficient performance of its duties under subsections (c)(5) and (d) of section 1116, and section 1117, one-half of 1 percent of the funds allocated to the State under subsections (a), (c), and (d), of section 1002 for fiscal year 1995 and each succeeding fiscal year.

[(2) MINIMUM.—The total amount that may be reserved by each State, other than the outlying areas, under this subsection for any fiscal year, when added to amounts appropriated for such fiscal year under section 1002(f) that are allocated to the State under subsection (b), if any, may not be less than $200,000. The total amount that may be reserved by each outlying area under this subsection for any fiscal year, when added to amounts appropriated for such fiscal year under section 1002(f) that are allocated under subsection (b) to the outlying area, if any, may not be less than $25,000.

[(3) SPECIAL RULE.—If the amount reserved under paragraph (1) when added to the amount made available under section 1002(f) for a State is less than $200,000 for any fiscal year, then such State may reserve such additional funds under subsections (a), (c), and (d) of section 1002 as are necessary to make $200,000 available to such State.

[(b) ADDITIONAL STATE ALLOCATIONS FOR SCHOOL IMPROVEMENT.—From the amount appropriated under section 1002(f) for any fiscal year, each State shall be eligible to receive an amount that bears the same ratio to the amount appropriated as the amount allocated to the State under this part (other than section 1120(e)) bears to the total amount allocated to all States under this part (other than section 1120(e)).]

SEC. 1001. STATEMENT OF PURPOSE.

The purpose of this title is to enable schools to provide opportunities for children served under this title to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State student performance standards developed for all children. This purpose should be accomplished by—

(1) ensuring high standards for all children and aligning the efforts of States, local educational agencies, and schools to help children served under this title to reach such standards;

(2) providing children an enriched and accelerated educational program, including the use of schoolwide programs or additional services that increase the amount and quality of instructional time so that children served under this title receive at least the classroom instruction that other children receive;

(3) promoting schoolwide reform and ensuring access of children (from the earliest grades, including prekindergarten) to effective instructional strategies and challenging academic content that includes intensive complex thinking and problem-solving experiences;

(4) significantly elevating the quality of instruction by providing staff in participating schools with substantial opportunities for professional development;

(5) coordinating services under all parts of this title with each other, with other educational services, and to the extent feasible, with other agencies providing services to youth, children, and families that are funded from other sources;

(6) affording parents substantial and meaningful opportunities to participate in the education of their children at home and at school;

(7) distributing resources in amounts sufficient to make a difference to local educational agencies and schools where needs are greatest;

(8) improving and strengthening accountability, teaching, and learning by using State assessment systems designed to measure how well children served under this title are achieving challenging State student performance standards expected of all children; and

(9) providing greater decisionmaking authority and flexibility to schools and teachers in exchange for greater responsibility for student performance.

SEC. 1002. AUTHORIZATION OF APPROPRIATIONS.

(a) LOCAL EDUCATIONAL AGENCY GRANTS.—For the purpose of carrying out part A, other than section 1120(e), there are authorized to be appropriated $15,000,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) READING FIRST.—

(1) EVEN START.—For the purpose of carrying out subpart 1 of part B, there are authorized to be appropriated $250,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(2) READING FIRST.—For the purpose of carrying out subpart 2 of part B, there are authorized to be appropriated $900,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(3) EARLY READING FIRST.—For the purpose of carrying out subpart 3 of part B, there are authorized to be appropriated $75,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(c) EDUCATION OF MIGRATORY CHILDREN.—For the purpose of carrying out part C, there are authorized to be appropriated $400,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(d) PREVENTION AND INTERVENTION PROGRAMS FOR YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT RISK OF DROPPING OUT.—For the purpose of carrying out part D, there are authorized to be appropriated $50,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(e) CAPITAL EXPENSES.—For the purpose of carrying out section 1120(e), there are authorized to be appropriated $15,000,000 for fiscal year 2002, $15,000,000 for fiscal year 2003, and $5,000,000 for fiscal year 2004.

(f) FEDERAL ACTIVITIES.—

(1) SECTION 1501.—For the purpose of carrying out section 1501, there are authorized to be appropriated $10,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(2) SECTION 1502.—For the purpose of carrying out section 1502, there are authorized to be appropriated $25,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(g) 21ST CENTURY LEARNING CENTERS.—For the purpose of carrying out part F, there are authorized to be appropriated $1,500,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(h) COMPREHENSIVE SCHOOL REFORM.—For the purpose of carrying out part G, there are authorized to be appropriated $250,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(i) SCHOOL DROPOUT PREVENTION.—For the purpose of carrying out part H, there are authorized to be appropriated $250,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years, of which—

(1) 10 percent shall be available to carry out subpart 1 of part H for each fiscal year; and

(2) 90 percent shall be available to carry out subpart 2 of part H for each fiscal year.

SEC. 1003. RESERVATION FOR SCHOOL IMPROVEMENT.

(a) STATE RESERVATION.—Each State educational agency shall reserve 3.5 percent of the amount the State educational agency receives under subpart 2 of part A for each of the fiscal years 2002 and 2003, and 5 percent of that amount for each of the fiscal years 2004 through 2008, to carry out subsection (b) and to carry out the State educational agency's responsibilities under sections 1116 and 1117, including carrying out the State educational agency's statewide system of technical assistance and support for local educational agencies.

(b) USES.—Of the amount reserved under subsection (a) for any fiscal year, the State educational agency shall make available not less than 50 percent of that amount directly to local educational agencies for schools identified for school improvement, corrective action, or reconstitution under section 1116(c).

PART A—IMPROVING BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

Subpart 1—Basic Program Requirements

SEC. 1111. [20 U.S.C. 6311] STATE PLANS.

[(a) PLANS REQUIRED.—

[(1) IN GENERAL.—Any State desiring to receive a grant under this part shall submit to the Secretary a plan, developed in consultation with local educational agencies, teachers, pupil services personnel, administrators, other staff, and parents, that satisfies the requirements of this section and that is coordinated with other programs under this Act, the Goals 2000:

Educate America Act, and other Acts, as appropriate, consistent with section 14306.

[(2) CONSOLIDATION PLAN.—A State plan submitted under paragraph (1) may be submitted as part of a consolidation plan under section 143.02.

(b) STANDARDS AND ASSESSMENTS.—

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

[(B) If a State has State content standards or State student performance standards developed under title III of the Goals 2000: Educate America Act and an aligned set of assessments for all students developed under such title, or, if not developed under such title, adopted under another process, the State shall use such standards and assessments, modified, if necessary, to conform with the requirements of subparagraphs (A) and (D) of this paragraph, and paragraphs (2) and (3).

[(C) If a State has not adopted State content standards and State student performance standards for all students, the State plan shall include a strategy and schedule for developing State content standards and State student performance standards for elementary and secondary school children served under this part in subjects as determined by the State, but including at least mathematics and reading or language arts by the end of the one-year period described in paragraph (6), which standards shall include the same knowledge, skills, and levels of performance expected of all children.

[(D) Standards under this paragraph shall include—

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

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

[(II) contain coherent and rigorous content; and

[(III) encourage the teaching of advanced skills;

[(ii) challenging students performance standards that—

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

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

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

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

knowledge and skills and held to the same expectations as are all children.

[(2) YEARLY PROGRESS.—

[(A) Each State plan shall demonstrate, based on assessments described under paragraph (3), what constitutes adequate yearly progress of—

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

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

[(B) Adequate yearly progress shall be defined in a manner—

[(i) that is consistent with guidelines established by the Secretary that result in continuous and substantial yearly improvement of each local educational agency and school sufficient to achieve the goal of all children served under this part meeting the State's proficient and advanced levels of performance, particularly economically disadvantaged and limited English proficient children; and

[(ii) that links progress primarily to performance on the assessments carried out under this section while permitting progress to be established in part through the use of other measures.

[(3) ASSESSMENTS.—Each State plan shall demonstrate that the State has developed or adopted a set of high-quality, yearly student assessments, including assessments in at least mathematics and reading or language arts, that will be used as the primary means of determining the yearly performance of each local educational agency and school served under this part in enabling all children served under this part to meet the State's student performing standards. Such assessments shall—

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

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

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

[(D) measures the proficiency of students in the academic subjects in which a State has adopted challenging content and student performance standards and be administered at some time during—

[(i) grades 3 through 5;

[(ii) grades 6 through 9; and

[(iii) grades 10 through 12;

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

[(F) provide for—

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

[(ii) the reasonable adaptations and accommodations for students with diverse learning needs, necessary to measure the achievement of such students relative to State content standards; and

[(iii) the inclusion of limited English proficient students who shall be assessed, to the extent practicable, in the language and form most likely to yield accurate and reliable information on what such students know and can do, to determine such students' mastery of skills in subjects other than English;

[(G) include students who have attended schools in a local educational agency for a full academic year but have not attended a single school for a full academic year, however the performance of students who have attended more than one school in the local educational agency in any academic year shall be used only in determining the progress of the local educational agency;

[(H) provide individual student interpretive and descriptive reports, which shall include scores, or other information on the attainment of student performance standards; and

[(I) enable results to be disaggregated within each State, local educational agency, and school by gender, by each major racial and ethnic group, by English proficiency status, by migrant status, by students with disabilities as compared to nondisabled students, and by economically disadvantaged students are compared to students who are not economically disadvantaged.

[(4) SPECIAL RULE.—Assessment measures that do not meet the requirements of paragraph (3)(C) may be included as one of the multiple measures, if a State includes in the State plan information regarding the State's efforts to validate such measures.

[(5) LANGUAGE ASSESSMENTS.—Each State plan shall identify the languages other than English that are present in the participating student population and indicate the languages for which yearly student assessments are not available and are needed. The State shall make every effort to develop such assessments and may request assistance from the Secretary if linguistically accessible assessment measures are needed. Upon request, the Secretary shall assist with the identification of appropriate assessment measures in the needed languages through the Office of Bilingual Education and Minority Languages Affairs.

[(6) STANDARD AND ASSESSMENT DEVELOPMENT.—(A) A State that does not have challenging State content standards and challenging State student performance standards, in at least mathematics and reading or language arts, shall develop such

standards within one year of receiving funds under this part after the first fiscal year for which such State receives such funds after the date of enactment of the Improving America's Schools Act of 1994.

[(B) A state that does not have assessments that meet the requirements of paragraph (3) in at least mathematics and reading or language arts shall develop and test such assessments within four years (one year of which shall be used for field testing such assessment), of receiving funds under this part after the first fiscal year for which such State receives such funds after the date of enactment of the Improving America's Schools Act of 1994 and shall develop benchmarks of progress toward the development of such assessments that meet the requirements of paragraph (3), including periodic updates.

[(C) The Secretary may extend for one additional year the time for testing new assessments under subparagraph (B) upon the request of the State and the submission of a strategy to correct problems identified in the field testing of such new assessments.

[(D) If, after the one-year period described in subparagraph (A), a State does not have challenging State content and challenging student performance standards in at least mathematics and reading or language arts, a State shall adopt a set of standards in these subjects such as the standards and assessments contained in other State plans the Secretary has approved.

[(E) If, after the four-year period described in subparagraph (B), a State does not have assessments, in at least mathematics and reading or language arts, that meet the requirement of paragraph (3), and is denied an extension under subparagraph (C), a State shall adopt an assessment that meets the requirement of paragraph (3) such as one contained in other State plans the Secretary has approved.

[(7) TRANSITIONAL ASSESSMENTS.—(A) If a State does not have assessments that meet the requirements of paragraph (3) and proposes to develop such assessments under paragraph (6)(B), the State may propose to use a transitional set of yearly statewide assessments that will assess the performance of complex skills and challenging subject matter.

[(B) For any year in which a State uses transitional assessments, the State shall devise a procedure for identifying local educational agencies under paragraphs (3) and (7) of section 116(d), and schools under paragraphs (1) and (7) of section 116(c), that rely on accurate information about the academic progress of each such local educational agency and school.

[(8) REQUIREMENT.—Each State plan shall describe—

[(A) how the State educational agency will help each local educational agency and school affected by the State plan develop the capacity to comply with each of the requirements of sections 1112(c)(1)(D), 1114(b), and 1115(c) that is applicable to such agency or schools; and

[(B) such other factors the State deems appropriate to provide students an opportunity to achieve the knowledge

and skills described in the challenging content standards adopted by the State.

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

[(1)(A) the State educational agency will implement a system to school support teams under section 1117(c), including provision of necessary professional development for those teams;

[(B) the State educational agency will work with other agencies, including educational service agencies or other local consortia, and institutions to provide technical assistance to local educational agencies and schools to carry out the State educational agency's responsibilities under this part, including technical assistance in providing professional development under section 1119 and technical assistance under section 1117; and

[(C)(i) where educational service agencies exist, the State educational agency will consider providing professional development and technical assistance through such agencies; and

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

[(2) the State educational agency will notify local educational agencies and the public of the standards and assessments developed under this section, and of the authority to operate schoolwide programs, and will fulfill the State educational agency improvement and school improvement under section 1116, including such corrective actions as are necessary;

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

[(4) the State educational agency will encourage the use of funds from other Federal, State, and local sources for schoolwide reform in schoolwide programs under section 114;

[(5) the Committee of Practitioners established under section 1603(b) will be substantially involved in the development of the plan and will continue to be involved in monitoring the plan's implementation by the State; and

[(6) the State will coordinate activities funded under this part with school-to-work, vocational education, cooperative education and mentoring programs, and apprenticeship programs involving business, labor, and industry, as appropriate.

(d) PEER REVIEW AND SECRETARIAL APPROVAL.—

[(1) IN GENERAL.—The Secretary shall—

[(A) establish a peer review process to assist in the review and recommendations for revision of State plans;

[(B) appoint individuals to the peer review process who are representative of State educational agencies, local educational agencies, teachers, and parents;

[(C) following an initial peer review, approve a State plan the Secretary determines meets the requirements of subsections (a), (b), and (c);

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

[(E) not decline to approve a State's plan before—

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

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

[(iii) providing a hearing; and

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

[(2) WITHHOLDING.—The Secretary may withhold funds for State administration and activities under section 1117 until the Secretary determines that the State plan meets the requirements of this section.

(e) DURATION OF THE PLAN.—

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

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

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

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

[(f) LIMITATION ON CONDITIONS.—Nothing in this part shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific instructional content or student performance standards and assessments, curriculum, or program of instruction, as a condition of eligibility to receive funds under this part.

[(g) SPECIAL RULE.—If the aggregate State expenditure by a State educational agency for the operation of elementary and secondary education programs in the State is less than such agency's aggregate Federal expenditure for the State operation of all Federal elementary and secondary education programs, then the State plan shall include assurances and specific provisions that such State will provide State expenditures for the operation of elementary and secondary education programs equal to or exceeding the level of Federal expenditures for such operation by October 1, 1998.]

SEC. 1111. STATE PLANS.

(a) PLANS REQUIRED.—

(1) IN GENERAL.—Any State desiring to receive a grant under this part shall submit to the Secretary, by March 1, 2002, a plan that satisfies the requirements of this section and that is coordinated with other programs under this Act, the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Adult Education and Family Literacy Act, and the Head Start Act.

(2) CONSOLIDATION PLAN.—A State plan submitted under paragraph (1) may be submitted as part of a consolidation plan under section 5506.

(b) STANDARDS, ASSESSMENTS, AND ACCOUNTABILITY.—

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

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

(C) The State shall have the standards described in subparagraph (A) for all public elementary school and secondary school children served under this part in subjects determined by the State, but including at least mathematics, reading or language arts, history, and science, which shall include the same knowledge skills, and levels of achievement expected of all children, except that no State shall be required to meet the requirements under this part relating to history or science standards until the beginning of the 2005–2006 school year.

(D) Standards under this paragraph shall include—

(i) challenging content standards in academic subjects that—

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

(II) contain coherent and rigorous content; and

(III) encourage the teaching of advanced skills; and

(ii) challenging student performance standards that—

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

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

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

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

knowledge and skills and held to the same expectations as are all children.

(2) ACCOUNTABILITY.—(A) Each State plan shall demonstrate that the State has developed and is implementing a single, statewide State accountability system that has been or will be effective in ensuring that all local educational agencies, elementary schools, and secondary schools make adequate yearly progress as defined under subparagraph (B). Each State accountability system shall—

(i) be based on the standards and assessments adopted under paragraphs (1) and (3) and take into account the performance of all students;

(ii) be used for all schools or all local educational agencies in the State, except that schools and local educational agencies not participating under this part are not subject to the requirements of section 1116(c);

(iii) include performance indicators for local educational agencies and schools to measure student performance consistent with subparagraph (B); and

(iv) include sanctions and rewards, such as bonuses or recognition, the State will use to hold local educational agencies and schools accountable for student achievement and performance and for ensuring that the agencies and schools make adequate yearly progress in accordance with the State's definition under subparagraph (B).

(B) Each State plan shall demonstrate, based on assessments described in paragraph (3), what constitutes adequate yearly progress of the State, and of schools and local educational agencies in the State, toward enabling all students to meet the State's student performance standards. Adequate yearly progress shall be defined by the State in a manner that—

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

(ii) is statistically valid and reliable;

(iii) results in continuous and substantial academic improvement for all students;

(iv) measures the progress of schools and local educational agencies based primarily on the assessments described in paragraph (3);

(v) includes annual measurable objectives for continuing and significant improvement in—

(I) the achievement of all students; and

(II) the achievement of economically disadvantaged students, students with disabilities, students with limited English proficiency, migrant students, students by racial and ethnic group, and students by gender, except that such disaggregation shall not be required in any case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal individually identifiable information about an individual student;

(vi) includes a timeline for ensuring that each group of students described in clause (v) meets or exceeds the State's proficient level of performance on the State assessment used

for the purposes of this section and section 1116 within 10 years from the date of enactment of the Better Education for Students and Teachers Act; and

(vii) includes school completion or dropout rates and at least 1 other academic indicator, as determined by the States, except that inclusion of such indicators shall not decrease the number of schools or local educational agencies that would otherwise be subject to identification for improvement or corrective action if the discretionary indicators were not included.

(C) Each State shall ensure that in developing its plan, the State diligently seeks public comment from a range of institutions and individuals in the State with an interest in improved student achievement and performance, including parents, teachers, local educational agencies, pupil services personnel, administrators (including those described in other parts of this title), and other staff, and that the State will continue to make a substantial effort to ensure that information under this part is widely known and understood by the public, parents, teachers, and school administrators throughout the State. Such efforts shall include, at a minimum, publication of such information and explanatory text, broadly to the public through such means as the Internet, the media, and public agencies.

(D) If a State educational agency provides evidence, which is satisfactory to the Secretary, that neither the State educational agency nor any other State government official, agency, or entity has sufficient authority, under State law, to adopt curriculum content and student performance standards, and assessments aligned with such standards, which will be applicable to all students enrolled in the State's public schools, the State educational agency may meet the requirements of this subsection by—

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

(ii) adopting and implementing policies that ensure that each local educational agency in the State which receives a grant under this part will adopt curriculum content and student performance standards, and assessments aligned with such standards, which meet all of the criteria of this subsection.

(E) Each State plan shall describe the standard the State will use for judging statistically significant educational progress for purposes of implementing the reconstitution provisions contained in section 1116 and, in so doing, describe how the State will take into account issues such as the size of a school and the mobility of the students in a school.

(3) ASSESSMENTS.—Each State plan shall demonstrate that the State, in consultation with local educational agencies, has a system of high-quality, yearly student assessments in subjects that include, at a minimum, mathematics, reading or language arts, and science that will be used as the primary means of determining the yearly performance of each local educational

agency and school in enabling all children to meet the State's student performance standards, except that no State shall be required to meet the requirements of this part relating to science assessments until the beginning of the 2007–2008 school year. Such assessments shall—

(A) be the same assessments used to measure the performance of all children;

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

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

(D) measure the proficiency of students in the academic subjects in which a State has adopted challenging content and student performance standards and be administered not less than 1 or more times during—

(i) grades 3 through 5;

(ii) grades 6 through 9; and

(iii) grades 10 through 12;

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

(F) beginning not later than school year 2005–2006, measure the annual performance of students against the challenging State content and student performance standards in grades 3 through 8 in at least mathematics and reading or language arts, except that—

(i) the Secretary may provide the State 1 additional year if the State demonstrates that exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the local educational agency or school, prevented full implementation of the assessments by that deadline and that the State will complete the implementation within the additional 1-year period; and

(ii) a State shall not be required to conduct any assessments under this subparagraph, that were not required on the day preceding the date of enactment of the Better Education for Students and Teachers Act, in any school year, if the amount made available to the State under section 6403(a) for use in that school year for such assessments is less than 50 percent of the costs of administering such assessments by the State in the previous school year, or if such assessments were not administered in the previous school year (in accordance with this clause), in the most recent school year in which such assessments were administered;

(G) provide for—

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

(ii) the reasonable adaptations and accommodations for students with disabilities defined under section

602(3) of the Individuals with Disabilities Education Act necessary to measure the achievement of such students relative to State content and State student performance standards;

(iii) the inclusion of limited English proficient students who shall be assessed, to the extent practicable, in the language and form most likely to yield accurate and reliable information on what such students know and can do in content areas; and

(iv) notwithstanding clause (iii), the assessment (using tests written in English) of reading or language arts of any student who has attended school in the United States (excluding the Commonwealth of Puerto Rico) for 3 or more consecutive school years, except that—

(I) if the local educational agency determines, on a case-by-case individual basis, that assessments in another language and form would likely yield more accurate and reliable information on what such student knows and can do, the local educational agency may assess such student in the appropriate language other than English for 1 additional year; or

(II) in extraordinary situations, if the local educational agency determines, on a case-by-case individual basis, that assessments in another language and form would likely yield more accurate and reliable information, the local educational agency may assess such student in the appropriate language for additional years;

(H) include students who have attended schools in a local educational agency for a full academic year but have not attended a single school for a full academic year, except that the performance of students who have attended more than 1 school in the local educational agency in any academic year shall be used only in determining the progress of the local educational agency;

(I) produce individual student interpretive and descriptive reports to be provided to parents of all students, which shall include scores, or other information on the attainment of student performance standards, such as measures of student course work over time, student attendance rates, student dropout rates, and student participation in advanced level courses; and

(J) enable results to be disaggregated within each State, local educational agency, and school by gender, by racial and ethnic group, by English proficiency status, by migrant status, by students with disabilities as compared to nondisabled students, and by economically disadvantaged students as compared to students who are not economically disadvantaged, except that in the case of a local educational agency or a school such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable infor-

mation or the results would reveal individually identifiable information about an individual student.

(4) SPECIAL RULES.—(A) Additional measures that do not meet the requirements of paragraph (3)(C) may be included in the assessments if a State includes in the State plan information regarding the State's efforts to validate such measures.

(B) States may measure the proficiency of students in the academic subjects in which a State has adopted challenging content and student performance standards 1 or more times during grades kindergarten through 2.

(5) LANGUAGE ASSESSMENTS.—Each State plan shall identify the languages other than English that are present in the participating student population and indicate the languages for which yearly student assessments are not available and are needed. The State shall make every effort to develop such assessments and may request assistance from the Secretary if linguistically accessible assessment measures are needed. Upon request, the Secretary shall assist with the identification of appropriate assessment measures in the needed languages but shall not mandate a specific assessment or mode of instruction.

(6) REQUIREMENT.—Each State plan shall describe—

(A) how the State educational agency will help each local educational agency and school affected by the State plan to develop the capacity to comply with each of the requirements of sections 1112(c)(4), 1114(b), and 1115(c) that is applicable to such agency or school; and

(B) such other factors the State deems appropriate to provide students an opportunity to achieve the knowledge and skills described in the challenging content standards adopted by the State.

(7) ED-FLEX.—A State shall not be eligible for designation under the Ed-Flex Partnership Act of 1999 until the State develops assessments aligned with the State's content standards in at least mathematics and reading or language arts.

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

(1) the State will meet the requirements of subsection (i)(1) and, beginning with the 2002–2003 school year, will produce the annual State report cards described in such subsection;

(2) the State will, beginning in school year 2002–2003, participate in annual State assessments of 4th and 8th grade reading and mathematics under the National Assessment of Educational Progress carried out under section 411(b)(2) of the National Education Statistics Act of 1994 if the Secretary pays the costs of administering such assessments;

(3) the State educational agency will work with other agencies, including educational service agencies or other local consortia, and institutions to provide technical assistance to local educational agencies and schools to carry out the State educational agency's responsibilities under this part, including technical assistance in providing professional development under section 1119, technical assistance under section 1117, and parental involvement under section 1118;

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

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

(5) the State educational agency will notify local educational agencies and the public of the content and student performance standards and assessments developed under this section, and of the authority to operate schoolwide programs, and will fulfill the State educational agency's responsibilities regarding local educational agency improvement and school improvement under section 1116, including such corrective actions as are necessary;

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

(7) the State educational agency will inform the Secretary and the public of how Federal laws, if at all, hinder the ability of States to hold local educational agencies and schools accountable for student academic performance;

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

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

(10) the State educational agency has involved the committee of practitioners established under section 1903(b) in developing the plan and monitoring its implementation;

(11) the State educational agency will inform local educational agencies of the local educational agency's authority to obtain waivers under subpart 3 of part B of title V and, if the State is an Ed-Flex Partnership State, waivers under the Education Flexibility Partnership Act of 1999; and

(12) the State will coordinate activities funded under this part with other Federal activities as appropriate.

(d) PARENTAL INVOLVEMENT.—Each State plan shall describe how the State will support the collection and dissemination to local educational agencies and schools of effective parental involvement practices. Such practices shall—

(1) be based on the most current research on effective parental involvement that fosters achievement to high standards for all children; and

(2) be geared toward lowering barriers to greater participation in school planning, review, and improvement experienced by parents.

(e) PEER REVIEW AND SECRETARIAL APPROVAL.—

(1) SECRETARIAL DUTIES.—The Secretary shall—

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

(B) appoint individuals to the peer review process who are representative of parents, teachers, State educational agencies, local educational agencies, and who are familiar with educational standards, assessments, accountability, and other diverse educational needs of students;

(C) approve a State plan within 120 days of its submission unless the Secretary determines that the plan does not meet the requirements of this section;

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

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

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

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

(iii) providing a hearing; and

(F) have the authority to disapprove a State plan for not meeting the requirements of this part, but shall not have the authority to require a State, as a condition of approval of the State plan, to include in, or delete from, such plan 1 or more specific elements of the State's content standards or to use specific assessment instruments or items.

(2) STATE REVISIONS.—States shall revise their plans if necessary to satisfy the requirements of this section.

(f) PROVISION OF TESTING RESULTS TO PARENTS AND TEACHERS.—Each State plan shall demonstrate how the State educational agency will assist local educational agencies in assuring that results from the assessments required under this section will be provided to parents and teachers as soon as is practicably possible after the test is taken, in a manner and form that is understandable and easily accessible to parents and teachers.

(g) DURATION OF THE PLAN.—

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

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

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

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

(h) LIMITATION ON CONDITIONS.—Nothing in this part shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific instructional content or student performance standards and assessments, curriculum, or program of instruction, as a condition of eligibility to receive funds under this part.

(i) PENALTY.—If a State fails to meet the statutory deadlines for demonstrating that it has in place challenging content standards and student performance standards, and a system for measuring and monitoring adequate yearly progress, the Secretary shall withhold funds for State administration and activities under section 1117 until the Secretary determines that the State plan meets the requirements of this section.

(j) REPORTS.—

(1) ANNUAL STATE REPORT CARD.—

(A) IN GENERAL.—Not later than the beginning of the 2002–2003 school year, a State that receives assistance under this Act shall prepare and disseminate an annual State report card.

(B) IMPLEMENTATION.—The State report card shall be—

(i) concise; and

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

(C) PUBLIC DISSEMINATION.—The State shall widely disseminate the information described in subparagraph (D) to all schools and local educational agencies in the State and make the information broadly available through public means, such as posting on the Internet, distribution to the media, and distribution through public agencies.

(D) REQUIRED INFORMATION.—The State shall include in its annual State report card—

(i) information, in the aggregate, on student achievement and performance at each proficiency level on the State assessments described in subsection (b)(3)(F) (disaggregated by race, ethnicity, gender, disability status, migrant status, English proficiency, and socioeconomic status);

(ii) the percentage of students not tested (disaggregated by the same categories described in clause (i));

(iii) such other information (such as dropout, graduation, and school attendance rates, completion of advanced placement courses, professional qualifications of teachers, and average class size by grade level) as the State believes will best provide parents, students, and other members of the public with information on the progress of each of the State's public schools;

(iv) the number and names of each school identified for school improvement, including schools identified under section 1116(c); and

(v) information on the performance of local educational agencies in the State regarding making adequate yearly progress, including the number and percentage of schools in the State that did not make adequate yearly progress.

(2) ANNUAL LOCAL EDUCATIONAL AGENCY REPORT CARDS.—

(A) IN GENERAL.—Not later than the beginning of the 2002–2003 school year, a local educational agency that re-

ceives assistance under this Act shall prepare and disseminate an annual local educational agency report card.

(B) MINIMUM REQUIREMENTS.—The State shall ensure that each local educational agency collects appropriate data and includes in the local educational agency's annual report the information described in paragraph (1)(D) as applied to the local educational agency and each school served by the local educational agency, and—

(i) in the case of a local educational agency—

(I) the number and percentage of schools identified for school improvement and how long they have been so identified, including schools identified under section 1116(c); and

(II) information that shows how students served by the local educational agency perform on the statewide assessment compared to students in the State as a whole; and

(ii) in the case of a school—

(I) whether the school has been identified for school improvement; and

(II) information that shows how the school's students performed on the statewide assessment compared to students in the local educational agency and the State as a whole.

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

(D) DATA.—A local educational agency or school shall only include in its annual local educational agency report card data that is sufficient to yield statistically reliable information, as determined by the State, and does not reveal individually identifiable information about an individual student.

(E) PUBLIC DISSEMINATION.—The local educational agency shall, not later than the beginning of the 2002–2003 school year, publicly disseminate the information described in this paragraph to all schools in the school district and to all parents of students attending those schools, and make the information broadly available through public means, such as posting on the Internet, distribution to the media, and distribution through public agencies, except that if a local educational agency issues a report card for all students, the local educational agency may include the information under this section as part of such report.

(3) PREEXISTING REPORT CARDS.—A State or local educational agency that was providing public report cards on the performance of students, schools, local educational agencies, or the State, may continue to use those reports for the purpose of this subsection, if such report is modified, as may be necessary, to contain the information required by this subsection.

(4) ANNUAL STATE REPORT TO THE SECRETARY.—Each State receiving assistance under this Act shall report annually to the Secretary, and make widely available within the State—

(A) beginning with school year 2001–2002, information on the State's progress in developing and implementing the assessments described in subsection (b)(3);

(B) beginning not later than school year 2004–2005, information on the achievement of students on the assessments required by that section, including the disaggregated results for the categories of students identified in subsection (b)(2)(B)(v)(II);

(C) the number and names of each school identified for school improvement, including schools identified under section 1116(c), the reason why each school was so identified, and the measures taken to address the performance problems of such schools; and

(D) in any year before the State begins to provide the information described in subparagraph (B), information on the results of student assessments (including disaggregated results) required under this section.

(5) PARENTS RIGHT-TO-KNOW.—

(A) QUALIFICATIONS.—A local educational agency that receives funds under this part shall provide and notify the parents of each student attending any school receiving funds under this part that the parents may request, and will be provided on request, information regarding the professional qualifications of the student's classroom teachers, including, at a minimum, the following:

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

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

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

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

(B) ADDITIONAL INFORMATION.—A school that receives funds under this part shall provide to parents information on the level of performance, of the individual student for whom they are the parent, in each of the State assessments as required under this part.

(C) FORMAT.—The notice and information provided to parents shall be in an understandable and uniform format.

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

(l) TECHNICAL ASSISTANCE.—The Secretary shall provide a State educational agency, at the State educational agency's request, technical assistance in meeting the requirements of this section, including the provision of advice by experts in the development of high-quality assessments and other relevant areas.

SEC. 1112. [20 U.S.C. 6312] LOCAL EDUCATIONAL AGENCY PLANS.

(a) PLANS REQUIRED.—

(1) SUBGRANTS.—A local educational agency may receive a subgrant under this part for any fiscal year only if such agency has on file with the State educational agency a plan, approved by the State educational agency, that is coordinated with other programs under this Act, [the Goals 2000: Educate America Act, and other Acts, as appropriate, as specified in section 14306.] *the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Head Start Act, and other Acts, as appropriate*

(2) CONSOLIDATED APPLICATION.—The plan may be submitted as part of a consolidated application under section [14304] *5504*.

(b) PLAN PROVISIONS.—Each local educational agency plan shall include—

* * * * * * *

(B) assist in diagnosis, teaching, and learning in the classroom in ways that best enable children served under this part to meet State standards and do well in the local curriculum; [and]

(C) determine what revisions are needed to projects under this part so that such children will meet the State's student performance standards; *and*

(D) determine the literacy levels of first graders and their needs for interventions, including a description of how the agency will ensure that any such assements—

(i) are developmentally appropriate;

(ii) use multiple measures to provide information about the variety of skills that research has identified as leading to early reading; and

(iii) are administered to students in the language most likely to yield valid results;

* * * * * * *

(3) a description of the strategy the local educational agency will use to provide professional development for teachers, and, where appropriate, pupil services personnel, administrators, parents and other staff, including local educational agency level staff in accordance with section 1119*, which strategy shall be coordinated with activities under title II if the local educational agency receives funds under title II*;

* * * * * * *

(A) Even Start, Head Start, and other preschool programs, including plans for the transition of participants in such programs to local elementary school [programs, vocational,] *programs and vocational* education programs[, and school-to-work transition programs]; and

(B) services for children with limited English proficiency or with disabilities, migratory children [served under part C or who were formerly eligible for services under part C in the two-year period preceding the date of the enactment of the Improving America's School Act of 1994], neglected or delinquent youth and youth at risk of dropping out

[served under part D], homeless children, and immigrant children in order to increase program effectiveness, eliminate duplication, and reduce fragmentation of the instructional program;

* * * * * * *

[(9) where appropriate, description of how the local educational agency will use funds under this part to support preschool programs for children, particularly children participating in a Head Start or Even Start program, which services may be provided directly by the local educational agency or through a subcontract with the local Head Start agency designated by the Secretary of Health and Human Services under section 641 of the Head Start Act, agencies operating Even Start programs, or another comparable public early childhood development program.]

(9) where appropriate, a description of how the local educational agency will use funds under this part to support early childhood education programs under section 1120B; and

(10) a description of the strategy the local educational agency will use to implement effective parental involvement under section 1118.

[(c) ASSURANCES.—

[(1) IN GENERAL.—Each local educational agency plan shall provide assurances that the local educational agency will—

[(A) inform eligible schools and parents of schoolwide project authority;

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

[(C) work in consultation with schools as the schools develop the schools' plans pursuant to section 1114 and assist schools as the schools implement such plans or undertake activities pursuant to section 1115 so that each school can make adequate yearly progress toward meeting the State content standards and State student performance standards;

[(D) fulfill such agency's school improvement responsibilities under section 1116, including taking corrective actions under section 1116(c)(4);

[(E) coordinate and collaborate, to the extent feasible and necessary as determined by the local educational agency, with other agencies providing services to children, youth, and families, including health and social services;

[(F) provide services to eligible children attending private elementary and secondary schools in accordance with section 1120, and timely and meaningful consultation with private school officials regarding such services;

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

[(H) beginning in fiscal year 1997 and in the case that a local educational agency chooses to use funds under this part to provide early childhood development services to

low-income children below the age of compulsory school attendance, ensure that such services comply with the performance standards established under section 641A(a) of the Head Start Act or under section 651 of such Act, as such section 651 was in effect on the day preceding the date of enactment of the Human Services Amendments of 1994.

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

[(A) in fiscal year 1995, shall consult with the Secretary of Health and Human Services on the implementation of such subparagraph and shall establish procedures (taking into consideration existing State and local laws, and local teacher contracts) to assist local educational agencies to comply with such subparagraph; and

[(B) in fiscal year 1996, shall disseminate to local educational agencies the Head Start Performance Standards revised pursuant to section 641A(a) of the Head Start Act, and such agencies effected by such subparagraph shall plan for the implementation of such subparagraph (taking into consideration existing State and local laws, and local teacher contracts), including pursuing the availability of other Federal, State, and local funding sources to assist in compliance with such subparagraph.

[(3) INAPPLICABILITY.—The provisions of this subsection shall not apply to preschool programs using the Even Start model or to Even Start programs which are expanded through the use of funds under this part.]

(c) ASSURANCES.—Each local educational agency plan shall provide assurances that the local educational agency will—

(1) inform eligible schools and parents of schoolwide project authority;

(2) provide technical assistance and support to schoolwide programs;

(3) work in consultation with schools as the schools develop the schools' plans pursuant to section 1114 and assist schools as the schools implement such plans or undertake activities pursuant to section 1115 so that each school can make adequate yearly progress toward meeting the State content standards and State student performance standards;

(4) fulfill such agency's school improvement responsibilities under section 1116, including taking corrective actions under section 1116(c)(5);

(5) work in consultation with schools as the schools develop and implement their plans or activities under sections 1118 and 1119;

(6) coordinate and collaborate, to the extent feasible and necessary as determined by the local educational agency, with other agencies providing services to children, youth, and families, including health and social services;

(7) provide services to eligible children attending private elementary and secondary schools in accordance with section 1120, and timely and meaningful consultation with private school officials regarding such services;

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

(9) comply with the requirements of section 1119 regarding professional development;

(10) inform eligible schools of the local educational agency's authority to obtain waivers on the school's behalf under subpart 3 of part B of title V, and if the State is an Ed-Flex Partnership State, waivers under the Education Flexibility Partnership Act of 1999;

(11) ensure, through incentives for voluntary transfers, the provision of professional development, recruitment programs, or other effective strategies, that low-income students and minority students are not taught at higher rates than other students by unqualified, out-of-field, or inexperienced teachers;

(12) use the results of the student assessments required under section 1111(b)(3), and other measures or indicators available to the agency, to review annually the progress of each school served by the agency and receiving funds under this title to determine whether or not all of the schools are making the annual progress necessary to ensure that all students will meet the State's proficient level of performance on the State assessments described in section 1111(b)(3) within 10 years of the date of enactment of the Better Education for Students and Teachers Act;

(13) ensure that the results from the assessments required under section 1111 will be provided to parents and teachers as soon as is practicably possible after the test is taken, in a manner and form that is understandable and easily accessible to parents and teachers.

* * * * * * *

(e) STATE APPROVAL.—

(1) IN GENERAL.—Each local educational agency plan shall be filed according to a schedule established by the State educational agency**[**, except that a local educational agency shall have not more than one year after the date of enactment of the Improving America's Schools Act of 1994 to have such plan provisionally approved by the State educational agency and not more than two years after the date of enactment of such Act to have such plan finally approved by the State educational agency**]**.

* * * * * * *

(3) REVIEW.—The State educational agency shall review the local educational agency's plan to determine if such agency's **[**professional development**]** activities are in accordance with **[**section 1119**]** *sections 1118 and 1119*.

* * * * * * *

SEC. 1113. [20 U.S.C. 6313] ELIGIBLE SCHOOL ATTENDANCE AREAS.

(a) DETERMINATION.—

(1) IN GENERAL.—* * *

* * * * * * *

(B) use funds received under this part in a school that is not an eligible school attendance area, if the percentage of children from low-income families enrolled in the school is equal to or greater than the percentage of such children in a participating school attendance area of such agency; [and]

(C) elect not to serve an eligible school attendance area or eligible school that has a higher percentage of children from low-income families if—

(i) * * *

* * * * * * *

(iii) the funds expended from such other sources equal or exceed the amount that would be provided under this part[.]*; and*

(D) designate and serve a school attendance area or school that is not an eligible school attendance area under subsection (a)(2), but that was an eligible school attendance area and was served in the fiscal year preceding the fiscal year for which the determination is made, but only for 1 additional fiscal year.

* * * * * * *

SEC. 1114. [20 U.S.C. 6314] SCHOOLWIDE PROGRAMS.

(a) USE OF FUNDS FOR SCHOOLWIDE PROGRAMS.—

[(1) IN GENERAL.—A local educational agency may use funds under this part, in combination with other Federal, State, and local funds, in order to upgrade the entire educational program in a school described in subparagraph (A) or (B) if, for the initial year of the schoolwide program, the school meets either of the following criteria:

[(A) For the school year 1995–1996—

[(i) the school serves an eligible school attendance area in which not less than 60 percent of the children are from low-income families; or

[(ii) not less than 60 percent of the children enrolled in the school are from such families.

[(B) For the school year 1996–1997 and subsequent years—

[(i) the school serves an eligible school attendance area in which not less than 50 percent of the children are from low-income families; or

[(ii) not less than 50 percent of the children enrolled in the school are from such families.]

(1) IN GENERAL.—A local educational agency may use funds under this part, together with other Federal, State, and local funds, to upgrade the entire educational program of a school that serves an eligible school attendance area in which not less than 40 percent of the children are from low-income families, or not less than 40 percent of the children enrolled in the

school are from such families, for the initial year of the schoolwide program.

* * * * * * *

(4) [SPECIAL RULE.—*EXEMPTION FROM STATUTORY AND REGULATORY REQUIREMENTS.*—(A) Except as provided in subsection (b), the Secretary may through publication of a notice in the Federal Register, exempt schoolwide programs under this section from statutory or regulatory provisions of any other noncompetitive formula grant program administered by the Secretary, or any discretionary grant program administered by the Secretary (other than formula or discretionary grant programs under the Individuals with Disabilities Education Act), to support schoolwide programs, if the intent and purposes of such other programs are met.

* * * * * * *

(C) A school that chooses to use funds from such other programs under this section shall not be required to maintain separate fiscal accounting records, by program, that identify the specific activities supported by those particular funds as long as the school maintains records that demonstrate that the schoolwide program, considered as a whole, addresses the intent and purposes of each of the programs that were consolidated to support the schoolwide program.

(b) COMPONENTS OF A SCHOOLWIDE PROGRAM.—

(1) IN GENERAL.—* * *

* * * * * * *

(vii) are consistent with, and are designed to implement, the State and local improvement plans[, if any, approved under title III of the Goals 2000: Educate America Act].

* * * * * * *

(E) Strategies to increase parental involvement[, such as family literary services] *(including activities described in section 1118), such as family literacy services, in-school volunteer opportunities, or parent membership on school-based leadership or management teams.*

* * * * * * *

(2) PLAN.—(A) Any eligible school that desires to operate a schoolwide program shall first develop (or amend a plan for such a program that was in existence before the date of enactment of the [Improving America's Schools Act of 1994] *Better Education for Students and Teachers Act*), in consultation with the local educational agency and its school support team or other technical assistance provider under subsections (c)(1) and (e) of section 1117, a comprehensive plan for reforming the total instructional program in the school that—

* * * * * * *

(iv) describes how the school will provide individual student assessment results *in a language the family can understand*, including an interpretation of those results, to

the parents of a child who participates in the assessment required by section 1111(b)(3);

* * * * * * *

(C) The comprehensive plan shall be—

(i) developed during a one-year period, unless—

* * * * * * *

(II) the school is operating a schoolwide program on the day preceding the date of enactment of the [Improving America's Schools Act of 1999] *Better Education for Students and Teachers Act*, in which case such school may continue to operate such program, but shall develop a new plan during the first year of assistance under such Act to reflect the provisions of this section;

(v) where appropriate, developed in coordination with programs under [the School-to-Work Opportunities Act of 1994,] the Carl D. Perkins Vocational and Technical Education Act of 1998, and the National and Community Service Act of 1990.

* * * * * * *

SEC. 1115. [20 U.S.C. 6315] TARGETED ASSISTANCE SCHOOLS.

(a) IN GENERAL.—* * *

* * * * * * *

(ii) children who are not yet at a grade level where the local education agency provides a free public education[, yet are of an age at which such children can benefit from an organized instructional program provided in a school or other educational setting].

* * * * * * *

(B) A child who, at any time in the two years preceding the year for which the determination is made, participated in a Head Start or Even Start program, *or in early childhood education services under this title,* is eligible for services under this part.

(C)(i) A child who, at any time in the two years preceding the year for which the determination is made, received services under the program for youth who are neglected, delinquent, or at risk of dropping out [under part D (or its predecessor authority)] may be eligible for services under this part.

* * * * * * *

[(G) in accordance with subsection (e)(3) and section 1119, provide opportunities for professional development with resources provided under this part, and from other sources to the extent feasible, for administrators and for teachers and other school staff who work with participating children in programs under this section or in the regular education program; and]

(G) provide opportunities for professional development with resources provided under this part, and to the extent

practicable, from other sources, for teachers, principals, administrators, paraprofessionals, pupul services personnel, and parents, who work with participating children in programs under this section or in the regular education program; and

(H) provide strategies to increase parental involvement[, such as family literary services.] *(including activities described in section 1118), such as family literacy services, in-school volunteer opportunities, or parent membership on school-based leadership or management teams.*

* * * * * * *

SEC. 1115B. PUPIL SAFETY AND FAMILY SCHOOL CHOICE.

(a) IN GENERAL.—If a student is eligible to be served under section 1115(b), or attends a school eligible for a schoolwide program under section 1114, and—

(1) becomes a victim of a violent criminal offense while in or on the grounds of a public elementary school or secondary school that the student attends and that receives assistance under this part, then the local educational agency shall allow such student to transfer to another public school or public charter school in the same State as the school where the criminal offense occurred, that is selected by the student's parent unless allowing such transfer is prohibited—

(A) under the provisions of a State or local law; or

(B) by a local educational agency policy that is approved by a local school board; or

(2) the public school that the student attends and that receives assistance under this part has been designated as an unsafe public school, then the local educational agency may allow such student to transfer to another public school or public charter school in the same State as the school where the criminal offense occurred, that is selected by the student's parent.

(b) STATE EDUCATIONAL AGENCY DETERMINATIONS.—

(1) The State educational agency shall determine, based upon State law, what actions constitute a violent criminal offense for purposes of this section.

(2) The State educational agency shall determine which schools in the State are unsafe public schools.

(3) The term "unsafe public schools" means a public school that has serious crime, violence, illegal drug, and discipline problems, as indicated by conditions that may include high rates of—

(A) expulsions and suspensions of students from school;

(B) referrals of students to alternative schools for disciplinary reasons, to special programs or schools for delinquent youth, or to juvenile court;

(C) victimization of students or teachers by criminal acts, including robbery, assault and homicide;

(D) enrolled students who are under court supervision for past criminal behavior;

(E) possession, use, sale or distribution of illegal drugs;

(F) enrolled students who are attending school while under the influence of illegal drugs or alcohol;

(G) possession or use of guns or other weapons;

(H) participation in youth gangs; or

(I) crimes against property, such as theft or vandalism.

(c) TRANSPORTATION COSTS.—The local educational agency that serves the public school in which the violent criminal offense occurred or that serves the designated unsafe public school may use funds provided under this part to provide transportation services or to pay the reasonable costs of transportation for the student to attend the school selected by the student's parent.

(d) SPECIAL RULE.—Any school receiving assistance provided under this section shall comply with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and not discriminate on the basis of race, color, or national origin.

(e) PART B OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Nothing in this section shall be construed to affect the requirements of part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(f) MAXIMUM AMOUNT.—Notwithstanding any other provision of this section, the amount of assistance provided under this part for a student who elects a transfer under this section shall not exceed the per pupil expenditures for elementary or secondary school students as provided by the local educational agency that serves the school involved in the transfer.

[SEC, 116, [20 U.S.C. 6317] ASSESSMENT AND LOCAL EDUCATIONAL AGENCY AND SCHOOL IMPROVEMENT.

[(a) LOCAL REVIEW.—Each local educational agency receiving funds under this part shall—

[(1) use the State assessments described in the State plan;

[(2) use any additional measures or indicators described in the local educational agency's plant to review annually the progress of each school served under this part to determine whether the school is meeting, or making adequate progress as defined in section 1111(b)(2)(A)(i) toward enabling its students to meet the State's student performance standards described in the State plan;

[(3) publicize and disseminate to teachers and other staff, parents, students, and the community, the results of the annual review under paragraph (2) of all schools served under this part in individual school performance profiles that include statistically sound disaggregated results as required by section 1111(b)(3)(I); and

[(4) provide the results of the local annual review to schools so that the schools can continually refine the program of instruction to help all children served under this part in those schools meet the State's student performance standards.

[(b) DESIGNATION OF DISTINGUISHED SCHOOLS.—Each State educational agency and local educational agency receiving funds under this part shall designate distinguished schools in accordance with section 1117.

[(c) SCHOOL IMPROVEMENT.—

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

[(A) has been in program improvement under section 1020 of the Elementary and Secondary Education Act of 1965 (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994), for at least two consecutive school years prior to such day;

[(B) has not made adequate progress as defined in the State's plan under section 1111(b)(2)(A)(i) for two consecutive school years, except that—

[(i) this subparagraph shall not apply to a school if almost every student in such school is meeting the State's advanced level of performance; or

[(ii) in the case of a targeted assistance school, such school may be reviewed on the progress of only those students that have been or are served under this part; or

[(C) has failed to meet the criteria established by the State through the State's transitional procedure under section 1111(b)(7)(B) for two consecutive years.

[(2) REQUIREMENT.—(A) Each school identified under paragraph (1) shall—

[(i) in consultation with parents, the local educational agency, and the school support team, develop or revise a school plan in ways that have the greatest likelihood of improving the performance of participating children in meeting the State's student performance standards; and

[(ii) submit the plan or revised plan to the local educational agency for approval.

[(B) Before identifying a school for school improvement under paragraph (1), the local educational agency shall provide the school with an opportunity to review the school-level data, including assessment data, on which such identification is based. If the school believes that such identification for school improvement is in error for statistical or other substantive reasons, such school may provide evidence to the local educational agency to support such belief.

[(C) During the first year immediately following such identification, the school shall implement such school's plan or revised plan.

[(3) PROFESSIONAL DEVELOPMENT.—(A) Each school identified under paragraph (1) shall, as part of the school plan under paragraph (2), improve the skills of its staff by providing effective professional development activities. A school shall demonstrate such school's compliance with this paragraph by—

[(i) devoting to such activities, over two consecutive years, an amount equivalent to at least 10 percent of the funds received by the school under this part during one fiscal year; or

[(ii) otherwise demonstrating that such school is effectively carrying out professional development activities.

[(B) A school may use funds from any source to meet the requirements of this subsection.

[(C) Decisions about how to use the funds made available under this part which the school makes available for profes-

sional development shall be made by teachers, principals, and other school staff in that school.

[(4) TECHNICAL ASSISTANCE.—(A) For each school identified under paragraph (1), the local educational agency shall provide technical or other assistance as the school develops an implements such school's plan or revised plan, such as a joint plan between the local educational agency and school that addresses specific elements of student performance problems and that specifies school and local educational agency responsibilities under the plan, and waivers or modifications of requirements of local educational agency policy or regulation that impede the ability of the school to educate students.

[(B) Such technical assistance may be provided directly by the local educational agency, through mechanisms authorized under section 1117, or with the local educational agency's approval, by an institution of higher education, a private nonprofit organization, an educational service agency, a comprehensive regional assistance center under part A of title XIII, or other entities with experience in helping schools improve achievement.

[(5) CORRECTIVE ACTION.—(A) Except as provided in subparagraph (C), after providing technical assistance pursuant to paragraph (4) and taking other remediation measures, the local educational agency may take corrective action at any time against a school that has been identified under paragraph (1), but, during the third year following identification under paragraph (1), shall take such action against any school that still fails to make adequate progress.

[(B)(i) Corrective actions are those, consistent with State and local law, determined and made public and disseminated by the local educational agency, which may include—

[(I) withholding funds;

[(II) interagency collaborative agreements between the school and other public agencies to provide health, counseling, and other social services needed to remove barriers to learning;

[(III) revoking authority for a school to operate a schoolwide program;

[(IV) decreasing decisionmaking authority at the school level;

[(V) making alternative governance arrangements such as the creation of a public charter school;

[(VI) reconstituting the school staff; and

[(VII) authorizing students to transfer, including transportation costs, to other public schools served by the local educational agency.

[(ii) Notwithstanding clause (i), corrective actions taken pursuant to this part shall not include the actions described in subclause (I), (III), (IV), (VI), or (VII) of clause (i) until the State has developed assessments that meet the requirements of subparagraph (C) of section 1111(b)(3).

[(C) Prior to implementing any corrective action, the local educational agency may refrain from such corrective action for one additional year to the extent that the failure to make

progress can be attributed to extenuating circumstances as determined by the local educational agency.

[(D) A school that is no longer operating its schoolwide program due to a corrective action may not resume operation of such a program until the local educational agency determines that the school has adequately reformed its schoolwide program plan to enable the school to make adequate progress toward meeting the State's challenging student performance standards.

[(6) STATE EDUCATIONAL AGENCY RESPONSIBILITIES.—The State educational agency shall—

[(A) make technical assistance under section 1117 available to the schools farthest from meeting the State's challenging student performance standards, if requested by the school or local educational agency; and

[(B) if such agency determines that a local educational agency failed to carry out the local educational agency's responsibilities under paragraphs (4) and (5), take such corrective actions as the State educational agency deems appropriate and which are in compliance with State law.

[(7) SPECIAL RULE.—Schools that, for at least two of the three years following identification under paragraph (1), make adequate progress toward meeting the State's proficient and advanced levels of performance shall no longer need to be identified for school improvement.

[(d) STATE REVIEW AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.—

[(1) IN GENERAL.—A State educational agency shall—

[(A) annually review the progress of each local educational agency receiving funds under this part to determine whether schools receiving assistance under this part are making adequate progress as defined in section 1111(b)(2)(A)(ii) toward meeting the State's student performance standards; and

[(B) publicize and disseminate to local educational agencies, teachers and other staff, parents, students, and the community the results of the State review, including statistically sound disaggregated results, as required by section 1111(b)(3)(I).

[(2) REWARDS.—In the case of a local educational agency that for three consecutive years has met or exceeded the State's definition of adequate progress as defined in section 1111(b)(2)(A)(ii), the State may make institutional and individual rewards of the kinds described for individual schools in paragraph (2) of section 1117(c).

[(3) IDENTIFICATION.—(A) A State educational agency shall identify for improvement any local educational agency that—

[(i) for two consecutive years, is not making adequate progress as defined in section 1111(b)(2)(A)(ii) in schools served under this part toward meeting the State' student performance standards, except that schools served by the local educational agency that are operating targeted assistance programs may be reviewed on the basis of the progress of only those students served under this part; or

[(ii) has failed to meet the criteria established by the State through such State's transitional procedure under section 1111(b)(7)(B) for two consecutive years.

[(B) Before identifying a local educational agency for improvement under paragraph (1), the State educational agency shall provide the local educational agency with an opportunity to review the school-level data, including assessment data, on which such identification is based. If the local educational agency believes that such identification for improvement is in error due to statistical or other substantive reasons, such local educational agency may provide evidence to the State educational agency to support such belief.

[(4) LOCAL EDUCATIONAL AGENCY REVISIONS.—(A) Each local educational agency identified under paragraph (3) shall, in consultation with schools, parents, and educational experts, revise its local educational agency plan under section 1112 in ways that have the greatest likelihood of improving the performance of schools served by the local educational agency under this part in meeting the State's student performance standards.

[(B) Such revision shall include determining why the local educational agency's plan failed to bring about increased achievement.

[(5) STATE EDUCATIONAL AGENCY RESPONSIBILITY.—(A) For each local educational agency identified under paragraph (3), the State educational agency shall—

[(i) provide technical or other assistance, if requested, as authorized under section 1117, to better enable the local educational agency to—

[(I) develop and implement the local educational agency's revised plan; and

[(II) work with schools needing improvement; and

[(ii) make available to the local educational agencies farthest from meeting the State's standards, if requested, assistance under section 1117.

[(B) Technical or other assistance may be provided by the State educational agency directly, or by an institution of higher education, a private nonprofit organization, an educational service agency or other local consortium, a technical assistance center, or other entities with experience in assisting local educational agencies improve achievement, and may include—

[(i) interagency collaborative agreements between the local educational agency and other public agencies to provide health, pupil services, and other social services needed to remove barriers to learning; and

[(ii) waivers or modification of requirements of State law or regulation (in States in which such waivers are permitted) that impede the ability of a local educational agency to educate students.

[(6) CORRECTIVE ACTION.—(A) Except as provided in subparagraph (C), after providing technical assistance pursuant to paragraph (5) and taking other remediation measures, the State educational agency may take corrective action at any time against a local educational agency that has been identified under paragraph (3) but during the fourth year following

identification under paragraph (3), shall take such action against any local educational agency that still fails to make adequate progress.

[(B)(i) Corrective actions are those actions, consistent with State law, determined and made public and disseminated by the State educational agency, which may include—

[(I) the withholding of funds;

[(II) reconstitution of school district personnel;

[(III) removal of particular schools from the jurisdiction of the local educational agency and establishment of alternative arrangements for public governance and supervision of such schools;

[(IV) appointment by the State educational agency of a receiver or trustee to administer the affairs of the local educational agency in place of the superintendent and school board;

[(V) the abolition or restructuring of the local educational agency;

[(VI) the authorizing of students to transfer from a school operated by one local educational agency to a school operated by another local educational agency; and

[(VII) a joint plan between the State and the local educational agency that addresses specific elements of student performance problems and that specifies State and local responsibilities under the plan.

[(ii) Notwithstanding clause (i), corrective actions taken pursuant to this part shall not include the actions described in subclauses (I), (II), and (III) of clause (i) until the State has developed assessments that meet the requirements of paragraph (3)(C) of section 1111(b).

[(C) Prior to implementing any corrective action, the State educational agency shall provide due process and a hearing (if State law provides for such due process and a hearing) to any local educational agency identified under paragraph (3) and may refrain from such corrective action for one year after the four-year period described in subparagraph (A) to the extent that the failure to make progress can be attributed to such extenuating circumstances as determined by the State educational agency.

[(7) SPECIAL RULE.—Local educational agencies that for at least two of the three years following identification under paragraph (3) make adequate progress toward meeting the State's standards no longer need to be identified for local educational agency improvement.

[(e) CONSTRUCTION.—Nothing in this section shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded school or school district employees under Federal, State, or local laws (including applicable regulations or court orders) or under the terms of collective bargaining agreements, memoranda of understanding, or other agreements between such employees and their employers.]

SEC. 1116. ASSESSMENT AND LOCAL EDUCATIONAL AGENCY AND SCHOOL IMPROVEMENT.

(a) LOCAL REVIEW.—Each local educational agency receiving funds under this part shall—

(1) use the State assessments described in the State plan;

(2) use any additional measures or indicators described in the local educational agency's plan to review annually the progress of each school served under this part to determine whether the school is meeting, or making adequate progress as defined in section 1111(b)(2)(B) toward enabling its students to meet the State's student performance standards described in the State plan;

(3) provide the results of the local annual review to schools so that the schools can continually refine the program of instruction to help all children served under this part in those schools meet the State's student performance standards; and

(4) annually review the effectiveness of the actions and activities the schools are carrying out under this part with respect to parental involvement activities under section 1118, professional development activities under section 1119, and other activities assisted under this Act.

(b) DESIGNATION OF DISTINGUISHED SCHOOLS.—Each State educational agency and local educational agency receiving funds under this part shall designate distinguished schools in accordance with section 1117.

(c) SCHOOL IMPROVEMENT.—

(1) SCHOOL IMPROVEMENT.—(A) Subject to subparagraph (B), a local educational agency shall identify for school improvement any elementary school or secondary school served under this part that—

(i) fails, for any year, to make adequate yearly progress as defined in the State's plan under section 1111(b)(2)(B); or

(ii) was in school improvement status under this section on the day preceding the date of enactment of the Better Education for Students and Teachers Act.

(B) Subparagraph (A) shall not apply to a school if almost every student in such school is meeting the State's proficient level of performance.

(C) To determine if an elementary school or a secondary school that is conducting a targeted assistance program under section 1115 should be identified for school improvement under this subsection, a local educational agency may choose to review the progress of only the students in the school who are served, or are eligible for services, under this part.

(2) OPPORTUNITY TO REVIEW AND PRESENT EVIDENCE; TIME LIMIT.—(A) Before identifying an elementary school or a secondary school for school improvement under paragraph (1), for corrective action under paragraph (6), or for reconstitution under paragraph (7), the local educational agency shall provide the school with an opportunity to review the school-level data, including assessment data, on which such identification is based.

(B) If the principal of a school proposed for identification under paragraph (1), (6), or (7) believes that the proposed identification is in error for statistical or other substantive reasons, the principal may provide supporting evidence to the local educational agency, which shall consider that evidence before making a final determination.

(C) Not later than 30 days after a local educational agency makes an initial determination concerning identifying a school under paragraph (1), (6), or (7), the local educational agency shall make public a final determination on the status of the school.

(3) SCHOOL PLAN.—(A) Each school identified under paragraph (1) for school improvement shall, not later than 3 months after being so identified, develop or revise a school plan, in consultation with parents, school staff, the local educational agency serving the school, the local school board, and other outside experts, for approval by such local educational agency. The school plan shall cover a 2-year period and—

(i) incorporate scientifically based research strategies that strengthen the core academic subjects in the school and address the specific academic issues that caused the school to be identified for school improvement;

(ii) adopt policies and practices concerning the school's core academic subjects that have the greatest likelihood of ensuring that all groups of students specified in section 1111(b)(2)(B)(v)(II) and enrolled in the school will meet the State's proficient level of performance on the State assessment described in section 1111(b)(3) within 10 years after the date of enactment of the Better Education for Students and Teachers Act;

(iii) provide an assurance that the school will reserve not less than 10 percent of the funds made available to the school under this part for each fiscal year that the school is in school improvement status, for the purpose of providing to the school's teachers and principal high-quality professional development that—

(I) directly addresses the academic performance problem that caused the school to be identified for school improvement; and

(II) meets the requirements for professional development activities under section 1119;

(iv) specify how the funds described in clause (iii) will be used to remove the school from school improvement status;

(v) establish specific annual, objective goals for continuous and significant progress by each group of students specified in section 1111(b)(2)(B)(v)(II) and enrolled in the school that will ensure that all such groups of students will meet the State's proficient level of performance on the State assessment described in section 1111(b)(3) within 10 years after the date of enactment of the Better Education for Students and Teachers Act;

(vi) identify how the school will provide written notification about the identification to the parents of each student

enrolled in such school, in a format and, to the extent practicable, in a language the parents can understand;

(vii) specify the responsibilities of the school, the local educational agency, and the State educational agency serving the school under the plan, including the technical assistance to be provided by the local educational agency under paragraph (4); and

(viii) include strategies to promote effective parental involvement in the school.

(B) The local educational agency may condition approval of a school plan on inclusion of 1 or more of the corrective actions specified in paragraph (6)(D)(ii).

(C) A school shall implement the school plan (including a revised plan) expeditiously, but not later than the beginning of the school year following the school year in which the school was identified for school improvement.

(D) The local educational agency, within 45 days after receiving a school plan, shall—

(i) establish a peer-review process to assist with review of a school plan prepared by a school served by the local educational agency; and

(ii) promptly review the school plan, work with the school as necessary, and approve the school plan if the plan meets the requirements of this paragraph.

(4) TECHNICAL ASSISTANCE.—(A) For each school identified for school improvement under paragraph (1), the local educational agency serving the school shall provide technical assistance as the school develops and implements the school plan.

(B) Such technical assistance—

(i) shall include assistance in analyzing data from the assessments required under section 1111(b)(3), and other samples of student work, to identify and address instructional problems and solutions;

(ii) shall include assistance in identifying and implementing instructional strategies and methods that are tied to scientifically based research and that have proven effective in addressing the specific instructional issues that caused the school to be identified for school improvement;

(iii) shall include assistance in analyzing and revising the school's budget so that the school resources are more effectively allocated for the activities most likely to increase student performance and to remove the school from school improvement status; and

(iv) may be provided—

(I) by the local educational agency, through mechanisms authorized under section 1117; or

(II) by the State educational agency, an institution of higher education (in full compliance with all the reporting provisions of title II of the Higher Education Act of 1965), a private not-for-profit organization or for-profit organization, an educational service agency, or another entity with experience in helping schools improve performance.

(C) Technical assistance provided under this section by a local educational agency or an entity approved by that agency shall be based on scientifically based research.

(5) NOTIFICATION TO PARENTS.—A local educational agency shall promptly provide parents (in a format and, to the extent practicable, in a language they can understand) of each student in an elementary school or a secondary school identified for school improvement—

(A) an explanation of what the school improvement identification means, and how the school identified for school improvement compares in terms of academic performance to other elementary schools or secondary schools served by the local educational agency and the State educational agency involved;

(B) the reasons for the identification;

(C) an explanation of what the school identified for school improvement is doing to address the problem of low performance;

(D) an explanation of what the local educational agency or State educational agency is doing to help the school address the performance problem; and

(E) an explanation of how parents described in this paragraph can become involved in addressing the academic issues that caused the school to be identified for school improvement.

(6) CORRECTIVE ACTION.—(A) In this subsection, the term 'corrective action' means action, consistent with State and local law, that—

(i) substantially and directly responds to—

(I) the consistent academic failure of a school that caused the local educational agency to take such action; and

(II) any underlying staffing, curriculum, or other problem in the school; and

(ii) is designed to increase substantially the likelihood that students enrolled in the school identified for corrective action will perform at the State's proficient and advanced levels of performance on the State assessment described in section 1111(b)(3).

(B) In order to help students served under this part meet challenging State standards, each local educational agency shall implement a system of corrective action in accordance with subparagraphs (C) through (F) and paragraph (7).

(C) After providing technical assistance under paragraph (4), the local educational agency—

(i) may identify for corrective action and take corrective action with respect to any school served by the local educational agency under this part that fails to make adequate yearly progress, as defined by the State under section 1111(b)(2)(B), at the end of the first year after the school year in which the school was identified under paragraph (1);

(ii) shall identify for corrective action and take corrective action with respect to any school served by the local educational agency under this part that—

(I) fails to make adequate yearly progress, as defined by the State under section 1111(b)(2)(B), at the end of the second year after the school year in which the school was identified under paragraph (1); or

(II) was in program-improvement status for 2 years or in corrective-action status under this subsection on the day preceding the date of enactment of the Better Education for Students and Teachers Act;

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

(iv) shall promptly notify parents of the option to transfer their child to another public school under subparagraph (D)(i).

(D) In the case of a school described in subparagraph (C)(ii), the local educational agency shall—

(i) provide all students enrolled in the school with the option to transfer to another public school within the local educational agency, including a public charter school, that has not been identified for school improvement under paragraph (1), unless—

(I) such an option is prohibited by State law or local law (which includes a policy adopted by the school board); or

(II) the local educational agency demonstrates to the satisfaction of the State educational agency that the local educational agency lacks the capacity to provide that option to all students in the school who request it, in which case it shall permit as many students as possible (selected by the agency on an equitable basis) to make such a transfer; and

(ii) take at least 1 of the following corrective actions:

(I) Make alternative governance arrangements, such as reopening the school as a public charter school.

(II) Replace the relevant school staff.

(III) Institute and fully implement a new curriculum, including providing appropriate professional development for all relevant staff, that is tied to scientifically based research and offers substantial promise of improving educational performance for low-performing students.

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

(F) The local educational agency shall publish and disseminate information regarding any corrective action the local educational agency takes under this paragraph at a school—

(i) to the public and to the parents of each student enrolled in the school subject to corrective action;

(ii) in a format and, to the extent practicable, in a language that the parents can understand; and

(iii) through such means as the Internet, the media, and public agencies.

(7) RECONSTITUTION.—(A) If, after 1 additional year, a school subject to corrective action under paragraph (6) continues to fail to make adequate yearly progress and students in the school who are from economically disadvantaged families are not making statistically significant progress in the subjects included in the State's definition of adequate yearly progress, the local educational agency shall—

(i) provide all students enrolled in the school with the option to transfer to another public school within the local educational agency, including a public charter school, that has not been identified for school improvement under paragraph (1), including affording each such student the same right to attend any such school as is afforded to any child who is a new resident of that school's attendance area; and

(ii) prepare a plan and make necessary arrangements to carry out subparagraph (B).

(B) Not later than the beginning of the school year following the year in which the local educational agency implements subparagraph (A), the local educational agency shall implement 1 of the following alternative governance arrangements for the school:

(i) Reopening the school as a public charter school.

(ii) Replacing all or most of the school staff.

(iii) Making alternative governance arrangements.

(C) The local educational agency shall provide prompt notice to teachers and parents whenever subparagraph (A) or (B) applies, shall provide the teachers and parents adequate opportunity to comment before taking any action under those paragraphs and to participate in developing any plan under subparagraph (A)(ii), and shall provide parents an explanation of the option under subparagraph (A)(i).

(8) TRANSPORTATION.—In any case described in paragraph (6)(D)(i) or (7)(A)(i), the local educational agency shall provide, or shall pay for the provision of, transportation for the student to the school the child attends, provided that payments for such purpose do not exceed 15 percent of the local educational agency's allocation under this part.

(9) DURATION OF RECONSTITUTION.—If any school identified for reconstitution under paragraph (7) makes adequate yearly progress for 2 consecutive years and children in that school from economically disadvantaged families are making statistically significant educational progress over that 2-year period, then the local educational agency need no longer subject the school to corrective action or identify the school as in need of improvement.

(10) STATE EDUCATIONAL AGENCY RESPONSIBILITIES.—The State educational agency shall—

(A) make technical assistance under section 1117 available to all schools identified for school improvement and

corrective action under this subsection, to the extent possible with funds reserved under section 1003; and

(B) if the State educational agency determines that a local educational agency failed to carry out its responsibilities under this subsection, take such corrective actions as the State educational agency determines appropriate and in compliance with State law.

(d) STATE REVIEW AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.—

(1) IN GENERAL.—A State educational agency shall review annually—

(A) the progress of each local educational agency receiving funds under this part to determine whether schools receiving assistance under this part are making adequate progress as defined in section 1111(b)(2)(B) toward meeting the State's student performance standards and to determine whether each local educational agency is carrying out its responsibilities under section 1116 and section 1117; and

(B) the effectiveness of the activities carried out under this part by each local educational agency that receives funds under this part and is served by the State educational agency with respect to parental involvement, professional development, and other activities assisted under this part.

(2) REWARDS.—In the case of a local educational agency that for 3 consecutive years has met or exceeded the State's definition of adequate progress as defined in section 1111(b)(2)(B), the State may make institutional and individual rewards of the kinds described for individual schools in paragraph (2) of section 1117(c).

(3) IDENTIFICATION.—(A) A State educational agency shall identify for improvement any local educational agency that for 2 consecutive years, is not making adequate progress as defined in section 1111(b)(2)(B) in schools served under this part toward meeting the State's student performance standards, except that schools served by the local educational agency that are operating targeted assistance programs may be reviewed on the basis of the progress of only those students served under this part.

(B) Before identifying a local educational agency for improvement under paragraph (1), the State educational agency shall provide the local educational agency with an opportunity to review the school-level data, including assessment data, on which such identification is based. If the local educational agency believes that such identification for improvement is in error due to statistical or other substantive reasons, such local educational agency may provide evidence to the State educational agency to support such belief.

(4) LOCAL EDUCATIONAL AGENCY REVISIONS.—(A) Each local educational agency identified under paragraph (3) shall, not later than 3 months after being so identified, revise a local educational agency plan as described under section 1112. The plan shall—

(i) include specific State-determined yearly progress requirements in subjects and grades to ensure that all students will meet proficient levels of performance within 10 years;

(ii) address the fundamental teaching and learning needs in the schools of that agency, and the specific academic problems of low-performing students including a determination of why the local educational agency's prior plan failed to bring about increased student achievement and performance;

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

(iv) address the professional development needs of the instructional staff by committing to spend not less than 10 percent of the funds received by the school under this part during 1 fiscal year for professional development, which funds shall supplement and not supplant professional development that instructional staff would otherwise receive, and which professional development shall increase the content knowledge of teachers and build the capacity of the teachers to align classroom instruction with challenging content standards and to bring all students to proficient or advanced levels of performance as determined by the State;

(v) identify specific goals and objectives the local educational agency will undertake for making adequate yearly progress, which goals and objectives shall be consistent with State standards;

(vi) identify how the local educational agency will provide written notification to parents in a format, and to the extent practicable, in a language that the parents can understand;

(vii) specify the responsibilities of the State educational agency and the local educational agency under the plan; and

(viii) include strategies to promote effective parental involvement in the school.

(5) STATE EDUCATIONAL AGENCY RESPONSIBILITY.—(A) For each local educational agency identified under paragraph (3), the State educational agency shall—

(i) provide technical or other assistance, if requested, as authorized under section 1117, to better enable the local educational agency to—

(I) develop and implement the local educational agency's revised plan; and

(II) work with schools needing improvement; and

(ii) make available to the local educational agencies farthest from meeting the State's standards, if requested, assistance under section 1117.

(B) Technical assistance provided under this section by the State educational agency or an entity authorized by such agency shall be supported by effective methods and scientifically based research instructional strategies. Such technical assistance shall address problems, if any, in implementing the parental

involvement activities described in section 1118 and the professional development activities described in section 1119.

(6) CORRECTIVE ACTION.—(A) Except as provided in subparagraph (C), after providing technical assistance pursuant to paragraph (5) and taking other remediation measures, the State educational agency may take corrective action at any time against a local educational agency that has been identified under paragraph (3), but, during the fourth year following identification under paragraph (3), shall take such action against any local educational agency that still fails to make adequate progress.

(B)(i) Consistent with State and local law, in order to help students served under this part meet challenging State and local standards, each State educational agency shall implement a corrective action system in accordance with the following:

(I) After providing technical assistance as described under paragraph (5), the State educational agency—

(aa) may take corrective action at any time with respect to a local educational agency that has been identified under paragraph (3);

(bb) shall take corrective action with respect to any local educational agency that fails to make adequate yearly progress, as defined by the State; and

(cc) shall continue to provide technical assistance while implementing any corrective action.

(II) Consistent with State and local law, in the case of a local educational agency described under subclause (I), the State educational agency shall not take less than 1 of the following corrective actions:

(aa) Instituting and fully implementing a new curriculum that is based on State and local standards, including appropriate scientifically based research professional development for all relevant staff that offers substantial promise of improving educational achievement for low-performing students.

(bb) Restructuring the local educational agency.

(cc) Developing and implementing a joint plan between the State educational agency and the local educational agency that addresses specific elements of student performance problems and that specifies the responsibilities of the State educational agency and the local educational agency under the plan.

(dd) Reconstituting school district personnel.

(ee) Making alternative governance arrangements.

(III) Consistent with State and local law, in the case of a local educational agency described under subclause (I), the State educational agency may take 1 of the following corrective actions:

(aa) Deferring, reducing, or withholding funds.

(bb) Restructuring or abolishing the local educational agency.

(cc) Removal of particular schools from the jurisdiction of the local educational agency and establishment

of alternative arrangements for public governance and supervision of such schools.

(dd) Appointment by the State educational agency of a receiver or trustee to administer the affairs of the local educational agency in place of the superintendent and school board.

(ii) Notwithstanding clause (i), corrective actions taken pursuant to this section shall not include the actions described in subclauses (I), (II), and (III) of clause (i) until the State has developed assessments that meet the requirements of paragraph (3) of section 1111(b).

(C) HEARING.—Prior to implementing any corrective action, the State educational agency shall provide notice and a hearing to the affected local educational agency, if State law provides for such notice and hearing. The hearing shall take place not later than 45 days following the decision to implement corrective action.

(D) NOTIFICATION TO PARENTS.—The State educational agency shall publish, and disseminate to parents and the public, any corrective action the State educational agency takes under this paragraph through a widely read or distributed medium.

(E) DELAY.—A State educational agency may delay, for a period not to exceed 1 year, implementation of corrective action if—

(i) the State educational agency determines that the local educational agency is meeting the State-determined yearly progress requirements in subjects and grades included in the State assessments; and

(ii) the schools within the local educational agency will meet the State's criteria for improvement within 1 year.

(F) WAIVERS.—The State educational agency shall review any waivers approved prior to the date of enactment of the Better Education for Students and Teachers Act for a local educational agency designated for improvement or corrective action and shall terminate any waiver approved by the State under the Educational Flexibility Partnership Act of 1999 if the State determines, after notice and an opportunity for a hearing, that the waiver is not helping the local educational agency make yearly progress to meet the objectives and specific goals described in the local educational agency's improvement plan.

(7) SPECIAL RULE.—Local educational agencies that for at least 2 of the 3 years following identification under paragraph (3) make adequate progress toward meeting the State's standards no longer need to be identified for local educational agency improvement.

(e) CONSTRUCTION.—Nothing in this section shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded school or school district employees under Federal, State, or local laws (including applicable regulations or court orders) or under the terms of collective bargaining agreements, memoranda of understanding, or other agreements between such employees and their employers.

SEC. 117. [20 U.S.C. 6318] STATE ASSISTANCE FOR SCHOOL SUPPORT AND IMPROVEMENT.

(a) SYSTEM FOR SUPPORT.—

(1) STATE SUPPORT.—* * *

* * * * * * *

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

(A) first, provide support and assistance to local educational agencies subject to corrective action described in section 1116 and assist schools, in accordance with section 1116, for which a local educational agency has failed to carry out its responsibilities under section 1116;

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

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

* * * * * * *

(b) REGIONAL CENTERS.—Such a statewide system shall work with and receive support and assistance from [the comprehensive regional technical assistance centers under part A of title XIII and] *comprehensive regional technical assistance centers, and* the educational regional laboratories under section 941(h) of the Educational Research, Development, Dissemination, and Improvement Act of 1994.

(c) PROVISIONS.—The system shall include at a minimum, the following:

[(1) SCHOOL SUPPORT TEAMS.—

[(A) Each State educational agency, in consultation with local educational agencies and schools, shall establish a system of school support teams to provide information and assistance to schoolwide programs and to assist such programs in providing an opportunity to all students to meet the State's student performance standards.

[(B) If funds are sufficient, school support teams shall provide information and assistance to—

[(i) schools—

[(I) in which the number of students in poverty is equal to or greater than 75 percent of the total number of students enrolled in such school; and

[(II) identified as in need of improvement under section 1116(c)(1); and

[(ii) other schools in need of improvement.

[(C) Each such team shall be composed of persons, including teachers, pupil services personnel, representatives of organizations knowledgeable about successful schoolwide projects or comprehensive school reform (especially distinguished educators described in paragraph (3)), and other persons who are knowledgeable about research and practice on teaching and learning, particularly about strategies for improving the educational opportunities for

low-achieving students (including alternative and applied learning), such as representatives of institutions of higher education, regional educational laboratories or research centers, and outside consultant groups.

[(D) A school support team shall work cooperatively with each school and make recommendations as the school develops the school's schoolwide program plan or school improvement plan, review each plan, and make recommendations to the school and the local educational agency.

[(E) During the operation of the schoolwide program or during school improvement activities, a school support team shall—

[(i) periodically review the progress of the school in enabling children in the school to meet the State's student performance standards under this part;

[(ii) identify problems in the design and operation of the instructional program; and

[(iii) make recommendations for improvement to the school and the local educational agency.]

(1) APPROACHES.—

(A) IN GENERAL.—In order to achieve the purpose described in subsection (a), each such system shall give priority to using funds made available to carry out this section—

(i) to establish school support teams for assignment to and working in schools in the State that are described in subsection (a)(3)(A); and

(ii) to provide such support as the State educational agency determines to be necessary and available to assure the effectiveness of such teams.

(B) COMPOSITION.—Each school support team shall be composed of persons knowledgeable about successful schoolwide projects, school reform, and improving educational opportunities for low-achieving students, including—

(i) teachers;

(ii) pupil services personnel;

(iii) parents;

(iv) distinguished teachers or principals;

(v) representatives of institutions of higher education;

(vi) regional educational laboratories or research centers;

(vii) outside consultant groups; or

(viii) other individuals as the State educational agency, in consultation with the local educational agency, may determine appropriate.

(C) FUNCTIONS.—Each school support team assigned to a school under this section shall—

(i) review and analyze all facets of the school's operation, including the design and operation of the instructional program, and assist the school in developing recommendations for improving student performances in that school;

(ii) collaborate, with school staff and the local educational agency serving the school, in the design, implementation, and monitoring of a plan that, if fully implemented, can reasonably be expected to improve student performance and help the school meet its goals for improvement, including adequate yearly progress under section 1111(b)(2)(B);

(iii) evaluate, at least semiannually, the effectiveness of school personnel assigned to the school, including identifying outstanding teachers and principals, and make findings and recommendations (including the need for additional resources, professional development, or compensation) to the school, the local educational agency, and, where appropriate, the State educational agency; and

(iv) make additional recommendations as the school implements the plan described in clause (ii) to the local educational agency and the State educational agency concerning additional assistance and resources that are needed by the school or the school support team.

(D) CONTINUATION OF ASSISTANCE.—After 1 school year, the school support team may recommend that the school support team continue to provide assistance to the school, or that the local educational agency or the State educational agency, as appropriate, take alternative actions with regard to the school.

(2) DISTINGUISHED SCHOOLS.—

(A) Each State shall designate as a distinguished school any school served under this [part which, for three consecutive years, has exceeded the State's definition of adequate progress as defined in section 1111(b)(2)(A)(i), and, any school in which—

(i) virtually all students have met the State's advanced level of student performance; and

(ii) equity in participation and achievement of students by sex has been achieved or significantly improved.] *part.*

* * * * * * *

(C) States shall use funds reserved under section 1003(a) and funds made available under section 1001(f) to allow schools identified under this paragraph to carry out the activities described in subparagraph (B) [and may] *and may* use such funds to provide awards to such schools to further such school's education programs under this part, provide additional incentives for continued success, and reward individuals or groups in the school for [exemplary performance.] *exemplary performance.*

* * * * * * *

(3) DISTINGUISHED [EDUCATORS] *TEACHERS AND PRINCIPALS.*—

[(A) In order to provide assistance to schools and local educational agencies identified as needing improvement and schools participating in schoolwide programs, each

State, in consultation with local educational agencies and using funds reserved under section 1003(a) and made available under section 1002(f), shall establish a corps of distinguished educators.] *(A) The State may also recognize and provide financial awards to teachers or principals in a school described in paragraph (2) whose students consistently make significant gains in academic achievement.*

(B) When possible, distinguished [educators] *teachers and principals* shall be chosen from schools served under this part that have been especially successful in enabling children to meet or make outstanding progress toward meeting the State's student performance standards, such as the schools described in paragraph (2).

[(C) Distinguished educators shall provide, as part of the statewide system, intensive and sustained assistance to the schools and local educational agencies farthest from meeting the State's student performance standards and to schoolwide programs as such programs develop and implement their plans, including participation in the support teams described in paragraph (1).]

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SEC. 1118. [20 U.S.C. 6319] PARENTAL INVOLVEMENT.

(a) LOCAL EDUCATIONAL AGENCY POLICY.—

(1) IN GENERAL.—* * *

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(B) provide the coordination, technical assistance, and other support necessary to assist participating schools *activities to improve student achievement and student and school performance* in planning and implementing effective parent [involvement];

* * * * * * *

(b) SCHOOL PARENTAL INVOLVEMENT POLICY.—

(1) IN GENERAL.— Each school served under this part shall jointly develop with, and distribute *(in a language parents can understand)* to parents of participating children a written parental involvement policy, agreed upon by such parents, that shall describe the means for carrying out the requirements of subsections (c) through (f). Such policy *shall be made available to the local community and* shall be updated periodically to meet the changing needs of parents and the school.

* * * * * * *

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

(1) shall provide assistance to [participating parents in such areas as understanding the National Education Goals,] *parents of children served by the school or local educational agency, as appropriate, in understanding* the State's content standards, and State student performance standards, the provisions of section 1111(b)(8), State and local assessments, the require-

ments of this part, and how to monitor a child's progress and work with educators to improve the performance of their children as well as information on how parents can participate in decisions relating to the education of their children;

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

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

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

(C) using technology, as appropriate, to foster parental involvement;

* * * * * * *

(14) may adopt and implement model approaches to improving parental involvement, such as Even Start; [and]

[(15) shall provide such other reasonable support for parental involvement activities under this section as parents may request.]

(15) may establish a school district wide parent advisory council to advise the school and local educational agency on all matters related to parental involvement in programs supported under this section; and

(16) shall provide such other reasonable support for parental involvement activities under this section as parents may request, which may include emerging technologies.

(f) ACCESSIBILITY.—In carrying out the parental involvement requirements of this part, local educational agencies and schools, to the extent practicable, shall provide full opportunities for the participation of parents with limited English proficiency [or with], *parents of migratory children, or parent with* disabilities, including providing information and school profiles in a language and form such parents understand.

[(g) PARENTAL INFORMATION AND RESOURCE CENTERS.—In States where parental information and resource centers have been established pursuant to section 401 of the Goals 2000: Educate America Act of 1994 (to provide training, information, and support to parents and individuals who work with parents), local educational agencies and schools receiving assistance under this part shall assist parents and parent organizations by informing such parents and organizations of the existence and purpose of such centers, providing such parents and organizations with a description of services and programs provided by such centers, advising parents on how to use such centers, and helping parents to contact such centers.]

(g) INFORMATION FROM PARENTAL INFORMATION AND RESOURCE CENTERS.—In a State where a parental information and resource center is established to provide training, information, and support to parents and individuals who work with local parents, local educational agencies, and schools receiving assistance under this part, each school or local educational agency that receives assistance under this part and is located in the State, shall assist parents and parental organizations by informing such parents and organizations of the existence and purpose of such centers, providing such parents and organizations with a description of the services and programs

provided by such centers, advising parents on how to use such centers, and helping parents to contact such centers.

(h) REVIEW.—The State educational agency shall review the local educational agency's parental involvement policies and practices to determine if the policies and practices meet the requirements of this section.

SEC. 1119. [20 U.S.C. 6301] PROFESSIONAL DEVELOPMENT.

(a) PROGRAM REQUIREMENTS.—

(1) IN GENERAL.—* * *

* * * * * * *

[(A) support instructional practices that are geared to challenging State content standards and create a school environment conducive to high achievement in the academic subjects:]

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

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

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

[(B)]*(D)* support local educational agency plans under section 1112 and school plans under section 1114;

[(C)]*(E)* draw on resources available under this part, title III of the Goals 2000: Educate America Act, [Title II of this Act,] and from other sources;

[(D)]*(F)* where appropriate, as determined by the local educational agency, include strategies for developing curricula and teaching methods that integrate academic and vocational instruction (including applied learning and team teaching strategies); [and]

[(E)]*(G)* include strategies for identifying and eliminating gender and racial bias in instructional materials, methods, and practices[.]*;*

(H) to the extent appropriate, provide training for teachers in the use of technology and the applications of technology that are effectively used—

(i) in the classroom to improve teaching and learning in the curriculum; and

(ii) in academic content areas in which the teachers provide instruction; and

(I) be regularly evaluated for their impact on increased teacher effectiveness and improved student performance and achievement, with the findings of such evaluations used to improve the quality of professional development.

* * * * * * *

(g) COMBINATIONS OF FUNDS.—Funds provided under this part that are used for professional development purposes may be combined with funds provided under title II of this Act, [title III of the Goals 2000: Educate America Act] *other Acts* and other sources.

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SEC. 1120. [20 U.S.C. 6321] PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

(a) GENERAL REQUIREMENT.—

(1) IN GENERAL.—To the extent consistent with the number of eligible children identified under section 1115(b) in a local educational agency who are enrolled in private elementary and secondary schools, a local educational agency shall, after timely and meaningful consultation with appropriate private school officials, provide such children, on an equitable basis, special educational services or other benefits under this part (such as dual enrollment, educational radio and television, computer equipment and materials, other technology, and mobile educational services and equipment *that address their needs, and shall ensure that teachers and families of such children participate, on an equitable basis, in services and activities under sections 1118 and 1119*).

* * * * * * *

(3) EQUITY.—Educational services and other benefits for such private school children shall be equitable in comparison to services and other benefits for public school children participating under this part *and shall be provided in a timely manner*.

(4) EXPENDITURES.—Expenditures for educational services and other benefits to eligible private school children shall be equal to the proportion of funds allocated to participating school attendance areas based on the number of children from low-income families who attend private schools *as determined by the local educational agency each year or every 2 years*.

* * * * * * *

(b) CONSULTATION.—

(1) IN GENERAL.—* * *

* * * * * * *

(C) how [and where]*, where, and by whom* the services will be provided;

[(D) how the services will be assessed; and]

(D) how the services will be assessed and how the results of that assessment will be used to improve those services;

(E) the size and scope of the equitable services to be provided to the eligible private school children, and what is the proportion of funds allocated under subsection (a)(4) for such services[.]*; and*

(F) how and when the local educational agency will make decisions about the delivery of services to eligible private school children, including a thorough consideration and analysis of the views of private school officials regarding the provision of contract services through potential third party providers, and if the local educational agency disagrees with the views of the private school officials on such provision of services, the local educational agency shall provide in writing to such private school officials an analysis of the reasons why the local educational agency has chosen not to so provide such services.

* * * * * * *

(4) CONSULTATION.—Each local educational agency shall provide to the State educational agency, and maintain in the local educational agency's records, a written affirmation signed by officials of each participating private school that the consultation required by this section has occurred. If a private school declines in writing to have eligible children in the private school participate in services provided under this section, the local educational agency is not required to further consult with the private school officials or to document the local educational agency's consultation with the private school officials until the private school officials request in writing such consultation. The local educational agency shall inform the private school each year of the opportunity for eligible children to participate in services provided under this section.

(5) COMPLIANCE.—A private school official shall have the right to appeal to the State educational agency the decision of a local educational agency as to whether consultation provided for in this section was meaningful and timely, and whether due consideration was given to the views of the private school official. If the private school official wishes to appeal the decision, the basis of the claim of noncompliance with this section by the local educational agencies shall be provided to the State educational agency, and the local educational agency shall forward the appropriate documentation to the State educational agency.

* * * * * * *

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

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

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

(B) using the results of a survey that, to the extent possible, protects the identity of families of private school students, and allowing such survey results to be extrapolated if complete actual data are unavailable; or

(C) applying the low-income percentage of each participating public school attendance area, determined pursuant to this section, to the number of private school children who reside in that school attendance area.

(2) COMPLAINT PROCESS.—Any dispute regarding low-income data for private school students shall be subject to the complaint process authorized in section 8.

[(c)]*(d)* PUBLIC CONTROL OF FUNDS.—

(1) IN GENERAL.—* * *

* * * * * * *

[(d)]*(e)* STANDARDS FOR A BYPASS.—[If a]

"(1) IN GENERAL.—If a local educational agency is prohibited by law from providing for the participation on an equitable basis of eligible children enrolled in private elementary and secondary schools or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for such participation, as required by this section, the Secretary shall—

[(1)]*(A)* waive the requirements of this section for such local educational agency; and

[(2)]*(B)* arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section and sections [14505 and 14506] *8 and 9*.

(2) DETERMINATION.—In making the determination under paragraph (1), the Secretary shall consider 1 or more factors, including the quality, size, scope, or location of the program, or the opportunity of eligible children to participate in the program.

[(e)]*(f)* CAPITAL EXPENSES.—

[(1) IN GENERAL.—(A) From the amount appropriated for this subsection under section 1002(e) for any fiscal year, each State is eligible to receive an amount that bears the same ratio to the amount so appropriated as the number of private school children who received services under this part in the State in the most recent years for which data satisfactory to the Secretary are available bears to the number of such children in all States in that same year.

[(B) The Secretary shall reallocate any amounts allocated under subparagraph (A) that are not used by a State for the purpose of this subsection to other States on the basis of their respective needs, as determined by the Secretary.

[(2) CAPITAL EXPENSES.—(A) A local educational agency may apply to the State educational agency for payments for capital expenses consistent with this subsection.

[(B) State educational agencies shall distribute such funds under this subsection to local educational agencies based on the degree of need set forth in their respective applications for assistance under this subsection.

[(3) USES OF FUNDS.—Any funds appropriated to carry out this subsection shall be used only for capital expenses incurred to provide equitable services for private school children under this section.

[(4) DEFINITION.—For the purpose of this subsection, the term "capital expenses" means—

[(A) expenditures for noninstructional goods and services, such as the purchase, lease, or renovation of real and

personal property, including mobile educational units and leasing of natural sites or spaces;

[(B) insurance and maintenance costs;

[(C) transportation; and

[(D) other comparable goods and services.]

SEC. 1120A. [20 U.S.C. 6322] FISCAL REQUIREMENTS.

(a) MAINTENANCE OF EFFORT.—A local educational agency may receive funds under this part for any fiscal year only if the State educational agency finds that the local educational agency has maintained its fiscal effort in accordance with section [14501 of this Act] *4*.

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[SEC. 1120B. [20 U.S.C. 6323] COORDINATION REQUIREMENTS.] ***SEC. 1120B. COORDINATION REQUIREMENTS; EARLY CHILDHOOD EDUCATION SERVICES.***

(a) IN GENERAL.—* * *

* * * * * * *

(c) COORDINATION OF REGULATIONS.—The Secretary shall work with the Secretary of Health and Human Services to coordinate regulations promulgated under this part with regulations promulgated under the [Head Start Act Amendments of 1994] *Head Start Amendments of 1998*.

(d) EARLY CHILDHOOD SERVICES.—A local educational agency may use funds received under this part to provide preschool services—

(1) directly to eligible preschool children in all or part of its school district;

(2) through any school participating in the local educational agency's program under this part; or

(3) through a contract with a local Head Start agency, an eligible entity operating an Even Start program, a State-funded preschool program, or a comparable public early childhood development program.

(e) EARLY CHILDHOOD EDUCATION PROGRAMS.—Early childhood education programs operated with funds provided under this part may be operated and funded jointly with Even Start programs under part B of this title, Head Start programs, or State-funded preschool programs. Early childhood education programs funded under this part shall—

(1) focus on the developmental needs of participating children, including their social, cognitive, and language-development needs, and use scientifically based research approaches that build on competencies that lead to school success, particularly in language and literacy development and in reading;

(2) teach children to understand and use language in order to communicate for various purposes;

(3) enable children to develop and demonstrate an appreciation of books; and

(4) in the case of children with limited English proficiency, enable the children to progress toward acquisition of the English language.

[Subpart 2—Allocations

[SEC. 1121. [20 U.S.C. 6331] GRANTS FOR THE OUTLYING AREAS AND THE SECRETARY OF THE INTERIOR.

[(a) RESERVATION OF FUNDS.—From the amount appropriated for payments to States for any fiscal year under section 1002(a), the Secretary shall reserve a total of 1 percent to provide assistance to—

[(1) the outlying areas on the basis of their respective need for such assistance according to such criteria as the Secretary determines will best carry out the purpose of this part; and

[(2) the Secretary of the Interior in the amount necessary to make payments pursuant to subsection (c).

[(b) ASSISTANCE TO THE OUTLYING AREAS.—

[(1) IN GENERAL.—From amounts made available under subsection (a) in each fiscal year the Secretary shall make grants to local educational agencies in the outlying areas (other than the outlying areas assisted under paragraph (3)).

[(2) COMPETITIVE GRANTS.—(A) The Secretary shall reserve $5,000,000 from the amounts made available under subsection (a) in each fiscal year to award grants on a competitive basis, to local educational agencies in the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. The Secretary shall award such grants according to the recommendations of the Pacific Region Educational Laboratory which shall conduct a competition for such grants.

[(B) Except as provided in subparagraph (D), grant funds awarded under this part only may be used for programs described in this Act, including teacher training, curriculum development, instructional materials, or general school improvement and reform.

[(C) Grant funds awarded under this paragraph only may be used to provide direct educational services.

[(D) The Secretary may provide 5 percent of the amount made available for grants under this paragraph to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this paragraph.

[(c) ALLOTMENT TO THE SECRETARY OF THE INTERIOR.—

[(1) IN GENERAL.—The amount allotted for payments to the Secretary of the Interior under subsection (a)(2) for any fiscal year shall be, as determined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of—

[(A) Indian children on reservations served by elementary and secondary schools for Indian children operated or supported by the Department of the Interior; and

[(B) out-of-State Indian children in elementary and secondary schools in local educational agencies under special contracts with the Department of the Interior.

[(2) PAYMENTS.—From the amount allotted for payments to the Secretary of the Interior under subsection (a)(2), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Secretary determines will best carry out the purposes of this part, with respect to out-of-State Indian children described in paragraph (1). The

amount of such payment may not exceed, for each such child, the greater of—

[(A) 40 percent of the average per pupil expenditure in the State in which the agency is located; or

[(B) 48 percent of such expenditure in the United States.

[SEC. 1122. [20 U.S.C. 6332] ALLOCATIONS TO STATES.

[(a) IN GENERAL.—

[(1) FISCAL YEAR 1995.—For fiscal year 1995, appropriations for this part shall be allocated according to the provisions of sections 1005, except subsection (a)(3), and 1006, part A of chapter 1 of title I, Elementary and Secondary Education Act of 1965, as in effect on September 30, 1994, except that the State minimum for section 1005 shall be the lesser of 0.25 percent of total appropriations or the average of 0.25 percent of total appropriations and 150 percent of the national average grant per child counted for grants under section 1005 multiplied by the State's number of children counted for such grants, and for grants under section 1006, the State minimum shall be the lesser of—

[(A) 0.25 percent of total appropriations; and

[(B) the average of—

[(i) 0.25 percent of total appropriations; and

[(ii) the greater of 150 percent of the national average grant per child counted for grants under such section 1006 multiplied by the State total number of such children, or $340,000.

[(2) SUCCEEDING FISCAL YEARS.—For fiscal years 1996 through 1999, an amount of the appropriations for this part equal to the appropriation for fiscal year 1995 for section 1005, shall be allocated in accordance with section 1124, and an amount equal to the appropriation for fiscal year 1995 for section 1006 shall be allocated in accordance with section 1124A. Any additional appropriations under section 1002(a) for any fiscal year after application of the preceding sentence, shall be allocated in accordance with section 1125.

[(b) ADJUSTMENT WHERE NECESSITATED BY APPROPRIATIONS.—

[(1) IN GENERAL.—If the sums available under this part for any fiscal year are insufficient to pay the full amounts that all local educational agencies in States are eligible to receive under sections 1124, 1124A, and 1125 for such year, the Secretary shall ratably reduce the allocations to such local educational agencies, subject to subsections (c) and (d) of this section.

[(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under sections 1124, 1124A, and 1125 for such fiscal year, allocations that were reduced under paragraph (1) shall be increased on the same basis as they were reduced.

[(c) HOLD-HARMLESS AMOUNTS.—

[(1) IN GENERAL.—For fiscal year 1995, notwithstanding subsection (b) and without regard to amounts available for delinquent children under subpart 2 of part D, the amount made available to each local educational agency under such section

1005 shall be at least 85 percent of the amount such local educational agency received for the preceding year under such section 1005.

[(2) FISCAL YEAR 1996.—Notwithstanding subsection (b) and without regard to amounts available for delinquent children under subpart 2 of part D, for fiscal year 1996 the total amount made available to each local educational agency under each of sections 1124 and 1124A for any fiscal year shall be at least 100 percent of the total amount such local educational agency was allocated under such sections (or their predecessor authorities) for the preceding fiscal year.

[(3) FISCAL YEARS 1997–1999.—For fiscal years 1997 through 1999, not withstanding subsection (b) and without regard to amounts available for delinquent children under subpart 2 of part D, the amount made available to each local educational agency under each of sections 1124 and 1125 shall be at least 95 percent of the previous year's amount if the number of children counted for grants under section 1124 is at least 30 percent of the total number of children aged 5 to 17 years, inclusive, in the local educational agency, 90 percent of the previous year amount if this percentage is between 15 percent and 30 percent, and 85 percent if this percentage is below 15 percent. For fiscal years 1997 and 1998, in calculating grants on the basis of population data for counties, the Secretary shall apply the hold-homeless percentages in the preceding sentence to counties. For fiscal years 1996 through 1998, if the Secretary's allocation for a county is not sufficient to meet the hold-harmless requirements of this paragraph for every local educational agency within that county, then the State educational agency shall reallocate funds proportionately from all other local educational agencies in the State that are receiving funds in excess of the hold-harmless amounts specified in this paragraph.

[(d) RATABLE REDUCTIONS.—

[(1) IN GENERAL.—If the sums made available under this part for any fiscal year are insufficient to pay the full amounts that all States are eligible to receive under subsection (c) for such year, the Secretary shall ratably reduce such amounts for such year.

[(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under subsection (c) for such fiscal year, amounts that were reduced under paragraph (1) shall be increased on the same basis as such amounts reduced.

[(e) DEFINITION.—For the purpose of this section and sections 1124 and 1125, the term State means each of the 50 states, the District of Columbia, and the Commonwealth of Puerto Rico.

[SEC 1124. [20 U.S.C. 6333] BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES.

[(a) AMOUNT OF GRANTS.—

[(1) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—The grant which a local educational agency in a State is eligible to receive under this subpart for a fiscal year shall (except as provided in section 1126), be determined by multiplying the number of children counted under subsection (c) by

40 percent of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that—

[(A) if the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, such amount shall be 80 percent of the average per pupil expenditure in the United States; or

[(B) if the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, such amount shall be 120 percent of the average per pupil expenditure in the United States.

[(2) BASIS FOR CALCULATING GRANTS.—For fiscal years 1995 through 1998, grants shall be calculated by the Secretary on the basis of the number of children counted under subsection (c) for counties, and State educational agencies shall suballocate county amounts to local educational agencies, in accordance with regulations published by the Secretary. In any State in which a large number of local educational agencies overlap county boundaries, the State educational agency may apply to the Secretary for authority during any particular fiscal year to make the allocations under this part (other than section 1124A) directly to local educational agencies without regard to the counties. If the Secretary approves an application of a State educational agency for a particular year under this subparagraph, the State educational agency shall provide assurances that—

[(A) such allocations will be made using precisely the same factors for determining a grant as are used under this part;

[(B) such allocations will be made using alternative data approved by the Secretary that the State determines best reflects the distribution of children in poor families and is adjusted to be equivalent in proportion to the number of children determined in accordance with subsection (c); or

[(C) such allocations will be made using data that the State educational agency submits to the Secretary for approval that more accurately target poverty.

In addition, the State educational agency shall provide assurances that a procedure will be established through which local educational agencies dissatisfied with the determinations made by the State educational agency may appeal directly to the Secretary for a final determination. Beginning in fiscal year 1999, grants shall be calculated by the Secretary on the basis of population data compiled for local educational agencies, unless the Secretary and the Secretary of Commerce determine that use of the updated population data would be inappropriate or unreliable taking into consideration the recommendations of the study to be conducted by the National Academy of Sciences. If the Secretary and the Secretary of Commerce determine that some or all of the data referred to in this paragraph are inappropriate or unreliable, the Secretaries shall jointly issue a report setting forth their reasons in detail. In years when grants are calculated by the Secretary on the basis of local edu-

cational agency data, for each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies servicing areas with total populations of fewer than 20,000 persons, the State educational agency may either—

[(i) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; and

[(ii) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State educational agency determines best reflect the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons. If a local educational agency serving an area with total population of less than 20,000 persons is dissatisfied with the determination of its grant by the State education agency, then such local educational agency may appeal this determination to the Secretary. The Secretary must respond to this appeal within 45 days of receipt.

[(3) PUERTO RICO.—For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per pupil expenditure of any of the 50 States. The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

[(A) the percentage determined under the preceding sentence; and

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

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

[(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—Subject to the succeeding sentence, a local educational agency shall be eligible for a basic grant for a fiscal year under this subpart only if the number of children counted under subsection (c) in the school district of such local educational agency is at least 10. Beginning in fiscal year 1996, no local educational agency shall be eligible for a grant under this section if the number of children counted for grants under this section is equal to 2 percent or less of the total school age population in the local educational agency. For fiscal years 1996 though 1998, grants not made as a result of applying the preceding sentence shall be reallocated by the State edu-

cational agency to other eligible local education agencies in the State in proportion to the distribution of other funds under this section.

[(c) CHILDREN TO BE COUNTED.—

[(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section is the aggregate of—

[(A) the number of children aged 5 to 17, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2);

[(B) the number of children aged 5 to 17, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (5); and

[(C) the number of children aged 5 to 17, inclusive, in the school district of such agency in institutions for neglected and delinquent children (other than such institutions operated by the United States), but not counted pursuant to subpart 1 of part D for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

[(2) DETERMINATION OF NUMBER OF CHILDREN.—For the purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families below the poverty level on the basis of the most recent satisfactory data, described in paragraph (3), available from the Department of Commerce. For fiscal year 1999 and beyond, the District of Columbia and the Commonwealth of Puerto shall be treated as individual local educational agencies. If a local educational agency contains two or more counties in their entirety, then each county will be treated as if such county were a separate local educational agency for purposes of calculating grants under this part. The total of grants for such counties shall be allocated to such a local educational agency, which local educational agency shall distribute to schools in each county within such agency a share of the local educational agency's total grant that is no less than the county's share of the population counts used to calculate the local educational agency's grant.

[(3) POPULATION UPDATES.—In fiscal year 1997 and every 2 years thereafter, the Secretary shall use updated data on the number of children, aged 5 to 17, inclusive, from families below the poverty level for counties or local educational agencies, published by the Department of Commerce, unless the Secretary and the Secretary of Commerce determine that use of the updated population data would be inappropriate or unreliable, taking into consideration the recommendations of the study to be conducted by the National Academy of Sciences. If the Secretary and the Secretary of Commerce determine that some or all of the data referred to in this paragraph are inappropriate or unreliable, they shall jointly issue a report setting forth their reasons in detail. In determining the families which are below the poverty level, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census, in such form as those criteria have been updated by increases in the Consumer Price

Index for all urban consumers, published by the Bureau of Labor Statistics.

[(4) STUDY.—(A) The Secretary of Education shall, within 30 days after the date of enactment of the Improving America's School's Act of 1994, contract with the National Academy of Sciences (hereafter in this section referred to as the "Academy") to study the program to produce intercensal poverty data for small geographic areas and certain age cohorts being developed by the Bureau of the Census.

[(B) In conducting its study, the Academy shall consider such matters as—

[(i) the methodology used to produce and publish intercensal poverty data, and possible alternative methods to improve the usefulness of the data for Federal program purposes;

[(ii) the availability of alternative indicators of poverty for small geographic areas, against which the poverty data produced and published by the Bureau of the Census could be compared;

[(iii) the reliability of the poverty data produced and published by the Bureau of the Census, particularly for less populous geographic areas;

[(iv) the reliability of intercensal poverty data produced and published by the Bureau of the Census, as compared over time to similar data produced by the Bureau of the Census during the most recent decennial census; and

[(v) the usefulness of poverty data produced and published by the Bureau of the Census for Federal programs that allocate funds to State and subState areas based, in whole or in part, on such data.

[(C) The Academy shall submit to the Secretary and the Secretary of Commerce, as well as to the Committee on Education and Labor and the Committee on Post Office and Civil Service of the House of Representatives and the Committee on Labor and Human Resources and the Committee on Governmental Affairs of the Senate—

[(i) not later than 18 months after the date on which a contract is entered into under subsection (a), and not later than every 18 months thereafter, such interim reports on the Academy's activities under this Act that the Academy deems appropriate, including a detailed statement of the Academy's findings and conclusions with respect to any poverty data which the Bureau of the Census publishes and produces, within 90 days of such publication; and

[(ii) not later than December 31, 1998, a final report which shall include a more detailed statement of the Academy's findings and conclusions with respect to the use of any intercensal poverty data produced and published by the Bureau of the Census as the basis for allocating Federal funds under this Act.

[(D) Of the funds appropriated under section 1002(f) of this Act, the Secretary shall use such sums as are necessary in each of fiscal years 1995, 1996, 1997, 1998, and 1999 to carry out the provisions of this paragraph.

[(5) OTHER CHILDREN TO BE COUNTED.—For purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under a State program funded under part A of title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of 4 in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination. The Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year.

[(6) ESTIMATE.—When requested by the Secretary, the Secretary of Commerce shall make a special updated estimate of the number of children of such ages who are from families below the poverty level (as determined under subparagraph (A) of this paragraph) in each school district, and the Secretary is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

[(d) STATE MINIMUM.—Notwithstanding subsection (b)(1) or (d) of section 1122, the aggregate amount allotted for all local educational agencies within a State may not be less than the lesser of—

[(1) 0.25 percent of total grants under this section; or

[(2) the average of—

[(A) one-quarter of 1 percent of the total amount available for such fiscal year under this section; and

[(B) the number of children in such State counted under subsection (c) in the fiscal year multiplied by 150 percent of the national average per pupil payment made with funds available under this section for that year.

[SEC. 1124A. [20 U.S.C. 6334] CONCENTRATION GRANTS TO LOCAL EDUCATIONAL AGENCIES.

[(a) ELIGIBILITY FOR AND AMOUNT OF GRANTS.—

[(1) IN GENERAL.—(A) Except as otherwise provided in this paragraph, each local educational agency, in a State other than Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau, which is eligible for a grant under this part for any fiscal year shall be eligible for an additional grant under this section for that fiscal year if—

[(i) the number of children counted under section 1124(c) in the county (for fiscal years 1996 through 1998), or local educational agency (for fiscal years beginning with 1999) for the fiscal year exceeds 6,500; or

[(ii) the number of children counted under section 1124(c) exceeds 15 percent of the total number of children aged 5 to 17, inclusive, in the county (for fiscal years 1996 through 1998), or local educational agency (for fiscal years beginning with 1999) in that fiscal year.

[(B) Notwithstanding such subsections (b)(1) and (d) of section 1122, no State described in subparagraph (A) shall receive less than the lesser of—

[(i) 0.25 percent of total grants; or

[(ii) the average of—

[(I) one-quarter of 1 percent of the sums available to carry out this section for such fiscal year; and

[(II) the greater of—

[(aa) $340,000; or

[(bb) the number of children in such State counted for purposes of this section in that fiscal year multiplied by 150 percent of the national average per pupil payment made with funds available under this section for that year.

[(2) SPECIAL RULE.—For each county or local educational agency eligible to receive an additional grant under this section for any fiscal year the Secretary shall determine the product of—

[(A) the number of children counted under section 1124(c) for that fiscal year; and

[(B) the quotient resulting from the division of the amount determined for those agencies under section 1124(a)(1) for the fiscal year for which the determination is being made divided by the total number of children counted under section 1124(c) for that agency for fiscal year.

[(3) AMOUNT.—The amount of the additional grant for which an eligible local educational agency or county is eligible under this section for any fiscal year shall be an amount which bears the same ratio to the amount available to carry out this section for that fiscal year as the product determined under paragraph (2) for such local educational agency for that fiscal year bears to the sum of such products for all local educational agencies in the United States for that fiscal year.

[(4) SUBALLOCATION.—For fiscal years 1996 through 1998, county amounts shall be suballocated to local educational agencies meeting the criteria of paragraph (1)(A) by State educational agencies, in accordance with regulations published by the Secretary. For fiscal years 1995 through 1998, grants shall be calculated by the Secretary on the basis of the number of children counted under section 1124(c) for counties, and State educational agencies shall suballocate county amounts to local educational agencies, in accordance with regulations published by the Secretary. In any State in which a large number of local educational agencies overlap county boundaries, the State educational agency may apply to the Secretary for authority during any particular fiscal year to make the allocations under this part (other than this section) directly to local educational agencies without regard to the counties. If the Secretary approves an application of a State educational agency for a particular year under this paragraph, the State educational agency shall provide assurances that—

[(A) such allocations will be made using precisely the same factors for determining a grant as are used under this part;

[(B) such allocations will be made using alternative data approved by the Secretary that the State determines best reflects the distribution of children in poor families and is adjusted to be equivalent in proportion to the number of children determined in accordance with section 1124(c); or

[(C) such allocations will be made using data that the State educational agency submits to the Secretary for approval that more accurately target poverty.

In addition, the State educational agency shall provide assurances that a procedure will be established through which local educational agencies dissatisfied with the determinations made by the State educational agency may appeal directly to the Secretary for a final determination. A State may reserve not more than 2 percent of its allocations in fiscal years 1996 through 1998 under this section for the purpose of making grants to local educational agencies that meet the criteria of clause (i) or (ii) of paragraph (1)(A), but are in ineligible counties. For fiscal years beginning with 1999, for each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total populations of fewer than 20,000 persons, the State educational agency may either (i) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (ii) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State educational agency determines best reflects the current

distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons and meeting the eligibility criteria of paragraph (1)(A). If a local educational agency serving an area with total population of less than 20,000 persons is disatisfied with the determination of its grant by the State educational agency, then such local educational agency may appeal this determination to the Secretary. The Secretary shall respond to this appeal within 45 days of receipt. The Secretary shall consult with the Secretary of Commerce regarding whether available data on population for local educational agencies service areas with total populations of fewer than 20,000 persons are sufficiently reliable to be used to determine final grants to such areas meeting the eligibility criteria of paragraph (1)(A).

[(b) RESERVATION OF FUNDS.—Of the total amount of funds available for this section and sections 1124 and 1125, an amount equal to the appropriation for fiscal year 1995 for section 1006 of this Act (as such section was in effect on the day preceding the date of enactment of this Act) shall be available to carry out this section.

[(c) RATABLE REDUCTION RULE.—If the sums available under subsection (b) for any fiscal year for making payments under this section are not sufficient to pay in full the total amounts which all States are eligible to receive under subsection (a) for such fiscal year, the maximum amounts which all States are eligible to receive under subsection (a) for such fiscal year shall be ratably reduced. In the case that additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

[(d) STATES RECEIVING MINIMUM GRANTS.—In States that receive the minimum grant under subsection (a)(1)(B), the State educational agency shall allocate such funds among the local educational agencies in each State either—

[(1) in accordance with paragraphs (2) and (4) of subsection (a); or

[(2) based on their respective concentrations and numbers of children counted under section 1124(c), except that only those local educational agencies with concentrations or numbers of children counted under section 1124(c) that exceed the statewide average percentage of such children or the statewide average number of such children shall receive any funds on the basis of this paragraph.

[SEC. 1125. [20 U.S.C. 6335] TARGETED GRANTS TO LOCAL EDUCATIONAL AGENCIES.

[(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES.—A local educational agency in a State is eligible to receive a targeted grant under this section for any fiscal year if the number of children in the local educational agency counted under subsection 1124(c), before application of the weighting factor described in subsection (c) is at least 10, and if the number of children counted for grants under section 1124 is at least 5 percent of the total population aged 5 to 17 years, inclusive, in the local educational agency. Funds

made available as a result of applying this subsection shall be reallocated by the State educational agency to other eligible local educational agencies in the State in proportion to the distribution of other funds under this section.

[(b) GRANTS FOR LOCAL EDUCATIONAL AGENCIES, THE DISTRICT OF COLUMBIA, AND PUERTO RICO.—

[(1) IN GENERAL.—The amount of the grant that a local educational agency in a State or that the District of Columbia is eligible to receive under this section for any fiscal year shall be the product of—

[(A) the weighted child count determined under subsection (c); and

[(B) the amount in the second of subparagraph 1124(a)(1)(A).

[(2) PUERTO RICO.—For each fiscal year, the amount of the grant for which the Commonwealth of Puerto Rico is eligible under this section shall be equal to the number of children counted under subsection (c) for Puerto Rico, multiplied by the amount determined in subparagraph 1124(a)(3).

[(c) WEIGHTED CHILD COUNT.—

[(1) FISCAL YEARS 1966–1998.—

[(A) IN GENERAL.—The weighted child count used to determine a county's allocation under this section is the larger of the two amounts determined under clause (i) or (ii), as follows:

[(i) BY PERCENTAGE OF CHILDREN.—This amount is determined by adding—

[(I) the number of children determined under section 1124(c) for that county constituting up to 12.20 percent, inclusive, of the county's total population aged 5 to17, inclusive, multiplied by 1.0;

[(II) the number of such children constituting more than 12.20 percent, but not more than 17.70 percent, of such population, multiplied by 1.75;

[(III) the number of such children constituting more than 17.70 percent, but not more than 22.80 percent, of such population, multiplied by 2.5;

[(IV) the number of such children constituting more than 22.80 percent, but not more than 29.70 percent, of such population, multiplied by 3.25; and

[(V) the number of such children constituting more than 29.70 percent, of such population, multiplied by 4.0.

[(ii) BY NUMBER OF CHILDREN.—This amount is determined by adding—

[(I) the number of children determined under section 1124(c) constituting up to 1,917, inclusive, of the county's total population aged 5 to 17, inclusive, multiplied by 1.0;

[(II) the number of such children between 1,918 and 5,938, inclusive, in such population, multiplied by 1.5;

[(III) the number of such children between 5,939 and 20,199, inclusive, in such population, multiplied by 2.0;

[(IV) the number of such children between 20,200 and 77,999, inclusive, in such population, multiplied by 2.5; and

[(V) the number of such children in excess of 77,999 in such population, multiplied by 3.0.

[(B) PUERTO RICO.—Notwithstanding subparagraph (A), the weighting factor for Puerto Rico under this paragraph shall not be greater than the total number of children counted under subsection 1124(c) multiplied by 1.72.

[(2) FISCAL YEARS AFTER 1999.—

[(A) IN GENERAL.—For each fiscal year beginning with fiscal year 1999 for which the Secretary uses local educational agency data, the weighted child count used to determine a local educational agency's grant under this section is the larger of the two amounts determined under clauses (i) and (ii), as follows:

[(i) BY PERCENTAGE OF CHILDREN.—This amount is determined by adding—

[(I) the number of children determined under section 1124(c) for that local educational agency constituting up to 14.265 percent, inclusive, of the agency's total population aged 5 to 17, inclusive, multiplied by 1.0;

[(II) the number of such children constituting more than 14.265 percent, but not more than 21.553 percent, of such population, multiplied by 1.75;

[(III) the number of such children constituting more than 21.553 percent, but not more than 29.223 percent, of such population, multiplied by 2.5:

[(IV) the number of such children constituting more than 29.223 percent, but not more than 36.538 percent, of such population, multiplied by 3.25; and

[(V) the number of such children constituting more than 36,538 percent of such population, multiplied by 4.0.

[(ii) BY NUMBER OF CHILDREN.—This amount is determined by adding—

[(I) the number of children determined under section 1124(c) constituting up to 575, inclusive, of the agency's total population aged 5 to 17, inclusive, multiplied by 1.0;

[(II) the number of such children between 576 and 1,870, inclusive, in such population, multiplied by 1.5;

[(III) the number of such children between 1,871 and 6,910, inclusive, in such population, multiplied by 2.0;

[(IV) the number of such children between 6,911 and 42,000, inclusive, in such population, multiplied by 2.5; and

[(V) the number of such children in excess of 42,000 in such population, multiplied by 3.0.

[(B) PUERTO RICO.—Notwithstanding subparagraph (A), the weighting factor for Puerto Rico under this paragraph shall not be greater than the total number of children counted under section 1124(c) multiplied by 1.72.

[(d) LOCAL EDUCATIONAL AGENCY ALLOCATIONS.—For fiscal years 1995 through 1998, grants shall be calculated by the Secretary on the basis of the number of children counted under section 1124 for counties, and State educational agencies shall suballocate county amounts to local educational agencies, in accordance with regulations published by the Secretary. In any State in which a large number of local educational agencies overlap county boundaries, the State educational agency may apply to the Secretary for authority during any particular fiscal year to make the allocations under this part (other than section 1124A) directly to local educational agencies without regard to the counties. If the Secretary approves an application of a State educational agency for a particular year under this subparagraph, the State educational agency shall provide assurances that—

[(1) such allocations will be made using precisely the same factors for determining a grant as are used under this part;

[(2) such allocations will be made using alternative data approved by the Secretary that the State determines best reflects the distribution of children in poor families and is adjusted to be equivalent in proportion to the number of children determined in accordance with section 1124(c); or

[(3) such allocations will be made using data that the State educational agency submits to the Secretary for approval that more accurately target poverty.

In addition, the State educational agency shall provide assurances that a procedure will be established through which local educational agencies dissatisfied with the determinations made by the State educational agency may appeal directly to the Secretary for a final determination. For fiscal years beginning in 1999, for each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total populations of fewer than 20,000 persons, the State educational agency may either (1) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (2) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 sons. Such an alterative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State educational agency determines best reflects the current distribution of children in poor families among the State's local educational agencies serving areas with total popu-

lations of fewer than 20,000 persons. If a local educational agency serving an area with total populations of less than 20,000 persons is dissatisfied with the determination of its grant by the State educational agency, then the local educational agency may appeal this determination to the Secretary. The Secretary shall respond to this appeal within 45 days of receipt.

[(e) STATE MINIMUM.—Notwithstanding any other provision of this section or subsection (b)(1) of (d) of section 1122, from the total amount available for any fiscal year to carry out this section, each State shall be allotted at least the lesser of—

[(1) 0.25 percent of total appropriations; or

[(2) the average of—

[(A) one-quarter of 1 percent of the total amount available to carry out this section; and

[(B) 150 percent of the national average grant under this section per child described in section 1124(c), without application of a weighting factor, multiplied by the State's total number of children described in section 1124(c), without application of a weighting factor.

[SEC. 1125A. [20 U.S.C. 6336] EDUCATION FINANCE INCENTIVE PROGRAM.

[(a) GRANTS.—The Secretary is authorized to make grants to States from the sums appropriated pursuant to subsection (e) to carry out the purposes of this part.

[(b) DISTRIBUTION BASED UPON FISCAL EFFORT AND EQUITY.—

[(1) IN GENERAL.—Funds appropriated pursuant to subsection (e) shall be allotted to each State based upon the number of children aged 5 to 17, inclusive, of such State multiplied by the product of—

[(A) such State's effort factor described in paragraph (2); multiplied by

[(B) 1.30 minus such State's equity factor described in paragraph (3),

except that for each fiscal year no State shall receive less than one-quarter of 1 percent of the total amount appropriated pursuant to subsection (e) for such fiscal year.

[(2) EFFORT FACTOR.—(A) Except as provided in subparagraph (b), the effort factor for a State shall be determined in accordance with the succeeding sentence, except that such factor shall not be less than .95 nor greater than 1.05. The effort factor determined under this sentence shall be a fraction the numerator of which is the product of the three-year average per-pupil expenditure in the State multiplied by the three-year average per capita income in the United States and the denominator of which is the product of the three-year average per capita income in such State multiplied by the three-year average per-pupil expenditure in the United States.

[(B) The effort factor for the Commonwealth of Puerto Rico shall be equal to the lowest effort factor calculated under subparagraph (A) for any State.

[(3) EQUITY FACTOR.—(A)(i) Except as provided in subparagraph (B), the Secretary shall determine the equity factor under this section for each State in accordance with clause (ii).

[(ii)(I) For each State, the Secretary shall compute a weighted coefficient of variation for the per-pupil expenditures of local educational agencies in accordance with subclauses (II), (III), (IV), and (V).

[(II) In computing coefficients of variation, the Secretary shall weigh the variation between per-pupil expenditures in each local educational agency and the average per-pupil expenditures in the State according to the number of pupils in the local educational agency.

[(III) In determining the number of pupils under this paragraph in each local educational agency and each State, the Secretary shall multiply the number of children from low-income families by 1.4 under this paragraph.

[(IV) In computing coefficients of variation, the Secretary shall include only those local educational agencies with an enrollment of more than 200 students.

[(V) The Secretary shall compute separate coefficients of variation for elementary, secondary, and unified local educational agencies and shall combine such coefficients into a single weighted average coefficient for the State by multiplying each coefficient by the total enrollments of the local educational agencies in each group, adding such products, and dividing such sum by the total enrollments of the local educational agencies in the State.

[(B) The equity factor for a State that meets the disparity standard described in section 222.64 of title 34, Code of Federal Regulations (as such section was in effect on the day preceding the date of enactment of this Act) or a State with only one local educational agency shall be not greater than .10.

[(C) The Secretary may revise each State's equity factor as necessary based on the advice of independent education finance scholars to reflect other need-based costs of local educational agencies in addition to low-income student enrollment, such as differing geographic costs, costs associated with students with disabilities, children with limited-English proficiency or other meaningful educational needs, which deserve additional support. In addition and also with the advice of independent education finance scholars, the Secretary may revise each State's equity factor to incorporate other valid and accepted methods to achieve adequacy of educational opportunity that may not be reflected in a coefficient of variation method.

[(c) USE OF FUNDS.—All funds awarded to each State under this section shall be allocated to local educational agencies and schools on a basis consistent with the distribution of other funds to such agencies and schools under sections 1124, 1124A, and 1125 to carry out activities under this part.

[(d) MAINTENANCE OF EFFORT.—

[(1) IN GENERAL.—Except as provided in paragraph (2), a State is entitled to receive its full allotment of funds under this part for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the fiscal year preceding the fiscal year for

which the determination is made was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

[(2) REDUCTION OF FUNDS.—The Secretary shall reduce the amount of the funds awarded to any State under this section in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

[(3) WAIVERS.—The Secretary may waive, for one fiscal year only, the requirements of this subsection if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

[(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under this section, there are authorized to be appropriated $200,000,000 for fiscal year 1996 and such sums as may be necessary for each of the three succeeding fiscal years.

[SEC. 1126. [20 U.S.C. 6337] SPECIAL ALLOCATION PROCEDURES.

[(a) ALLOCATIONS FOR NEGLECTED CHILDREN.—

[(1) IN GENERAL.—If a State educational agency determines that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children who are living in institutions for neglected children as described in subparagraph 1124(c)(1)(C), the State educational agency shall, if such agency assumes responsibility for the special educational needs of such children, receive the portion of such local educational agency's allocation under sections 1124, 1124A, and 1125 that is attributable to such children.

[(2) SPECIAL RULE.—If the State educational agency does not assume such responsibility, any other State or local public agency that does assume such responsibility shall receive that portion of the local educational agency's allocation.

[(b) ALLOCATIONS AMONG LOCAL EDUCATIONAL AGENCIES.—The State educational agency may allocate the amounts of grants under sections 1124, 1124A, and 1125 among the affected local educational agencies—

[(1) if two or more local educational agencies serve, in whole or in part, the same geographical area;

[(2) if a local educational agency provides free public educational for children who reside in the school district of another local educational agency; or

[(3) to reflect the merger, creation, or change of boundaries of one or more local educational agencies.

[(c) REALLOCATION.—If a State educational agency determines that the amount of a grant a local educational agency would receive under sections 1124, 1124A, and 1125 is more than such local agency will use, the State educational agency shall make the excess amount available to other local educational agencies in the State

that need additional funds in accordance with criteria established by the State educational agency.

[SEC. 1127. [20 U.S.C. 6338] CARRYOVER AND WAIVER.

[(a) LIMITATION ON CARRYOVER.—Notwithstanding section 421 of the General Education Provisions Act or any other provision of law, not more than 15 percent of the funds allocated to a local educational agency for any fiscal year under this subpart (but not including funds received through any reallocation under this subpart) may remain available for obligation by such agency for one additional fiscal year.

[(b) WAIVER.—A State educational agency may, once every three years, waive the percentage limitation in subsection (a) if—

[(1) the agency determines that the request of a local educational agency is reasonable and necessary; or

[(2) supplemental appropriations for this subpart become available.

[(c) EXCLUSION.—The percentage limitation under subsection (a) shall not apply to any local education agency that receives less than $50,000 under this subpart for any fiscal year.]

Subpart 2—Allocations

SEC. 1121. GRANTS FOR THE OUTLYING AREAS AND THE SECRETARY OF THE INTERIOR.

(a) RESERVATION OF FUNDS.—From the amount appropriated for any fiscal year under section 1002(a), the Secretary shall reserve a total of 1 percent to provide assistance to—

(1) the outlying areas on the basis of their respective need for such assistance according to such criteria as the Secretary determines will best carry out the purpose of this part; and

(2) the Secretary of the Interior in the amount necessary to make payments pursuant to subsection (c).

(b) ASSISTANCE TO THE OUTLYING AREAS.—

(1) IN GENERAL.—From amounts made available under subsection (a)(1) in each fiscal year the Secretary shall make grants to local educational agencies in the outlying areas.

(2) COMPETITIVE GRANTS.—

(A) IN GENERAL.—For fiscal year 2002 and each of the 6 succeeding fiscal years, the Secretary shall reserve $5,000,000 from the amounts made available under subsection (a)(1) to award grants, on a competitive basis, to local educational agencies in the Freely Associated States. The Secretary shall award such grants according to the recommendations of the Pacific Region Educational Laboratory which shall conduct a competition for such grants.

(B) USES.—Except as provided in subparagraph (C), grant funds awarded under this paragraph only may be used—

(i) for programs described in this Act, including teacher training, curriculum development, instructional materials, or general school improvement and reform; and

(ii) to provide direct educational services.

(C) ADMINISTRATIVE COSTS.—The Secretary may provide 5 percent of the amount made available for grants under this paragraph to the Pacific Region Educational Laboratory to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this paragraph.

(c) ALLOTMENT TO THE SECRETARY OF THE INTERIOR.—

(1) IN GENERAL.—The amount reserved for payments to the Secretary of the Interior under subsection (a)(2) for any fiscal year shall be, as determined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of—

(A) Indian children on reservations served by elementary schools and secondary schools for Indian children operated or supported by the Department of the Interior; and

(B) out-of-State Indian children in elementary schools and secondary schools in local educational agencies under special contracts with the Department of the Interior.

(2) PAYMENTS.—From the amount reserved for payments to the Secretary of the Interior under subsection (a)(2), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Secretary determines will best carry out the purposes of this part, with respect to out-of-State Indian children described in paragraph (1)(B). The amount of such payment may not exceed, for each such child, the greater of—

(A) 40 percent of the average per-pupil expenditure in the State in which the agency is located; or

(B) 48 percent of such expenditure in the United States.

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

(a) IN GENERAL.—For each of the fiscal years 2002 through 2008—

(1) the amount appropriated to carry out this part that is less than or equal to the amount appropriated to carry out section 1124 for fiscal year 2001, shall be allocated in accordance with section 1124;

(2) the amount appropriated to carry out this part that is not used under paragraph (1) that equals the amount appropriated to carry out section 1124A for fiscal year 2001, shall be allocated in accordance with section 1124A; and

(3) any amount appropriated to carry out this part for the fiscal year for which the determination is made that is not used to carry out paragraphs (1) and (2) shall be allocated in accordance with section 1125.

(b) ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.—

(1) IN GENERAL.—If the sums made available under this part for any fiscal year are insufficient to pay the full amounts that all local educational agencies in States are eligible to receive under sections 1124, 1124A, and 1125 for such year, the Secretary shall ratably reduce the allocations to such local educational agencies, subject to subsections (c) and (d).

(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under sections 1124, 1124A, and 1125 for

such fiscal year, allocations that were reduced under paragraph (1) shall be increased on the same basis as the allocations were reduced.

(c) HOLD-HARMLESS AMOUNTS.—

(1) IN GENERAL.—For each fiscal year the amount made available to each local educational agency under each of sections 1124, 1124A, and 1125 shall be not less than—

(A) 95 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if the number of children counted for grants under section 1124 is not less than 30 percent of the total number of children aged 5 to 17 years, inclusive, served by the local educational agency;

(B) 90 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is not less than 15 percent and not more than 30 percent; and

(C) 85 percent of the amount made available to the local educational agency under each such section for the preceding fiscal year if such percentage is less than 15 percent.

(2) SPECIAL RULES.—If sufficient funds are appropriated, the hold-harmless amounts described in paragraph (1) shall be paid to all local educational agencies that received grants under section 1124, 1124A, or 1125 for the preceding fiscal year, regardless of whether the local educational agency meets the minimum eligibility criteria provided in section 1124(b), 1124A(a)(1)(A), or 1125(a), respectively, except that a local educational agency that does not meet such minimum eligibility criteria for 5 consecutive years shall no longer be eligible to receive a hold-harmless amount under this subsection.

(3) COUNTY CALCULATION BASIS.—For any fiscal year for which the Secretary calculates grants on the basis of population data for counties, the Secretary shall apply the hold-homeless percentages in paragraphs (1) and (2) to counties, and if the Secretary's allocation for a county is not sufficient to meet the hold-harmless requirements of this subsection for every local educational agency within that county, then the State educational agency shall reallocate funds proportionately from all other local educational agencies in the State that receive funds for the fiscal year in excess of the hold-harmless amounts specified in this paragraph.

(d) RATABLE REDUCTIONS.—

(1) IN GENERAL.—If the sums made available under this part for any fiscal year are insufficient to pay the full amounts that all States are eligible to receive under subsection (c) for such year, the Secretary shall ratably reduce such amounts for such year.

(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under subsection (c) for such fiscal year, amounts that were reduced under paragraph (1) shall be increased on the same basis as such amounts were reduced.

SEC. 1123. DEFINITIONS.

In this subpart:

(1) FREELY ASSOCIATED STATES.—The term "Freely Associated States" means the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(2) OUTLYING AREAS.—The term "outlying areas" means the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(3) STATE.—The term "State" means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 1124. BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) AMOUNT OF GRANTS.—

(1) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—Except as provided in paragraph (4) and in section 1126, the grant that a local educational agency is eligible to receive under this section for a fiscal year is the amount determined by multiplying—

(A) the number of children counted under subsection (c); and

(B) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this subparagraph shall not be less than 32 percent, and not more than 48 percent, of the average per-pupil expenditure in the United States.

(2) CALCULATION OF GRANTS.—

(A) ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—The Secretary shall calculate grants under this section on the basis of the number of children counted under subsection (c) for local educational agencies, unless the Secretary and the Secretary of Commerce determine that some or all of those data are unreliable or that their use would be otherwise inappropriate, in which case—

(i) the Secretary and the Secretary of Commerce shall publicly disclose the reasons for their determination in detail; and

(ii) paragraph (3) shall apply.

(B) ALLOCATIONS TO LARGE AND SMALL LOCAL EDUCATIONAL AGENCIES.—

(i) LARGE LOCAL EDUCATIONAL AGENCIES.—In the case of an allocation under this section to a large local educational agency, the amount of the grant under this section for the large local educational agency shall be the amount determined under paragraph (1).

(ii) SMALL LOCAL EDUCATIONAL AGENCIES.—

(I) IN GENERAL.—In the case of an allocation under this section to a small local educational agency the State educational agency may—

(aa) distribute grants under this section in amounts determined by the Secretary under paragraph (1); or

(bb) use an alternative method approved by the Secretary to distribute the portion of the State's total grants under this section that is based on those small local educational agencies.

(II) ALTERNATIVE METHOD.—An alternative method under subclause (I)(bb) shall be based on population data that the State educational agency determines best reflect the current distribution of children in poor families among the State's small local educational agencies that meet the minimum number of children to qualify described in subsection (b).

(III) APPEAL.—If a small local educational agency is dissatisfied with the determination of the amount of its grant by the State educational agency under subclause (I)(bb), the small local educational agency may appeal the determination to the Secretary, who shall respond within 45 days of receiving the appeal.

(iii) DEFINITIONS.—In this subparagraph—

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

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

(3) ALLOCATIONS TO COUNTIES.—

(A) IN GENERAL.—For any fiscal year to which this paragraph applies, the Secretary shall calculate grants under this section on the basis of the number of children counted under section 1124(c) for counties, and State educational agencies shall allocate county amounts to local educational agencies, in accordance with regulations promulgated by the Secretary.

(B) APPLICATION.—In any State in which a large number of local educational agencies overlap county boundaries, or for which the State believes the State has data that would better target funds than allocating the funds by county, the State educational agency may apply to the Secretary for authority to make the allocations under this part for a particular fiscal year directly to local educational agencies without regard to counties.

(C) ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—If the Secretary approves its application under subparagraph (B), the State educational agency shall provide the Secretary an assurance that the allocations will be made—

(i) using precisely the same factors for determining a grant as are used under this section; or

(ii) using data that the State educational agency submits to the Secretary for approval that more accurately target poverty.

(D) APPEAL.—The State educational agency shall provide the Secretary an assurance that a procedure is or will be established through which local educational agencies that are dissatisfied with determinations under subparagraph (B) may appeal directly to the Secretary for a final determination.

(4) PUERTO RICO.—For each fiscal year, the Secretary shall determine the percentage which the average per-pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States. The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

(A) the percentage determined under the preceding sentence; and

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

(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—A local educational agency is eligible for a basic grant under this section for any fiscal year only if the number of children counted under subsection (c) for that agency is—

(1) 10 or more; and

(2) more than 2 percent of the total school-age population in the school district of the local educational agency.

(c) CHILDREN TO BE COUNTED.—

(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section is the aggregate of—

(A) the number of children aged 5 to 17, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraphs (2) and (3);

(B) the number of children aged 5 to 17, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (4); and

(C) the number of children determined under paragraph (4) for the preceding year (as described in that paragraph, or for the second preceding year, as the Secretary finds appropriate) aged 5 to 17, inclusive, in the school district of such agency in institutions for neglected and delinquent children and youth (other than such institutions operated by the United States), but not counted pursuant to chapter 1 of subpart 1 of part D for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

(2) DETERMINATION OF NUMBER OF CHILDREN.—For the purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families below the poverty level on the basis of the most recent satisfactory data, described in paragraph (3), available from the Department of Commerce. The District of Columbia and the Commonwealth of Puerto Rico shall be treated as individual local educational agencies. If a local educational agency contains 2 or more counties in their entirety, then each county shall be treated as if such county were a separate local educational agency for purposes of calculating grants under this part. The total of grants for such counties shall be allocated to such a local educational agency, which local educational agency shall distribute to schools in each county within such agency a share of the local

educational agency's total grant that is no less than the county's share of the population counts used to calculate the local educational agency's grant.

(3) POPULATION UPDATES.—In fiscal year 2001 and every 2 years thereafter, the Secretary shall use updated data on the number of children, aged 5 to 17, inclusive, from families below the poverty level for counties or local educational agencies, published by the Department of Commerce, unless the Secretary and the Secretary of Commerce determine that use of the updated population data would be inappropriate or unreliable. If the Secretary and the Secretary of Commerce determine that some or all of the data referred to in this paragraph are inappropriate or unreliable, the Secretary and the Secretary of Commerce shall publicly disclose their reasons. In determining the families which are below the poverty level, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census, in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics.

(4) OTHER CHILDREN TO BE COUNTED.—For purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under a State program funded under part A of title IV of the Social Security Act. In making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of 4 in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics. The Secretary shall determine the number of such children and the number of children aged 5 through 17 living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination. The Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year. For the purpose of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(5) ESTIMATE.—When requested by the Secretary, the Secretary of Commerce shall make a special updated estimate of the number of children of such ages who are from families below the poverty level (as determined under paragraph (2)) in

each school district, and the Secretary is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information.

(d) STATE MINIMUM.—Notwithstanding section 1122, the aggregate amount allotted for all local educational agencies within a State may not be less than the lesser of—

(1) 0.25 percent of the total amount made available to carry out this section for such fiscal year; or

(2) the average of—

(A) 0.25 percent of the total amount made available to carry out this section for such fiscal year; and

(B) the number of children in such State counted under subsection (c) in the fiscal year multiplied by 150 percent of the national average per-pupil payment made with funds available under this section for that fiscal year.

SEC. 1124A. CONCENTRATION GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) ELIGIBILITY FOR AND AMOUNT OF GRANTS.—

(1) ELIGIBILITY.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, each local educational agency in a State that is eligible for a grant under section 1124 for any fiscal year is eligible for an additional grant under this section for that fiscal year if the number of children counted under section 1124(c) who are served by the agency exceeds—

(i) 6,500; or

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

(B) MINIMUM.—Notwithstanding section 1122, no State shall receive under this section an amount that is less than the lesser of—

(i) 0.25 percent of the total amount made available to carry out this section for such fiscal year; or

(ii) the average of—

(I) 0.25 percent of the sums available to carry out this section for such fiscal year; and

(II) the greater of—

(aa) $340,000; or

(bb) the number of children in such State counted for purposes of this section in that fiscal year multiplied by 150 percent of the national average per-pupil payment made with funds available under this section for that fiscal year.

(2) DETERMINATION.—For each county or local educational agency eligible to receive an additional grant under this section for any fiscal year the Secretary shall determine the product of—

(A) the number of children counted under section 1124(c) for that fiscal year; and

(B) the amount in section 1124(a)(1)(B) for all States except the Commonwealth of Puerto Rico, and the amount in section 1124(a)(3) for the Commonwealth of Puerto Rico.

(3) AMOUNT.—The amount of the additional grant for which an eligible local educational agency or county is eligible under this section for any fiscal year shall be an amount that bears the same ratio to the amount available to carry out this section for that fiscal year as the product determined under paragraph (2) for such local educational agency for that fiscal year bears to the sum of such products for all local educational agencies in the United States for that fiscal year.

(4) LOCAL ALLOCATIONS.—

(A) IN GENERAL.—Grant amounts under this section shall be calculated in the same manner as grant amounts are calculated under section 1124(a) (2) and (3).

(B) SPECIAL RULE.—For any fiscal year for which the Secretary allocates funds under this section on the basis of counties, a State may reserve not more than 2 percent of the amount made available to the State under this section for any fiscal year to make grants to local educational agencies that meet the criteria in paragraph (1)(A) (i) or (ii) but that are in ineligible counties.

(b) RATABLE REDUCTION RULE.—If the sums available under subsection (a) for any fiscal year for making payments under this section are not sufficient to pay in full the total amounts which all States are eligible to receive under subsection (a) for such fiscal year, the maximum amounts that all States are eligible to receive under subsection (a) for such fiscal year shall be ratably reduced. In the case that additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

(c) STATES RECEIVING 0.25 PERCENT OR LESS.—In States that receive 0.25 percent or less of the total amount made available to carry out this section for a fiscal year, the State educational agency shall allocate such funds among the local educational agencies in the State—

(1) in accordance with paragraphs (2) and (4) of subsection (a); or

(2) based on their respective concentrations and numbers of children counted under section 1124(c), except that only those local educational agencies with concentrations or numbers of children counted under section 1124(c) that exceed the statewide average percentage of such children or the statewide average number of such children shall receive any funds on the basis of this paragraph.

SEC. 1125. TARGETED GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES.—

(1) IN GENERAL.—A local educational agency in a State is eligible to receive a targeted grant under this section for any fiscal year if—

(A) the number of children in the local educational agency counted under section 1124(c), before application of the

weighted child count described in subsection (c), is at least 10; and

(B) if the number of children counted for grants under section 1124(c), before application of the weighted child count described in subsection (c), is at least 5 percent of the total number of children aged 5 to 17 years, inclusive, in the school district of the local educational agency.

(2) SPECIAL RULE.—For any fiscal year for which the Secretary allocates funds under this section on the basis of counties, funds made available as a result of applying this subsection shall be reallocated by the State educational agency to other eligible local educational agencies in the State in proportion to the distribution of other funds under this section.

(b) GRANTS FOR LOCAL EDUCATIONAL AGENCIES, THE DISTRICT OF COLUMBIA, AND THE COMMONWEALTH OF PUERTO RICO.—

(1) IN GENERAL.—The amount of the grant that a local educational agency in a State (other than the Commonwealth of Puerto Rico) is eligible to receive under this section for any fiscal year shall be the product of—

(A) the weighted child count determined under subsection (c); and

(B) the amount determined under section 1124(a)(1)(B).

(2) PUERTO RICO.—For each fiscal year, the amount of the grant the Commonwealth of Puerto Rico is eligible to receive under this section shall be equal to the number of children counted under subsection (c) for the Commonwealth of Puerto Rico, multiplied by the amount determined in section 1124(a)(4) for the Commonwealth of Puerto Rico.

(c) WEIGHTED CHILD COUNT.—

(1) WEIGHTS FOR ALLOCATIONS TO COUNTIES.—

(A) IN GENERAL.—For each fiscal year for which the Secretary uses county population data to calculate grants, the weighted child count used to determine a county's allocation under this section is the larger of the 2 amounts determined under subparagraphs (B) and (C).

(B) BY PERCENTAGE OF CHILDREN.—The amount referred to in subparagraph (A) is determined by adding—

(i) the number of children determined under section 1124(c) for that county who constitute not more than 15.00 percent, inclusive, of the county's total population aged 5 to 17, inclusive, multiplied by 1.0;

(ii) the number of such children who constitute more than 15.00 percent, but not more than 19.00 percent, of such population, multiplied by 1.75;

(iii) the number of such children who constitute more than 19.00 percent, but not more than 24.20 percent, of such population, multiplied by 2.5;

(iv) the number of such children who constitute more than 24.20 percent, but not more than 29.20 percent, of such population, multiplied by 3.25; and

(v) the number of such children who constitute more than 29.20 percent of such population, multiplied by 4.0.

(C) BY NUMBER OF CHILDREN.—The amount referred to in subparagraph (A) is determined by adding—

(i) the number of children determined under section 1124(c) who constitute not more than 2,311, inclusive, of the county's total population aged 5 to 17, inclusive, multiplied by 1.0;

(ii) the number of such children between 2,312 and 7,913, inclusive, in such population, multiplied by 1.5;

(iii) the number of such children between 7,914 and 23,917, inclusive, in such population, multiplied by 2.0;

(iv) the number of such children between 23,918 and 93,810, inclusive, in such population, multiplied by 2.5; and

(v) the number of such children in excess of 93,811 in such population, multiplied by 3.0.

(D) PUERTO RICO.—Notwithstanding subparagraph (A), the weighting factor for the Commonwealth of Puerto Rico under this paragraph shall not be greater than the total number of children counted under section 1124(c) multiplied by 1.72.

(2) WEIGHTS FOR ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—

(A) IN GENERAL.—For each fiscal year for which the Secretary uses local educational agency data, the weighted child count used to determine a local educational agency's grant under this section is the larger of the 2 amounts determined under subparagraphs (B) and (C).

(B) BY PERCENTAGE OF CHILDREN.—The amount referred to in subparagraph (A) is determined by adding—

(i) the number of children determined under section 1124(c) for that local educational agency who constitute not more than 15.233 percent, inclusive, of the agency's total population aged 5 to 17, inclusive, multiplied by 1.0;

(ii) the number of such children who constitute more than 15.233 percent, but not more than 22.706 percent, of such population, multiplied by 1.75;

(iii) the number of such children who constitute more than 22.706 percent, but not more than 32.213 percent, of such population, multiplied by 2.5;

(iv) the number of such children who constitute more than 32.213 percent, but not more than 41.452 percent, of such population, multiplied by 3.25; and

(v) the number of such children who constitute more than 41.452 percent of such population, multiplied by 4.0.

(C) BY NUMBER OF CHILDREN.—The amount referred to in subparagraph (A) is determined by adding—

(i) the number of children determined under section 1124(c) who constitute not more than 710, inclusive, of the agency's total population aged 5 to 17, inclusive, multiplied by 1.0;

(ii) the number of such children between 711 and 2,384, inclusive, in such population, multiplied by 1.5;

(iii) the number of such children between 2,385 and 9,645, inclusive, in such population, multiplied by 2.0;

(iv) the number of such children between 9,646 and 54,600, inclusive, in such population, multiplied by 2.5; and

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

(D) PUERTO RICO.—Notwithstanding subparagraph (A), the weighting factor for the Commonwealth of Puerto Rico under this paragraph shall not be greater than the total number of children counted under section 1124(c) multiplied by 1.72.

(d) CALCULATION OF GRANT AMOUNTS.—Grant amounts under this section shall be calculated in the same manner as grant amounts are calculated under section 1124(a) (2) and (3).

(e) STATE MINIMUM.—Notwithstanding any other provision of this section or section 1122, from the total amount available for any fiscal year to carry out this section, each State shall be allotted not less than 0.5 percent of the total amount made available to carry out this section for such fiscal year.

SEC. 1125A. EDUCATION FINANCE INCENTIVE PROGRAM.

(a) GRANTS.—From funds appropriated under subsection (e) the Secretary is authorized to make grants to States, from allotments under subsection (b), to carry out the purposes of this part.

(b) DISTRIBUTION BASED UPON FISCAL EFFORT AND EQUITY.—

(1) IN GENERAL.—

(A) IN GENERAL.—Except as provided in subparagraph (B), funds appropriated pursuant to subsection (e) shall be allotted to each State based upon the number of children counted under section 1124(c) in such State multiplied by the product of—

(i) such State's effort factor described in paragraph (2); multiplied by

(ii) 1.30 minus such State's equity factor described in paragraph (3).

(B) MINIMUM.—For each fiscal year no State shall receive under this section less than 0.5 percent of the total amount appropriated under subsection (e) for the fiscal year.

(2) EFFORT FACTOR.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the effort factor for a State shall be determined in accordance with the succeeding sentence, except that such factor shall not be less than 0.95 nor greater than 1.05. The effort factor determined under this sentence shall be a fraction the numerator of which is the product of the 3-year average per-pupil expenditure in the State multiplied by the 3-year average per capita income in the United States and the denominator of which is the product of the 3-year average per capita income in such State multiplied by the 3-year average per-pupil expenditure in the United States.

(B) COMMONWEALTH OF PUERTO RICO.—The effort factor for the Commonwealth of Puerto Rico shall be equal to the

lowest effort factor calculated under subparagraph (A) for any State.

(3) EQUITY FACTOR.—

(A) DETERMINATION.—

(i) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall determine the equity factor under this section for each State in accordance with clause (ii).

(ii) COMPUTATION.—

(I) IN GENERAL.—For each State, the Secretary shall compute a weighted coefficient of variation for the per-pupil expenditures of local educational agencies in accordance with subclauses (II), (III), and (IV).

(II) VARIATION.—In computing coefficients of variation, the Secretary shall weigh the variation between per-pupil expenditures in each local educational agency and the average per-pupil expenditures in the State according to the number of pupils served by the local educational agency.

(III) NUMBER OF PUPILS.—In determining the number of pupils under this paragraph served by each local educational agency and in each State, the Secretary shall multiply the number of children from low-income families by a factor of 1.4.

(IV) ENROLLMENT REQUIREMENT.—In computing coefficients of variation, the Secretary shall include only those local educational agencies with an enrollment of more than 200 students.

(B) SPECIAL RULE.—The equity factor for a State that meets the disparity standard described in section 222.162 of title 34, Code of Federal Regulations (as such section was in effect on the day preceding the date of enactment of the Better Education for Students and Teachers Act) or a State with only 1 local educational agency shall be not greater than 0.10.

(C) REVISIONS.—The Secretary may revise each State's equity factor as necessary based on the advice of independent education finance scholars to reflect other need-based costs of local educational agencies in addition to low-income student enrollment, such as differing geographic costs, costs associated with students with disabilities, children with limited English-proficiency or other meaningful educational needs, which deserve additional support. In addition, after obtaining the advice of independent education finance scholars, the Secretary may revise each State's equity factor to incorporate other valid and accepted methods to achieve adequacy of educational opportunity that may not be reflected in a coefficient of variation method.

(c) USE OF FUNDS.—All funds awarded to each State under this section shall be allocated to local educational agencies and schools on a basis consistent with the distribution of other funds to such agencies and schools under sections 1124, 1124A, and 1125 to carry out activities under this part.

(d) MAINTENANCE OF EFFORT.—

(1) IN GENERAL.—Except as provided in paragraph (2), a State is entitled to receive its full allotment of funds under this section for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the fiscal year preceding the fiscal year for which the determination is made was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

(2) REDUCTION OF FUNDS.—The Secretary shall reduce the amount of funds awarded to any State under this section in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

(3) WAIVERS.—The Secretary may waive, for 1 fiscal year only, the requirements of this subsection if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $200,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

SEC. 1126. SPECIAL ALLOCATION PROCEDURES.

(a) ALLOCATIONS FOR NEGLECTED CHILDREN.—

(1) IN GENERAL.—If a State educational agency determines that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children who are living in institutions for neglected or delinquent children as described in section 1124(c)(1)(C), the State educational agency shall, if such agency assumes responsibility for the special educational needs of such children, receive the portion of such local educational agency's allocation under sections 1124, 1124A, and 1125 that is attributable to such children.

(2) SPECIAL RULE.—If the State educational agency does not assume such responsibility, any other State or local public agency that does assume such responsibility shall receive that portion of the local educational agency's allocation.

(b) ALLOCATIONS AMONG LOCAL EDUCATIONAL AGENCIES.—The State educational agency may allocate the amounts of grants under sections 1124, 1124A, and 1125 among the affected local educational agencies—

(1) if 2 or more local educational agencies serve, in whole or in part, the same geographical area;

(2) if a local educational agency provides free public education for children who reside in the school district of another local educational agency; or

(3) to reflect the merger, creation, or change of boundaries of 1 or more local educational agencies.

(c) REALLOCATION.—If a State educational agency determines that the amount of a grant a local educational agency would receive under sections 1124, 1124A, and 1125 is more than such local educational agency will use, the State educational agency shall make the excess amount available to other local educational agencies in the State that need additional funds in accordance with criteria established by the State educational agency.

SEC. 1127. CARRYOVER AND WAIVER.

(a) LIMITATION ON CARRYOVER.—Notwithstanding section 421 of the General Education Provisions Act or any other provision of law, not more than 15 percent of the funds allocated to a local educational agency for any fiscal year under this subpart (but not including funds received through any reallocation under this subpart) may remain available for obligation by such agency for one additional fiscal year.

(b) WAIVER.—A State educational agency may, once every 3 years, waive the percentage limitation in subsection (a) if—

(1) the agency determines that the request of a local educational agency is reasonable and necessary; or

(2) supplemental appropriations for this subpart become available.

(c) EXCLUSION.—The percentage limitation under subsection (a) shall not apply to any local educational agency that receives less than $50,000 under this subpart for any fiscal year.

[PART B—EVEN START FAMILY LITERACY PROGRAMS]

PART B—LITERACY FOR CHILDREN AND FAMILIES

Subpart 1—William F. Goodling Even Start Family Literacy Programs

SEC. 1201. [20 U.S.C. 6361] STATEMENT OF PURPOSE.

It is the purpose of [this part] *this subpart* to help break the cycle of poverty and illiteracy by improving the educational opportunities of the Nation's low-income families by integrating early childhood education, adult literacy or adult basic education, and parenting education into a unified family literacy program, to be referred to as "Even Start". The program shall—

* * * * * * *

SEC. 1202. [20 U.S.C. 6362] PROGRAM AUTHORIZED.

(a) RESERVATION FOR MIGRANT PROGRAMS, OUTLYING AREAS, AND INDIAN TRIBES.—

(1) IN GENERAL.—For each fiscal year, the Secretary shall reserve 5 percent of the amount appropriated under section 1002(b) for programs, under such terms and conditions as the Secretary shall establish, that are consistent with the purpose of [this part], *this subpart* and according to their relative needs, for—

* * * * * * *

(c) RESERVATION FOR GRANTS.—

(1) GRANTS AUTHORIZED.—From funds reserved under section 2260(b)(3), the Secretary shall award grants, on a competitive basis, to States to enable such States to plan and implement statewide family literacy initiatives to coordinate and, where appropriate, integrate existing Federal, State, and local literacy resources consistent with the purposes of, [this part], *this subpart.* Such coordination and integration shall include funds available under the Adult Education and Family Literacy Act, the Head Start Act, [this part] *this subpart,* part A of this title, and part A of title IV of the Social Security Act.

* * * * * * *

(e) DEFINITIONS.—For the purpose of [this part] *this subpart*—

* * * * * * *

SEC. 1204. [20 U.S.C. 6364] USES OF FUNDS.

(a) IN GENERAL.—* * *

* * * * * * *

(b) FEDERAL SHARE LIMITATION.—

(1) IN GENERAL.—(A) Except as provided in paragraph (2), the Federal share under [this part] *this subpart* may not exceed—

(i) 90 percent of the total cost of the program in the first year that such program receives assistance under [this part] *this subpart* or its predecessor authority.

* * * * * * *

(B) The remaining cost of a program assisted under [this part] *this subpart* may be provided in cash or in kind, fairly evaluated and may be obtained from any source, including other Federal funds under this Act.

* * * * * * *

(A) demonstrates that such entity otherwise would not be able to participate in the program assisted under [this part] *this subpart* and

* * * * * * *

(3) PROHIBITION.—Federal funds provided under [this part] *this subpart* may not be used for the indirect costs of a program assisted under [this part] *this subpart* except that the Secretary may waive this paragraph if an eligible recipient of funds reserved under section 1202(a)(1)(C) demonstrates to the Secretary's satisfaction that such recipient otherwise would not be able to participate in the program assisted under [this part] *this subpart.*

SEC. 1205. [20 U.S.C. 6365] PROGRAM ELEMENTS.

Each program assisted under [this part] *this subpart* shall—

(1) include the identification and recruitment of families most in need of services provided under [this part] *this subpart,* as indicated by a low level of income, a low level of adult literacy or English language proficiency of the eligible parent or parents, and other need-related indicators;

(2) include screening and preparation of parents, including teenage parents and children to enable such parents to partici-

pate fully in the activities and services provided under [this part] *this subpart,* including testing, referral to necessary counselling, other developmental and support services, and related services;

(3) be designed to accommodate the participants' work schedule and other responsibilities, including the provision of support services, when such services are unavailable from other sources, necessary for participation in the activities assisted under [this part] *this subpart,* such as—

* * * * * * *

(B) child care for the period that parents are involved in the program provided under [this part] *this subpart;* and

(C) transportation for the purpose of enabling parents and their children to participate in programs authorized by [this part] *this subpart;*

* * * * * * *

(5) include special training of staff, including child care staff, to develop the skills necessary to work with parents and young children in the full range of instructional services offered through [this part] *this subpart;*

* * * * * * *

(9) ensure that the programs will serve those families most in need of the activities and services provided by [this part] *this subpart;* and

* * * * * * *

SEC. 1206. [20 U.S.C. 6366] ELIGIBLE PARTICIPANTS.

(a) IN GENERAL.—* * *

* * * * * * *

(B) who are within the State's compulsory school attendance age range, so long as a local educational agency provides (or ensures the availability of) the basic education component required under [this part] *this subpart;* and

* * * * * * *

(b) Eligibility for Certain Other Participants.—

(1) IN GENERAL.—Family members of eligible participants described in subsection (a) may participate in activities and services provided under [this part] *this subpart*, when appropriate to serve the purpose of [this part] *this subpart.*

* * * * * * *

(2) SPECIAL RULE.—Any family participating in a program assisted under [this part] *this subpart* that becomes ineligible for such participation as a result of one or more members of the family becoming ineligible for such participation may continue to participate in the program until all members of the family become ineligible for such participation, which—

* * * * * * *

SEC. 1207. [20 U.S.C. 6367] APPLICATIONS.

(a) SUBMISSION.—TO BE ELIGIBLE TO RECEIVE A SUBGRANT UNDER [THIS PART] *this subpart*, an eligible entity shall submit an applica-

tion to the State educational agency in such form and containing or accompanied by such information as the State educational agency shall require.

* * * * * * *

(1) to develop, administer, and implement an Even Start program under [this part] *this subpart*; and

* * * * * * *

(i) to ensure that the programs will serve families most in need of the activities and services provided by [this part] *this subpart;*

(ii) to provide services under [this part] *this subpart* to individuals with special needs, such as individuals with limited English proficiency and individuals with disabilities; and

* * * * * * *

(A) remain in effect for the duration of the eligible entity's participation under [this part] *this subpart*; and

* * * * * * *

SEC. 1208. [20 U.S.C. 6368] AWARD OF SUBGRANTS.

(a) SELECTION PROCESS.—

(1) IN GENERAL.—* * *

* * * * * * *

(b) DURATION.—

(1) IN GENERAL.—Subgrants under [this part] *this subpart* may be awarded for a period not to exceed four years.

* * * * * * *

(3) CONTINUING ELIGIBILITY.—In awarding subgrant funds to continue a program under [this part] *this subpart* for the second, third, or fourth year, the State educational agency shall evaluate the program based on the indicators of program quality developed by the State under section 1210. Such evaluation shall take place after the conclusion of the startup period, if any.

* * * * * * *

(5) GRANT RENEWAL.—(A) An eligible entity that has previously received a subgrant under [this part] *this subpart* may reapply under this part for additional subgrants. An eligible recipient may receive funds under [this part] *this subpart* for a period not to exceed eight years.

* * * * * * *

SEC. 1209. [20 U.S.C. 6369] EVALUATION.

From funds reserved under section 1202(b)(1), the Secretary shall provide for an independent evaluation of programs assisted under [this part] *this subpart*—

(1) to determine the performance and effectiveness of programs assisted under [this part] *this subpart*;

(2) to identify effective Even Start programs assisted under [this part] *this subpart* that can be duplicated and used in

providing technical assistance to Federal, State, and local programs; and

(3) to provide States and eligible entities receiving a subgrant under [this part] *this subpart*, directly or through a grant or contract with an organization with experience in the development and operation of successful family literacy services, technical assistance to ensure local evaluations undertaken under section 1205(10) provide accurate information on the effectiveness of programs assisted under [this part] *this subpart*.

SEC. 1210. [20 U.S.C. 6369a] INDICATORS OF PROGRAM QUALITY.

Each State receiving funds under [this part] *this subpart* shall develop, based on the best available research and evaluation data, indicators of program quality for programs assisted under [this part] *this subpart*. Such indicators shall be used to monitor, evaluate, and improve such programs within the State. Such indicators shall include the following:

* * * * * * *

SEC. 1211. [20 U.S.C. 6369b] RESEARCH.

(a) IN GENERAL.—* * *

* * * * * * *

(1) to improve the quality of existing programs assisted under [this part] *this subpart* or other family literacy programs carried out under this Act or the Adult Education and Family Literacy Act; and

* * * * * * *

(b) DISSEMINATION.—The National Institute for Literacy shall disseminate, pursuant to section 2258, the results of the research described in subsection (a) to States and recipients of subgrants under [this part] *this subpart*.

SEC. 1212. [20 U.S.C. 6370] CONSTRUCTION.

Nothing in [this part] *this subpart* shall be construed to prohibit a recipient of funds under [this part] *this subpart* from serving students participating in Even Start simultaneously with students with similar educational needs, in the same educational settings where appropriate.

* * * * * * *

Subpart 2—Reading First

SEC. 1221. PURPOSES.

The purposes of this subpart are as follows:

(1) To provide assistance to States and local educational agencies in establishing reading programs for students in grades kindergarten through 3 that are grounded in scientifically based reading research, in order to ensure that every student can read at grade level or above by the end of the third grade.

(2) To provide assistance to States and local educational agencies in preparing teachers, through professional develop-

ment and other support, so the teachers can identify specific reading barriers facing their students and so the teachers have the tools effectively to help their student to learn to read.

(3) To provide assistance to States and local educational agencies in selecting or developing rigorous diagnostic reading assessments that document the effectiveness of this subpart in improving students' reading and in holding grant and subgrant recipients accountable for their results.

(4) To provide assistance to States and local educational agencies in selecting or developing effective instructional materials, programs, and strategies to implement methods that have been proven to prevent or remediate reading failure within a State or States.

(5) To strengthen coordination among schools, early literacy programs, and family literacy programs in order to improve reading achievement for all children.

SEC. 1222. FORMULA GRANTS TO STATES; COMPETITIVE SUBGRANTS TO LOCAL AGENCIES.

(a) IN GENERAL.—In the case of each State that in accordance with section 1224 submits to the Secretary an application for a 5-year period, the Secretary, subject to the application's approval, shall make a grant to the State educational agency for the uses specified in subsections (c) and (d). The grant shall consist of the allotment determined for the State under subsection (b).

(b) DETERMINATION OF AMOUNT OF ALLOTMENT.—

(1) IN GENERAL.—From the total amount made available to carry out this subpart for any fiscal year and not reserved under section 1225, the Secretary shall allot 75 percent under this section among each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(2) STATE ALLOTMENTS.—The Secretary shall allot the amount made available under paragraph (1) for a fiscal year among the States in proportion to the amount all local educational agencies in a State would receive under section 1124.

(3) REALLOTMENT.—If any State does not apply for an allotment under this section for any fiscal year, or if the State's application is not approved, the Secretary shall reallot such amount to the remaining States in accordance with paragraph (2).

(c) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.—

(1) DISTRIBUTION OF SUBGRANTS.—The Secretary may make a grant to a State under this section only if the State agrees to expend at least 80 percent of the amount of the funds provided under the grant for the purpose of making, in accordance with this subsection, competitive subgrants to eligible local educational agencies.

(2) NOTICE.—A State receiving a grant under this section shall provide notice to all eligible local educational agencies in the State of the availability of competitive subgrants under this subsection and of the requirements for applying for the subgrants.

(3) LOCAL APPLICATION.—To be eligible to receive a subgrant under this subsection, an eligible local educational agency shall submit an application to the State at such time, in such man-

ner, and containing such information as the State may reasonably require.

(4) DEFINITION OF ELIGIBLE LOCAL EDUCATIONAL AGENCY.—In this subpart the term "eligible local educational agency" means a local educational agency that—

(A) has a high percentage of students in grades kindergarten through 3 reading below grade level; and

(B) has—

(i) jurisdiction over a geographic area that includes an area designated as an empowerment zone, or an enterprise community, under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986;

(ii) jurisdiction over at least 1 school that is identified for school improvement under section 1116(c); or

(iii) a high percentage of children who are counted under section 1124(c), in comparison to other local educational agencies in the State.

(5) STATE REQUIREMENT.—In distributing subgrant funds to local educational agencies, a State shall provide the funds in sufficient amounts to enable local educational agencies to improve reading, as measured by scores on rigorous diagnostic reading assessments.

(6) LOCAL PRIORITY.—In distributing subgrant funds under this subsection a local educational agency shall give priority to providing the funds to schools that—

(A) have a high percentage of students in grades kindergarten through 3 reading below grade level;

(B) are identified for school improvement under section 1116(c); or

(C) have a high percentage of children counted under section 1124(c).

(7) LOCAL USES OF FUNDS.—Subject to paragraph (8), a local educational agency that receives a subgrant under this subsection shall use the funds provided under the subgrant to carry out the following activities:

(A) Selecting or developing, and administering, a rigorous diagnostic reading assessment.

(B) Selecting or developing, and implementing, a program or programs of reading instruction grounded on scientifically based reading research that—

(i) includes the major components of reading instruction; and

(ii) provides such instruction to all children, including children who—

(I) may have reading difficulties;

(II) are at risk of being referred to special education based on these difficulties;

(III) have been evaluated under section 614 of the Individuals with Disabilities Education Act but, in accordance with section 614(b)(5) of such Act, and have not been identified as being a child with a disability (as defined in section 602 of such Act);

(IV) are being served under such Act primarily due to being identified as being a child with a specific learning disability (as defined in section 602 of such Act) related to reading; or

(V) are identified as having limited English proficiency (as defined in section 3501).

(C) Procuring and implementing instructional materials grounded on scientifically based reading research.

(D) Providing professional development for teachers of grades kindergarten through 3 that—

(i) will prepare these teachers in all of the major components of reading instruction;

(ii) shall include—

(I) information on instructional materials, programs, strategies, and approaches grounded on scientifically based reading research, including early intervention and reading remediation materials, programs, and approaches; and

(II) instruction in the use of rigorous diagnostic reading assessments and other procedures that effectively identify students who may be at risk for reading failure or who are having difficulty reading; and

(iii) may be provided by eligible professional development providers or otherwise.

(E) Promoting reading and library programs that provide access to engaging reading material.

(F) Providing training to individuals who volunteer to be reading tutors for students to enable the volunteers to support instructional practices that are based on scientific reading research and being used by the student's teacher.

(G) Assisting parents, through the use of materials, programs, strategies and approaches, that are based on scientific reading research, to help support their children's reading development.

(H) Collecting and summarizing data from rigorous diagnostic reading assessments—

(i) to document the effectiveness of this subpart in individual schools and in the local educational agency as a whole; and

(ii) to stimulate and accelerate improvement by identifying the schools that produce the significant gains in reading achievement.

(I) Reporting data in the same manner as data is reported under section 1116(c).

(8) LOCAL PLANNING AND ADMINISTRATION.—A local educational agency that receives a subgrant under this subsection may use not more than 5 percent of the funds provided under the subgrant for planning and administration.

(d) OTHER STATE USES OF FUNDS.—

(1) IN GENERAL.—A State that receives a grant under this section may expend not more than a total of 20 percent of the grant funds to carry out the activities described in paragraphs (3), (4), and (5).

(2) PRIORITY.—A State shall give priority to carrying out the activities described in paragraphs (3), (4), and (5) for schools described in subsection (c)(6).

(3) PROFESSIONAL DEVELOPMENT.—A State that receives a grant under this section may expend not more than 15 percent of the amount of the funds provided under the grant to develop and implement a program of professional development for teachers of grades kindergarten through 3 that—

(A) will prepare these teachers in all of the major components of reading instruction;

(B) shall include—

(i) information on instructional materials, programs, strategies, and approaches grounded on scientifically based reading research, including early intervention and reading remediation materials, programs, and approaches; and

(ii) instruction in the use of rigorous diagnostic reading assessments and other procedures that effectively identify students who may be at risk for reading failure or who are having difficulty reading; and

(C) may be provided by eligible professional development providers or otherwise.

(4) TECHNICAL ASSISTANCE FOR LOCAL EDUCATIONAL AGENCIES AND SCHOOLS.—A State that receives a grant under this section may expend not more than 5 percent of the amount of the funds provided under the grant for one or more of the following authorized State activities:

(A) Assisting local educational agencies in accomplishing the tasks required to design and implement a program under this subpart, including—

(i) selecting and implementing a program or programs of reading instruction grounded on scientifically based reading research;

(ii) selecting or developing rigorous diagnostic reading assessments; and

(iii) identifying eligible professional development providers to help prepare reading teachers to teach students using the programs and assessments described in subparagraphs (A) and (B).

(B) Providing expanded opportunities to students in grades kindergarten through 3 within eligible local educational agencies for receiving reading assistance from alternative providers that includes—

(i) a rigorous diagnostic reading assessment; and

(ii) instruction in the major components of reading that is based on scientific reading research.

(3) PLANNING, ADMINISTRATION, AND REPORTING.—

(A) IN GENERAL.—A State that receives a grant under this section shall expend not more than 5 percent of the amount of the funds provided under the grant for the activities described in this paragraph.

(B) PLANNING AND ADMINISTRATION.—A State that receives a grant under this section may expend funds made available under subparagraph (A) for planning and admin-

istration relating to the State uses of funds authorized under this subpart, including the following:

(i) Administering the distribution of competitive subgrants to local educational agencies under sections 1222 and 1223.

(ii) Collecting and summarizing data from rigorous diagnostic reading assessments—

(I) to document the effectiveness of this subpart in individual local educational agencies and in the State as a whole; and

(II) to stimulate and accelerate improvement by identifying the local educational agencies that produce significant gains in reading achievement.

(C) ANNUAL REPORTING.—

(i) IN GENERAL.—A State that receives a grant under this section shall expend funds provided under the grant to provide the Secretary annually with a report on the implementation of this subpart. The report shall include evidence that the State is fulfilling its obligations under this subpart. The report shall also include the data required under subsection (c)(7)(H) to be reported to the State by local educational agencies. The report shall include a specific identification of those local educational agencies that report significant gains in reading achievement overall and such gains based on disaggregated data, reported in the same manner as data is reported under section 1116(c).

(ii) PRIVACY PROTECTION.—Data in the report shall be reported in a manner that protects the privacy of individuals.

(iii) CONTRACT.—To the extent practicable, a State shall enter into a contract with an entity that conducts scientifically based reading research, under which contract the entity will assist the State in producing the reports required to be submitted under this subparagraph.

SEC. 1223. COMPETITIVE GRANTS TO STATES; COMPETITIVE SUBGRANTS TO LOCAL AGENCIES.

(a) IN GENERAL.—In the case of a State that in accordance with section 1224 submits to the Secretary an application, the Secretary may award a grant, on a competitive basis, to the State for the use specified in subsection (c). The grant shall consist of the allotment determined for the State under subsection (b).

(b) DETERMINATION OF AMOUNT OF ALLOTMENT.—

(1) IN GENERAL.—From the total amount made available to carry out this subpart for any fiscal year referred to in subsection (a) that is neither used under section 1222 nor reserved under section 1225, the Secretary may allot such remaining amount under this section among each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(2) STATE ALLOTMENTS.—

(A) IN GENERAL.—In carrying out paragraph (1), the Secretary shall allot such funds to those States that demonstrate the most effective implementation of this subpart,

as determined by the peer review panel convened under section 1224 based upon the application contents described in subparagraph (B).

(B) APPLICATION CONTENTS.—A State that desires to receive a grant under this section shall include in its application the following:

(i) Evidence that the State has carried out its obligations under this subpart.

(ii) Evidence that the State has increased significantly the percentage of students reading at grade level or above by the end of the third grade.

(iii) Evidence that the State has been successful in reducing the reading deficit in terms of the percentage of students in ethnic, racial, and low-income populations who are reading at grade level or above by the end of the third grade.

(iv) The amount of funds being requested by the State and a description of the criteria the State intends to use in distributing subgrants to local educational agencies under this section to continue or expand activities under this subpart.

(v) Any additional evidence that demonstrates success in the implementation of this subpart.

(c) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.—

(1) IN GENERAL.—The Secretary may make a grant to a State under this section only if the State agrees to expend 100 percent of the amount of the funds provided under the grant for the purpose of making competitive subgrants in accordance with this subsection to local educational agencies.

(2) NOTICE.—A State receiving a grant under this section shall provide notice to all eligible local educational agencies in the State of the availability of competitive subgrants under this subsection and of the requirements for applying for the subgrants.

(3) APPLICATION.—To apply for a subgrant under this subsection, an eligible local educational agency shall submit an application to the State at such time, in such manner, and containing such information as the State may reasonably require.

(4) DISTRIBUTION.—A State shall distribute funds under this section, on a competitive basis, based on the following criteria:

(A) Evidence that a local educational agency has carried out its obligations under this subpart.

(B) Evidence that a local educational agency has increased significantly the percentage of students reading at grade level or above by the end of the third grade.

(C) Evidence that a local educational agency has been successful in reducing the reading deficit in terms of the percentage of students in ethnic, racial, and low-income populations who are reading at grade level or above by the end of the third grade.

(D) The amount of funds being requested by a local educational agency in its application under paragraph (3) and the description in such application of how such funds will

be used to support the continuation or expansion of the agency's programs under this subpart.

(E) Evidence that the local educational agency will work with other eligible local educational agencies in the State who have not received a subgrant under this subsection to assist such nonreceiving agencies in increasing the reading achievement of students.

(F) Any additional evidence in a local educational agency's application under paragraph (3) that demonstrates success in the implementation of this subpart.

(5) LOCAL USES OF FUNDS.—A local educational agency that receives a subgrant under this subsection shall use the funds provided under the subgrant to carry out the activities described in subparagraphs (A) through (G) of section 1222(c)(7).

SEC. 1224. STATE APPLICATIONS.

(a) IN GENERAL.—A State that desires to receive a grant under this subpart shall submit an application to the Secretary at such time and in such form as the Secretary may require. The application shall contain the information described in subsection (b).

(b) CONTENTS.—An application under this section shall contain the following:

(1) An assurance that the Governor of the State, in consultation with the State educational agency, has established a reading and literacy partnership described in subsection (d), and a description of how such partnership—

(A) coordinated the development of the application; and

(B) will assist in the oversight and evaluation of the State's activities under this subpart.

(2) A description of a strategy to expand, continue, or modify activities commenced under part C of title II of this Act (as such part was in effect on the day before the date of the enactment of the Better Education for Students and Teachers Act).

(3) An assurance that the State will submit to the Secretary, at such time and in such manner as the Secretary may reasonably require, a State plan containing a description of the following:

(A) How the State will assist local educational agencies in identifying rigorous diagnostic reading assessments.

(B) How the State will assist local educational agencies in identifying instructional materials, programs, strategies, and approaches, grounded on scientifically based reading research, including early intervention and reading remediation materials, programs and approaches.

(C) How the State educational agency will ensure that professional development activities related to reading instruction and provided under this subpart are—

(i) coordinated with other State and local level funds and used effectively to improve instructional practices for reading; and

(ii) based on scientifically based reading research.

(D) How the activities assisted under this subpart will address the needs of teachers and other instructional staff in schools receiving assistance under this subpart and will effectively teach students to read.

(E) The extent to which the activities will prepare teachers in all the major components of reading instruction.

(F) How subgrants made by the State educational agency under this subpart will meet the requirements of this subpart, including how the State educational agency will ensure that local educational agencies receiving subgrants under this subpart will use practices based on scientifically based reading research.

(G) How the State educational agency will, to the extent practicable, make grants to subgrantees in both rural and urban areas.

(H) How the State educational agency—

(i) will build on, and promote coordination among, literacy programs in the State (including federally funded programs such as the Adult Education and Family Literacy Act and the Individuals with Disabilities Education Act), in order to increase the effectiveness of the programs in improving reading for adults and children and to avoid duplication of the efforts of the program; and

(ii) will assess and evaluate, on a regular basis, local educational agency activities assisted under this subpart, with respect to whether they have been effective in achieving the purposes of this subpart.

(c) APPROVAL OF APPLICATIONS.—

(1) IN GENERAL.—The Secretary shall approve an application of a State under this section only if such application meets the requirement of this section.

(2) PEER REVIEW.—

(A) IN GENERAL.—The Secretary, in consultation with the National Institute for Literacy, shall convene a panel to evaluate applications under this section. At a minimum, the panel shall include—

(i) 3 individuals selected by the Secretary;

(ii) 3 individuals selected by the National Institute for Literacy;

(iii) 3 individuals selected by the National Research Council of the National Academy of Sciences; and

(iv) 3 individuals selected by the National Institute of Child Health and Human Development.

(B) EXPERTS.—The panel shall include experts who are competent, by virtue of their training, expertise, or experience, to evaluate applications under this section, and experts who provide professional development to teachers of reading to children and adults, and experts who provide professional development to other instructional staff, based on scientifically based reading research.

(C) RECOMMENDATIONS.—The panel shall recommend grant applications from States under this section to the Secretary for funding or for disapproval.

(d) READING AND LITERACY PARTNERSHIPS.—

(1) REQUIRED PARTICIPANTS.—In order for a State to receive a grant under this subpart, the Governor of the State, in consultation with the State educational agency, shall establish a

reading and literacy partnership consisting of at least the following participants:

(A) The Governor of the State.

(B) The chief State school officer.

(C) The chairman and the ranking member of each committee of the State legislature that is responsible for education policy.

(D) A representative, selected jointly by the Governor and the chief State school officer, of at least one local educational agency that is eligible to receive a subgrant under section 1222.

(E) A representative, selected jointly by the Governor and the chief State school officer, of a community-based organization working with children to improve their reading skills, particularly a community-based organization using tutors and scientifically based reading research.

(F) State directors of appropriate Federal or State programs with a strong reading component.

(G) A parent of a public or private school student or a parent who educates their child or children in their home, selected jointly by the Governor and the chief State school officer.

(H) A teacher who successfully teaches reading and an instructional staff member, selected jointly by the Governor and the chief State school officer.

(I) A family literacy service provider selected jointly by the Governor and the chief state school officer.

(2) OPTIONAL PARTICIPANTS.—A reading and literacy partnership may include additional participants, who shall be selected jointly by the Governor and the chief State school officer, and who may include a representative of—

(A) an institution of higher education operating a program of teacher preparation based on scientifically based reading research in the State;

(B) a local educational agency;

(C) a private nonprofit or for-profit eligible professional development provider providing instruction based on scientifically based reading research;

(D) an adult education provider;

(E) a volunteer organization that is involved in reading programs; or

(F) a school library or a public library that offers reading or literacy programs for children or families.

(3) PREEXISTING PARTNERSHIP.—If, before the date of the enactment of the Better Education for Students and Teachers Act, a State established a consortium, partnership, or any other similar body that was considered a reading and literacy partnership for purposes of part C of title II of this Act (as such part was in effect on the day before the date of the enactment of the Better Education for Students and Teachers Act), that consortium, partnership, or body may be considered a reading and literacy partnership for purposes of this subpart notwithstanding that it does not satisfy the requirements of paragraph (1).

SEC. 1225. RESERVATIONS FROM APPROPRIATIONS.

From the amounts appropriated to carry out this subpart for a fiscal year, the Secretary—

(1) may reserve not more than 1 percent to carry out section 1226 (relating to national activities); and

(2) shall reserve $5,000,000 to carry out section 1227 (relating to information dissemination).

SEC. 1226. NATIONAL ACTIVITIES.

From funds reserved under section 1225(1), the Secretary—

(1) through grants or contracts, shall conduct an evaluation of the program under this subpart using criteria recommended by the peer review panel convened under section 1224; and

(2) may provide technical assistance in achieving the purposes of this subpart to States, local educational agencies, and schools requesting such assistance.

SEC. 1227. INFORMATION DISSEMINATION.

(a) IN GENERAL.—From funds reserved under section 1225(2), the National Institute for Literacy, in collaboration with the Departments of Education and Health and Human Services, including the National Institute for Child Health and Human Development, shall—

(1) disseminate information on scientifically based reading research pertaining to children, youth, and adults;

(2) identify and disseminate information about schools, local educational agencies, and States that effectively developed and implemented reading programs that meet the requirements of this subpart, including those effective States, local educational agencies, and schools identified through the evaluation and peer review provisions of this subpart; and

(3) support the continued identification of scientifically based reading research that can lead to improved reading outcomes for children, youth, and adults through evidenced-based assessments of the scientific research literature.

(b) DISSEMINATION AND COORDINATION.—At a minimum, the National Institute for Literacy shall disseminate such information to recipients of Federal financial assistance under titles I and III, the Head Start Act, the Individuals With Disabilities Education Act, and the Adult Education and Family Literacy Act. In carrying out this section, the National Institute for Literacy shall, to the extent practicable, utilize existing information and dissemination networks developed and maintained through other public and private entities.

(c) USE OF FUNDS.—The National Institute for Literacy may use not more than 5 percent of the funds made available under section 1225(2) for administrative purposes directly related to carrying out of activities authorized by this section.

SEC. 1228. DEFINITIONS.

For purposes of this subpart:

(1) ELIGIBLE PROFESSIONAL DEVELOPMENT PROVIDER.—The term "eligible professional development provider" means a provider of professional development in reading instruction to teachers that is based on scientifically based reading research.

(2) INSTRUCTIONAL STAFF.—The term "instructional staff"—

(A) means individuals who have responsibility for teaching children to read; and

(B) includes principals, teachers, supervisors of instruction, librarians, library school media specialists, teachers of academic subjects other than reading, and other individuals who have responsibility for assisting children to learn to read.

(3) MAJOR COMPONENTS OF READING INSTRUCTION.—The term "major components of reading instruction" means systematic instruction that includes—

(A) phonemic awareness;

(B) phonics;

(C) vocabulary development;

(D) reading fluency; and

(E) reading comprehension strategies.

(4) READING.—The term "reading" means a complex system of deriving meaning from print that requires all of the following:

(A) The skills and knowledge to understand how phonemes, or speech sounds, are connected to print.

(B) The ability to decode unfamiliar words.

(C) The ability to read fluently.

(D) Sufficient background information and vocabulary to foster reading comprehension.

(E) The development of appropriate active strategies to construct meaning from print.

(F) The development and maintenance of a motivation to read.

(5) RIGOROUS DIAGNOSTIC READING ASSESSMENT.—The term "rigorous diagnostic reading assessment" means a diagnostic reading assessment that—

(A) is valid, reliable, and grounded in scientifically based reading research;

(B) measures progress in phonemic awareness and phonics, vocabulary development, reading fluency, and reading comprehension; and

(C) identifies students who may be at risk for reading failure or who are having difficulty reading.

(6) SCIENTIFICALLY BASED READING RESEARCH.—The term "scientifically based reading research"—

(A) means research that applies rigorous, systematic, and objective procedures to obtain valid knowledge relevant to reading development, reading instruction, and reading difficulties; and

(B) shall include research that—

(i) employs systematic, empirical methods that draw on observation or experiment;

(ii) involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn;

(iii) relies on measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations; and

(iv) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review.

Subpart 3—Early Reading First

SEC. 1241. PURPOSES.

The purposes of this subpart are as follows:

(1) To support local efforts to enhance the school readiness of young children, particularly those from low-income families, through scientific, research-based strategies and professional development that are designed to enhance the early language and literacy development of children aged 3 through 5.

(2) To provide children aged 3 through 5 with cognitive learning opportunities in high-quality language and literature-rich environments, so that they can attain the fundamental knowledge necessary for optimal reading development in kindergarten and beyond.

(3) To integrate these learning opportunities with family literacy services.

(4) To demonstrate research-based language and literacy activities, which can be integrated with existing preschool programs, that support the age-appropriate development of letter knowledge, letter sounds and blending of sounds, words, the use of books, and the understanding and use of an increasingly complex and rich spoken vocabulary, developed in part through teacher-read stories, as well as other activities that build a strong foundation for learning to read.

SEC. 1242. LOCAL EARLY READING FIRST GRANTS.

(a) PROGRAM AUTHORIZED.—From amounts appropriated under section 1002(b)(3), the Secretary shall award grants, on a competitive basis, for periods of not more than 4 years, to eligible applicants to enable the eligible applicants to carry out activities that are consistent with the purposes of this subpart.

(b) DEFINITION OF ELIGIBLE APPLICANT.—In this subpart the term "eligible applicant" means—

(1) one or more local educational agencies that are eligible to receive a subgrant under subpart 2;

(2) one or more public or private organizations, acting on behalf of 1 or more programs that serve preschool age children (such as a program at a Head Start center or a family literacy program), which organizations shall be located in a community served by a local educational agency described in paragraph (1); or

(3) one or more local educational agencies described in paragraph (1) in collaboration with one or more organizations described in paragraph (2).

(c) APPLICATIONS.—An eligible applicant that desires to receive a grant under this section shall submit an application to the Secretary which shall include a description of—

(1) the programs to be served by the proposed project, including demographic and socioeconomic information on the children enrolled in the programs;

(2) how the proposed project will prepare and provide ongoing assistance to staff in the programs, through professional development and other support, to provide high-quality language, literacy and prereading activities using scientifically based research, for children ages 3 through 5;

(3) how the proposed project will provide services and utilize materials that are based on scientifically based research on early language acquisition, prereading activities, and the development of spoken vocabulary skills;

(4) how the proposed project will help staff in the programs to meet the diverse needs of children in the community better, including children with limited English proficiency, disabilities, or other special needs;

(5) how the proposed project will help children, particularly children experiencing difficulty with spoken language, prereading, and literacy skills, to make the transition from preschool to formal classroom instruction in school;

(6) if the eligible applicant has received a subgrant under subpart 2, how the activities conducted under this subpart will be coordinated with the eligible applicant's activities under subpart 2 at the kindergarten through third-grade level;

(7) how the proposed project will determine the success of the activities supported under this subpart in enhancing the early language and literacy development of children served by the project; and

(8) such other information as the Secretary may require.

(d) APPROVAL OF APPLICATIONS.—The Secretary shall select applicants for funding under this subpart on the basis of the quality of the applications, in consultation with the National Institute for Child Health and Human Development, the National Institute for Literacy, and the National Academy of Sciences. The Secretary shall select applications for approval under this subpart on the basis of a peer review process.

(e) AWARD AMOUNTS.—The Secretary may establish a maximum award amount, or ranges of award amounts, for grants under this subpart.

SEC. 1243. FEDERAL ADMINISTRATION.

The Secretary shall consult with the Secretary of Health and Human Services in order to coordinate the activities undertaken under this subpart with early childhood programs administered by the Department of Health and Human Services.

SEC. 1244. INFORMATION DISSEMINATION.

From the funds the National Institute for Literacy receives under section 1227, the National Institute for Literacy, in consultation with the Secretary, shall disseminate information regarding projects assisted under this subpart that have proven effective.

SEC. 1245. REPORTING REQUIREMENTS.

Each eligible applicant receiving a grant under this subpart shall report annually to the Secretary regarding the eligible applicant's progress in addressing the purposes of this subpart.

SEC. 1246. EVALUATIONS.

From the total amount appropriated under section 1002(b)(3) for the period beginning October 1, 2002 and ending September 30, 2008, the Secretary shall reserve not more than $5,000,000 to conduct an independent evaluation of the effectiveness of this subpart.

SEC. 1247. ADDITIONAL RESEARCH.

From the amount appropriated under section 1002(b)(3) for each of the fiscal years 2002 through 2006, the Secretary shall reserve not more than $3,000,000 to conduct, in consultation with National Institute for Child Health and Human Development, the National Institute for Literacy, and the Department of Health and Human Services, additional research on language and literacy development for children aged 3 through 5.

PART C—EDUCATION OF MIGRATORY CHILDREN

SEC. 1301. [20 U.S.C. 6391] PROGRAM PURPOSE.

It is the purpose of this part to assist States to—

(1) * * *

* * * * * * *

(2) ensure that migratory children who move among the States are not penalized in any manner by disparities among the States in curriculum, graduation requirements, and State student performance and content standards;

[(2)**]***(3)* ensure that migratory children are provided with appropriate education services (including supportive services) that address their special needs in a coordinated and efficient manner;

[(3)**]***(4)* ensure that migratory children have the opportunity to meet the same challenging State content standards and challenging State student performance standards that all children are expected to meet;

[(4)**]***(5)* design programs to help migratory children overcome educational disruption, cultural and language barriers, social isolation, various health-related problems, and other factors that inhibit the ability of such children to do well in school, and to prepare such children to make a successful transition to postsecondary education or employment; and

[(5)**]***(6)* ensure that migratory children benefit from State and local systemic reforms**[**.**]***; and*

(7) ensure that migratory children receive full and appropriate opportunities to meet the same challenging State content and student performance standards that all children are expected to meet.

* * * * * * *

SEC. 1304. [20 U.S.C. 6394] STATE APPLICATIONS; SERVICE.

(a) APPLICATION REQUIRED.— * * *

* * * * * * *

(b) PROGRAM INFORMATION.—Each such application shall include—

(1) a description of how, in planning, implementing, and evaluating programs and projects assisted under this part, the

State and its local operating agencies will ensure that the special education needs of migratory children, including preschool migratory children are identified and addressed through [a comprehensive plan for needs assessment and service delivery that meets the requirements of section 1306;] *the full range of services that are available for migratory children from appropriate local, State, and Federal educational programs;*

(2) a description of joint planning efforts that will be made with respect to programs assisted under this Act, local, State, and Federal programs, and bilingual education programs under subpart 1 of part A of title III;

[(2)]*(3)* a description of the steps the State is taking to provide all migratory students with the opportunity to meet the same challenging State content standards and challenging State student performance standards that all children are expected to meet;

[(3)]*(4)* a description of how the State will use funds received under this part to promote interstate and intrastate coordination of services for migratory children, including how, consistent with procedures the Secretary may require, the State will provide for educational continuity through the timely transfer of pertinent school records, including information on health, when children move from one school to another, whether or not such move occurs during the regular school year;

[(4)]*(5)* a description of the State's priorities for the use of funds received under this part, and how such priorities relate to the State's assessment of needs for services in the State;

[(5)]*(6)* a description of how the State will determine the amount of any subgrants the State will award to local operating agencies, taking into account the requirements of paragraph (1); and

[(6)]*(7)* such budgetary and other information as the Secretary may require.

(c) ASSURANCES.—Each such application shall also include assurances, satisfactory to the Secretary, that—

(1) funds received under this part will be used only—

* * * * * * *

[(3) in the planning and operation of programs and projects at both the State and local agency operating level, there is appropriate consultation with parent advisory councils for programs of one school year in duration, and that all such programs and projects are carried out, to the extent feasible, in a manner consistent with section 1118;]

(3) in the planning and operation of programs and projects at both the State and local agency operating level, there is consultation with parent advisory councils for programs of one school year in duration, and that all such programs and projects are carried out—

(A) in a manner consistent with section 1118 unless extraordinary circumstances make implementation with such section impractical; and

(B) in a format and language understandable to the parents;

* * * * * * *

SEC. 1306. [20 U.S.C. 6396] COMPREHENSIVE NEEDS ASSESSMENT AND SERVICE–DELIVERY PLAN; AUTHORIZED ACTIVITIES.

(a) COMPREHENSIVE PLAN.—

(1) IN GENERAL.—* * *

* * * * * * *

(A) is integrated with other programs under this Act, [the Goals 2000: Educate America Act] or other Acts, as appropriate, consistent with section [14306] *5506*;

(B) may be submitted as a part of consolidated application under section [14302] *5502, if—*

(i) the special needs of migratory children are specifically addressed in the comprehensive State plan;

(ii) the comprehensive State plan is developed in collaboration with parents of migratory children; and

(iii) the comprehensive State planning is not used to supplant State efforts regarding, or administrative funding for, this part;

* * * * * * *

(b) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.— * * *

* * * * * * *

[(b) ASSISTANCE AND REPORTINT.—

(3) SPECIAL RULE.—Notwithstanding sectino 1114, a school that received funds under this part shall continue to address the identified needs described in paragraph (a)(A)*, and shall meet the special educational needs of migrant children before using funds under this part for schoolwide programs under section 1114.*

SEC. 1308. [20 U.S.C. 6398] COORDINATION OF MIGRANT EDUCATION ACTIVITIES.

(a) IMPROVEMENT OF COORDINATION.—

(1) IN GENERAL.—* * *

* * * * * * *

[(1) STUDENT RECORDS.—(A) The Secretary shall solicit information on how student records are transferred from one school to another and shall solicit recommendations on whether new procedures and technologies for record transfer should be employed to better meet the needs of the migrant population.

[(B) The Secretary shall also seek recommendations on the most effective means for determining the number of students or full-time equivalent students in each State for the purpose of allocating funds under this part.

[(2) *Report to congress*.—(A) Not later than April 30, 1995, the Secretary shall report to the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives the Secretary's findings and recommendations, and shall include in

this report, recommendations for interim measures that may be taken to ensure continuity of services in this program.

[(B) The Secretary shall assist States in developing effective methods for the transfer of student records and in determining the number of students or full-time equivalent students in each State if such interim measures are required.]

(b) ACCESS TO INFORMATION ON MIGRANT STUDENTS.—

(1) INFORMATION SYSTEM.—(A) The Secretary shall establish an information system for electronically exchanging, among the States, health and educational information regarding all students served under this part. Such information may include—

(i) immunization records and other health information;

(ii) elementary and secondary academic history (including partial credit), credit accrual, and results from State assessments required under this title;

(iii) other academic information essential to ensuring that migrant children achieve to high standards; and

(iv) eligibility for services under the Individuals with Disabilities Education Act.

(B) The Secretary shall publish, not later than 120 days after the date of enactment of the Better Education for Students and Teachers Act, a notice in the Federal Register seeking public comment on the proposed data elements that each State receiving funds under this part shall be required to collect for purposes of electronic transfer of migrant student information, the requirements for immediate electronic access to such information, and the educational agencies eligible to access such information.

(C) Such system of electronic access to migrant student information shall be operational not later than 1 year after the date of enactment of the Better Education for Students and Teachers Act.

(D) For the purpose of carrying out this subsection in any fiscal year, the Secretary shall reserve not more than $10,000,000 of the amount appropriated to carry out this part for such year.

(2) REPORT TO CONGRESS.—(A) Not later than April 30, 2003, the Secretary shall report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives the Secretary's findings and recommendations regarding services under this part, and shall include in this report, recommendations for the interim measures that may be taken to ensure continuity of services under this part.

(B) The Secretary shall assist States in developing effective methods for the transfer of student records and in determining the number of students or full-time equivalent students in each State if such interim measures are required.

(c) AVAILABILITY OF FUNDS.—For the purpose of carrying out this section in any fiscal year, the Secretary shall reserve not more than [$6,000,000] *$10,000,000* of the amount appropriated to carry out this part for such year.

(d) INCENTIVE GRANTS.—

(1) IN GENERAL.—From the amounts made available to carry out this section, the Secretary shall reserve not more than

[$1,500,000] *$3,000,000* to award, on a competitive basis, grants in the amount of not more than $250,000 to State educational agencies with consortium agreements under section 1303(d).

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(e) DATA COLLECTION.—The Secretary shall direct the National Center for Education Statistics to collect data on migratory children.

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PART D—PREVENTION AND INTERVENTION PROGRAMS FOR CHILDREN AND YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT RISK OF DROPPING OUT

[SEC. 1401. [20 U.S.C. 6421] FINDINGS; PURPOSE; PROGRAM AUTHORIZED.

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

[(1) A large percentage of youth in the juvenile justice system have poor academic achievement, are a year or more behind grade level, and have dropped out of school.

[(2) There is a strong correlation between academic failure and involvement in delinquent activities.

[(3) Preventing students from dropping out of local schools and addressing the educational needs of delinquent youth can help reduce the dropout rate and involvement in delinquent activities at the same time.

[(4) Many schools and correctional facilities fail to communicate regarding a youth's academic needs and students often return to their home school ill-prepared to meet current curriculum requirements.

[(5) Schools are often reluctant to deal with youth returning from facilities and receive no funds to deal with the unique educational and other needs of such youth.

[(6) A continuing need exists for activities and programs to reduce the incidence of youth dropping out of school.

[(7) Federal dropout prevention programs have demonstrated effectiveness in keeping children and youth in school.

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

[(9) Such youth need a strong dropout prevention program which provides such youth with high level skills and which provides supports to youth returning from correctional facilities in order to keep such youth in school.

[(b) PURPOSE.—It is the purpose of this part—

[(1) to improve educational services to children in local and State institutions for neglected or delinquent children and youth so that such children and youth have the opportunity to meet the same challenging State content standards and challenging State student performance standards that all children in the State will be expected to meet;

[(2) to provide such children and youth the services needed to make a successful transition from institutionalization to further schooling or employment; and

[(3) to prevent at-risk youth from dropping out of school and to provide dropouts and youth returning from institutions with a support system to ensure their continued education.

[(c) PROGRAM AUTHORIZED.—In order to carry out the purpose of this part the Secretary shall make grants to State educational agencies to enable such agencies to award subgrants to State agencies and local educational agencies to establish or improve programs of education for neglected or delinquent children and youth at risk of dropping out of school before graduation.

[SEC. 1402. [20 U.S.C. 6422] PAYMENTS FOR PROGRAMS UNDER THIS PART.

[(a) AGENCY SUBGRANTS.—Based on the allocation amount computed under section 1412, the Secretary shall allocate to each State educational agency amounts necessary to make subgrants to State agencies.

[(b) LOCAL SUBGRANTS.—Each State shall retain, for purposes of subpart 2, funds generated throughout the State under part A based on youth residing in local correctional facilities, or attending community day programs for delinquent children and youth.

[(c) USE OF REMAINING FUNDS.—Each State shall use any funds remaining after allocations are made under subsection (a).

Subpart 1—State Agency Programs

[SEC. 1411. [20 U.S.C. 6431] ELIGIBILITY.

[A State agency is eligible for assistance under this subpart if such State agency is responsible for providing free public education for children—

[(1) in institutions for neglected or delinquent children;

[(2) attending community day programs for neglected or delinquent children; or

[(3) in adult correctional institutions.

SEC. 1412. [20 U.S.C. 6432] ALLOCATION OF FUNDS.

[(a) SUBGRANTS TO STATE AGENCIES.—

[(1) IN GENERAL.—Each State agency described in section 1411 (other than an agency in the Commonwealth of Puerto Rico) is eligible to receive a subgrant under this part, for each fiscal year, an amount equal to the product of—

[(A) the number of neglected or delinquent children and youth described in section 1411 who—

[(i) are enrolled for at least 15 hours per week in education programs in adult correctional institutions; and

[(ii) are enrolled for at least 20 hours per week—

[(I) in education programs in institutions for neglected or delinquent children; or

[(II) in community day programs for neglected or delinquent children; and

[(B) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this paragraph shall not be less than 32 percent, or more than 48 percent, of the average per-pupil expenditure in the United States.

[(2) SPECIAL RULE.—The number of neglected or delinquent children and youth determined under paragraph (1) shall—

[(A) be determined by the State agency by a deadline set by the Secretary, except that no State agency shall be required to determine the number of such children on a specific date set by the Secretary; and

[(B) be adjusted, as the Secretary determines is appropriate, to reflect the relative length of such agency's annual programs.

[(b) SUBGRANTS TO STATE AGENCIES IN PUERTO RICO.—For each fiscal year, the amount of the subgrant for which a State agency in the Commonwealth of Puerto Rico is eligible under this part shall be equal to—

[(1) the number of children and youth counted under subsection (a)(1) for the Commonwealth of Puerto Rico; multiplied by

[(2) the product of—

[(A) the percentage that the average per-pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per-pupil expenditure of any of 50 States; and

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

[(c) RATABLE REDUCTIONS IN CASE OF INSUFFICIENT APPROPRIATIONS.—If the amount appropriated for any fiscal year for subgrants under subsections (a) and (b) is insufficient to pay the full amount for which all agencies are eligible under such subsections, the Secretary shall ratably reduce each such amount.

SEC. 1413. [20 U.S.C. 6433] STATE REALLOCATION OF FUNDS.

[If a State educational agency determines that a State agency does not need the full amount of the subgrant for which such State agency is eligible under this part for any fiscal year, the State educational agency may reallocate the amount that will not be needed to other eligible State agencies that need additional funds to carry out the purpose of this part, in such amounts as the State educational agency shall determine.

[SEC. 1414. [20 U.S.C. 6434] STATE PLAN AND STATE AGENCY APPLICATIONS.

[(a) STATE PLAN.—

[(1) IN GENERAL.—Each State educational agency that desires to receive a grant under this part shall submit, for approval by the Secretary, a plan for meeting the needs of neglected and delinquent youth and, where applicable, youth at risk of dropping out of school which is integrated with other programs under this Act, the Goals 2000: Education America Act, or other Acts, as appropriate, consistent with section 14306.

[(2) CONTENTS.—Each such State plan shall—

[(A) describe the program goals, objectives, and performance measures established by the State that will be used to assess the effectiveness of the program in improving academic and vocational skills of children in the program;

[(B) provide that, to the extent feasible, such children will have the same opportunities to learn as such children would have if such children were in the schools of local educational agencies in the State; and

[(C) contain assurances that the State educational agency will—

[(i) ensure that programs assisted under this part will be carried out in accordance with the State plan described in this subsection;

[(ii) carry out the evaluation requirements of section 1416;

[(iii) ensure that the State agencies receiving subgrants under this subpart comply with all applicable statutory and regulatory requirements; and

[(iv) provide such other information as the Secretary may reasonably require.

[(3) DURATION OF THE PLAN.—Each such State plan shall—

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

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

[(b) SECRETARIAL APPROVAL; PEER REVIEW.—

[(1) IN GENERAL.—The Secretary shall approve each State plan that meets the requirements of this part.

[(2) PEER REVIEW.—The Secretary may review any State plan with the assistance and advice of individuals with relevant expertise.

[c STATE AGENCY APPLICATIONS.—Any State agency that de-sires to receive funds to carry out a program under this part shall submit an application to the State educational agency that—

[(1) describes the procedures to be used, consistent with the State plan under section 1111, to assess the educational needs of the children to be served;

[(2) provides assurances that in making services available to youth in adult correctional facilities, priority will be given to such youth who are likely to complete incarceration within a 2-year period;

[(3) describes the program, including a budget for the first year of the program, with annual updates to be provided to the State educational agency;

[(4) describes how the program will meet the goals and objectives of the State plan under this subpart;

[(5) describes how the State agency will consult with experts and provide the necessary training for appropriate staff, to ensure that the planning and operation of institution-wide projects under section 1416 are o high quality;

[(6) describes how the agency will carry out the evaluation requirements of section 14701 and how the results of the most recent evaluation are used to plan and improve the program;

[(7) includes data showing that the agency has maintained fiscal effort required of a local educational agency, in accordance with section 14501 of this title;

[(8) describes how the programs will be coordinated with other appropriate State and Federal programs, such as programs under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998, vocational education programs, State and local dropout prevention programs, and special education programs;

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

[(10) designates an individual in each affected institution to be responsible for issues relating to the transition of children and youth from the institution to locally operated programs;

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

[(12) provides assurances that the agency will assist in locating alternative programs through which students can continue their education if students are not returning to school after leaving the correctional facility;

[(13) provides assurances that the agency will work with parents to secure parents' assistance in improving the educational achievement of their children and preventing their children's further involvement in delinquent activities;

[(14) provides assurances that the agency works with special education youth in order to meet an existing individualized education program and an assurance that the agency will notify the youth's local school if such youth—

[(A) is identified as in need of special education services while the youth is in the facility; and

[(B) intends to return to the local school;

[(15) provides assurances that the agency will work with youth who dropped out of school before entering the facility to encourage the youth to reenter school once the term of the youth has been completed or provide the youth with the skills necessary to gain employment, continue the education of the youth or achieve a secondary school diploma or the recognized equivalent if the youth does not intend to return to school;

[(16) provides assurances that teachers and other qualified staff are also trained to work with children with disabilities and other students with special needs taking into consideration the unique needs of such students;

[(17) describes any additional services provided to youth, such as career counseling, and assistance in securing student loans and grants; and

[(18) provides assurances that the program under this subpart will be coordinated with any programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 or other comparable programs, if applicable.

[SEC. 1415. [20 U.S.C. 6435] USE OF FUNDS.

[(a) IN GENERAL.—

[(1) USES.—A State agency shall use funds received under this subpart only for programs and projects that—

[(A) are consistent with the State plan under section 1414(a); and

[(B) concentrate on providing participants with the knowledge and skills needed to make a successful transition to secondary school completion, further education, or employment.

[(2) PROGRAMS AND PROJECTS.—Such programs and projects—

[(A) may include the acquisition of equipment;

[(B) shall be designed to support educational services that—

[(i) except for institution-wide projects under section 1416, are provided to children identified by the State agency is failing, or most at risk of failing, to meet the State's challenging State content standards and challenging State student performance standards;

[(ii) supplement and improve the quality of the educational services provided to such children by the State agency; and

[(iii) afford such children an opportunity to learn to such challenging State standards;

[(C) shall be carried out in a manner consistent with section 1120A and part F of this title; and

[(D) may include the costs of meeting the evaluation requirements of section 14701.

[(b) SUPPLEMENT, NOT SUPPLANT.—A program under this subpart that supplements the number of hours of instruction students receive from State and local sources shall be considered to comply with the supplement, not supplant requirement of section 1120A without regard to the subject areas in which instruction is given during those hours.

[SEC. 1416 [20 U.S.C. 6436] INSTITUTION-WIDE PROJECTS.

[A State agency that provides free public education for children and youth in an institution for neglected or delinquent children (other than an adult correctional institution) or attending a community-day program for such children may use funds received under this part to serve all children in, and upgrade the entire educational effort of, that institution or program if the State agency has developed, and the State educational agency has approved, a comprehensive plan for that institution or program that—

[(1) provides for a comprehensive assessment of the educational needs of all youth in the institution or program serving juveniles;

[(2) provides for a comprehensive assessment of the educational needs of youth aged 20 and younger in adult facilities who are expected to complete incarceration within a two-year period;

[(3) describes the steps the State agency has taken, or will take, to provide all children under age 21 with the opportunity to meet challenging State content standards and challenging State student performance standards in order to improve the likelihood that the students will complete secondary school, attain secondary diploma or its recognized equivalent, or find employment after leaving the institution;

[(4) describes the instructional program, pupil services, and procedures that will be used to meet the needs described in

paragraph (1), including, to the extent feasible, the provision of mentors for students;

[(5) specifically describes how such funds will be used;

[(6) describes the measures and procedures that will be used to assess student progress;

[(7) describes how the agency has planned, and will implement and evaluate, the institution-wide or program-wide project in consultation with personnel providing direct instructional services and support services in institutions or community-day programs for neglected or delinquent children and personnel from the State educational agency; and

[(8) includes an assurance that the State agency has provided for appropriate training for teachers and other instructional and administrative personnel to enable such teachers and personnel to carry out the project effectively.

[SEC. 1417. [120 U.S.C. 6437] THREE–YEAR PROGRAMS OR PROJECTS.

[If a State agency operates a program or project under this subpart in which individual children are likely to participate for more than one year, the State educational agency may approve the State agency's application for a subgrant under this part for a period of not more than three years.

[SEC. 1418. [20 U.S.C. 6438] TRANSITION SERVICES.

[(a) TRANSITION SERVICES.—Each State agency shall reserve not more than 10 percent of the amount such agency receives under this subpart for any fiscal year to support projects that facilitate the transition of children from State-operated institutions to local educational agencies.

[(b) CONDUCT OF PROJECTS.—A project support under this section may be conducted directly by the State agency, or through a contract or other arrangement with one or more local educational agencies, other public agencies, or private nonprofit organizations.

[(c) LIMITATION.—Any funds reserved under subsection (a) shall be used only to provide transitional educational services, which may include pupil services and mentoring, to neglected and delinquent children in schools other than State-operated institutions.

[(d) CONSTRUCTION.—Nothing in this section shall be construed to prohibit a school that receives funds under subsection (a) from serving neglected and delinquent children simultaneously with students with similar educational needs, in the same educational settings where appropriate.

[Subpart 2—Local Agency Programs

[SEC. 1421. [20 U.S.C. 6451] PURPOSE.

[The purpose of this subpart is to support the operation of local educational agency programs which involve collaboration with locally operated correctional facilities to—

[(1) carry out high quality education programs to prepare youth for secondary school completion, training, and employment, or further education;

[(2) provide activities to facilitate the transition of such youth from the correctional program to further education or employment; and

[(3) operate dropout prevention programs in local schools for youth at risk of dropping out of school and youth returning from correctional facilities.

[SEC. 1422. [20 U.S.C. 6452] PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES.

[(a) LOCAL SUBGRANTS.—With funds retained made available under section 1402(b), the State educational agency shall award subgrants to local educational agencies with high members or percentages of youth residing in locally operated (including county operated) correctional facilities for youth (including facilities involved in day programs).

[(b) SPECIAL RULE.—A local educational agency which includes a correctional facility that operates a school is not required to operate a dropout prevention program if more than 30 percent of the youth attending such facility will reside outside the boundaries of the local educational agency upon leaving such facility.

[(c) NOTIFICATION.—A State educational agency shall notify local educational agencies within the State of the eligibility of such agencies to receive a subgrant under this subpart.

[SEC. 1423. [20 U.S.C. 6453] LOCAL EDUCATIONAL AGENCY APPLICATIONS.

[Eligible local educational agencies desiring assistance under this section shall submit an application as to the State educational agency, containing such information as the State educational agency may require. Each such application shall include—

[(1) a description of the program to be assisted;

[(2) a description of formal agreements between—

[(A) the local educational agency; and

[(B) correctional facilities and alternative school programs serving youth involved with the juvenile justice system to operate programs for delinquent youth;

[(3) as appropriate, a description of how participating schools will coordinate with facilities working with delinquent youth to ensure that such youth are participating in an education program comparable to one operating in the local school such youth would attend;

[(4) as appropriate, a description of the dropout prevention program operated by participating schools and the types of services such schools will provide to at-risk youth in participating schools and youth returning from correctional facilities;

[(5) as appropriate, a description of the youth expected to be served by the dropout prevention program and how the school will be coordinating existing educational programs to meet unique education needs;

[(6) as appropriate, a description of how schools will coordinate with existing social and health services to meet the needs of students at risk of dropping out of school and other participating students, including prenatal health care and nutrition services related to the health of the parent and child, parenting and child development classes, child care, targeted reentry and outreach programs, referrals to community resources, and scheduling flexibility;

[(7) as appropriate, a description of any partnerships with local businesses to develop training and mentoring services for participating students;

[(8) as appropriate, a description of how the program will involve parents in efforts to improve the educational achievement of their children, assist in dropout prevention activities, and prevent the involvement of their children in delinquent activities;

[(9) a description of how the program under this subpart will be coordinated with other Federal, State, and local programs, such as programs under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998 and vocational education programs serving this at-risk population of youth;

[(10) a description of how the program will be coordinated with programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 and other comparable programs, if applicable;

[(11) as appropriate, a description of how schools will work with probation officers to assist in meeting the needs of youth returning from correctional facilities;

[(12) a description of efforts participating schools will make to ensure correctional facilities working with youth are aware of a child's existing individualized education program; and

[(13) as appropriate, a description of the steps participating schools will take to find alternative placements for youth interested in continuing their education but unable to participate in a regular public school program.

[SEC 1424. [20 U.S.C. 6454] USES OF FUNDS.

[Funds provided to local educational agencies under this subpart may be used, where appropriate, for—

[(1) dropout prevention programs which serve youth at educational risk, including pregnant and parenting teens, youth who have come in contact with the juvenile justice system, youth at least one year behind their expected grade level, migrant youth, immigrant youth, students with limited-English proficiency and gang members;

[(2) the coordination of health and social services for such individuals if there is a likelihood that the provision of such services, including day care and drug and alcohol counseling, will improve the likelihood such individuals will complete their education; and

[(3) programs to meet the unique education needs of youth at risk of dropping out of school, which may include vocational education, special education, career counseling, and assistance in securing student loans and grants.

[SEC. 1425. [20 U.S.C. 6455] PROGRAM REQUIREMENTS FOR CORRECTIONAL FACILITIES RECEIVING FUNDS UNDER THIS SECTION.

[Each correctional facility entering into an agreement with a local educational agency under section 1422(a) to provide services to youth under this section shall—

[(1) where feasible, ensure educational programs in juvenile facilities are coordinated with the student's home school, par-

ticularly with respect to special education students with an individualized education program;

[(2) notify the local school of a youth if the youth is identified as in need of special education services while in the facility;

[(3) where feasible, provide transition assistance to help the youth stay in school, including coordination of services for the family, counseling, assistance in accessing drug and alcohol abuse prevention programs, tutoring, and family counseling;

[(4) provide support programs which encourage youth who have dropped out to reenter school once their term has been completed or provide such youth with the skills necessary for such youth to gain employment or seek a secondary school diploma or its recognized equivalent;

[(5) work to ensure such facilities are staffed with teachers and other qualified staff who are trained to work with children with disabilities and other students with special needs taking into consideration the unique needs of such children and students;

[(6) ensure educational programs in correctional facilities are related to assisting students meet high educational standards;

[(7) use, to the extent possible, technology to assist in coordinating educational programs between the juvenile facility and the community school;

[(8) where feasible, involve parents in efforts to improve the educational achievement of their children and prevent the further involvement of such children in delinquent activities;

[(9) coordinate funds received under this program with other local, State, and Federal funds available to provide services to participating youth, such as funds made available under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998, and vocational education funds;

[(10) coordinate programs operated under this subpart with activities funded under the Juvenile Justice and Delinquency Prevention Act of 1974 and other comparable programs, if applicable; and

[(11) if appropriate, work with local businesses to develop training and mentoring programs for participating youth.

[SEC. 1426. [20 U.S.C. 6456] ACCOUNTABILITY.

[The State educational agency may—

[(1) reduce or terminate funding for projects under this section if a local educational agency does not show progress in reducing dropout rates for male students and for female students over a 3-year period; and

[(2) require juvenile facilities to demonstrate, after receiving assistance under this subpart for 3 years, that there has been an increase in the number of youth returning to school, obtaining a secondary school diploma or its recognized equivalent, or obtaining employment after such youth are released.

[Subpart 3—General Provisions

[SEC. 1431. [20 U.S.C. 6471] PROGRAM EVALUATIONS.

[(a) SCOPE OF EVALUATION.—Each State agency or local educational agency that conducts a program under subpart 1 or 2 shall evaluate the program, disaggregating data on participation by sex, and if feasible, by race, ethnicity, and age, not less than one every three years to determine the program's impact on the ability of participants to—

[(1) maintain and improve educational achievement;

[(2) accrue school credits that meet State requirements for grade promotion and secondary school graduation;

[(3) make the transition to a regular program or other education program operated by a local educational agency; and

[(4) complete secondary school (or secondary school equivalency requirements) and obtain employment after leaving the institution.

[(b) EVALUATION MEASURES.—In conducting each evaluation under subsection (a), a State agency or local educational agency shall use multiple and appropriate measures of student progress.

[(c) EVALUATION RESULTS.—Each State agency and local educational agency shall—

[(1) submit evaluation results to the State educational agency; and

[(2) use the results of evaluations under this section to plan and improve subsequent programs for participating children and youth.

[SEC. 1432. [20 U.S.C. 6472] DEFINITIONS.

[For the purpose of this part:

[(1) The term "adult correctional institution" means a facility in which persons are confined as a result of a conviction for a criminal offense, including persons under 21 years of age.

[(2) The term "at-risk youth" means school aged youth who are at risk of academic failure, have drug or alcohol problems, are pregnant or are parents, have come into contact with the juvenile justice system in the past, are at least one year behind the expected grade level for the age of the youth, have limited-English proficiency, are gang members, have dropped out of school in the past, or have high absenteeism rates at school.

[(3) The term "community day program" means a regular program of instruction provided by a State agency at a community day school operated specifically for neglected or delinquent children.

[(4) The term "institution for delinquent children and youth" means a public or private residential facility for the care of children who have been adjudicated to be delinquent or in need of supervision.

[(5) The term "institution for neglected children" means a public or private residential facility, other than a foster home, that is operated for the care of children who have been committed to the institution or voluntarily placed in the institution under applicable State law, due to abandonment, neglect, or death of their parents or guardians.]

PART D—INITIATIVES FOR NEGLECTED, DELINQUENT, OR AT RISK YOUTH

Subpart 1—Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent, or at Risk of Dropping Out

SEC. 1401. PURPOSE; PROGRAM AUTHORIZED.

(a) PURPOSE.—It is the purpose of this subpart—

(1) to improve educational services for children in local and State institutions for neglected or delinquent children and youth so that such children and youth have the opportunity to meet the same challenging State content standards and challenging State student performance standards that all children in the State are expected to meet;

(2) to provide such children and youth with the services needed to make a successful transition from institutionalization to further schooling or employment; and

(3) to prevent at-risk youth from dropping out of school and to provide dropouts and youth returning from institutions with a support system to ensure their continued education.

(b) PROGRAM AUTHORIZED.—In order to carry out the purpose of this subpart the Secretary shall make grants to State educational agencies to enable such agencies to award subgrants to State agencies and local educational agencies to establish or improve programs of education for neglected or delinquent children and youth at risk of dropping out of school before graduation.

SEC. 1402. PAYMENTS FOR PROGRAMS UNDER THIS SUBPART.

(a) AGENCY SUBGRANTS.—Based on the allocation amount computed under section 1412, the Secretary shall allocate to each State educational agency amounts necessary to make subgrants to State agencies under chapter 1.

(b) LOCAL SUBGRANTS.—Each State shall retain, for purposes of carrying out chapter 2, funds generated throughout the State under part A of title I based on youth residing in local correctional facilities, or attending community day programs for delinquent children and youth.

CHAPTER 1—STATE AGENCY PROGRAMS

SEC. 1411. ELIGIBILITY.

A State agency is eligible for assistance under this chapter if such State agency is responsible for providing free public education for children—

(1) in institutions for neglected or delinquent children and youth;

(2) attending community day programs for neglected or delinquent children and youth; or

(3) in adult correctional institutions.

SEC. 1412. ALLOCATION OF FUNDS.

(a) SUBGRANTS TO STATE AGENCIES.—

(1) IN GENERAL.—Each State agency described in section 1411 (other than an agency in the Commonwealth of Puerto Rico) is

eligible to receive a subgrant under this chapter, for each fiscal year, an amount equal to the product of—

(A) the number of neglected or delinquent children and youth described in section 1411 who—

(i) are enrolled for at least 15 hours per week in education programs in adult correctional institutions; and

(ii) are enrolled for at least 20 hours per week—

(I) in education programs in institutions for neglected or delinquent children and youth; or

(II) in community day programs for neglected or delinquent children and youth; and

(B) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this subparagraph shall not be less than 32 percent, nor more than 48 percent, of the average per-pupil expenditure in the United States.

(2) SPECIAL RULE.—The number of neglected or delinquent children and youth determined under paragraph (1) shall—

(A) be determined by the State agency by a deadline set by the Secretary, except that no State agency shall be required to determine the number of such children and youth on a specific date set by the Secretary; and

(B) be adjusted, as the Secretary determines is appropriate, to reflect the relative length of such agency's annual programs.

(b) SUBGRANTS TO STATE AGENCIES IN PUERTO RICO.—For each fiscal year, the amount of the subgrant for which a State agency in the Commonwealth of Puerto Rico is eligible under this chapter shall be equal to—

(1) the number of children and youth counted under subsection (a)(1)(A) for the Commonwealth of Puerto Rico; multiplied by

(2) the product of—

(A) the percentage that the average per-pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States; and

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

(c) RATABLE REDUCTIONS IN CASE OF INSUFFICIENT APPROPRIATIONS.—If the amount appropriated for any fiscal year for subgrants under subsections (a) and (b) is insufficient to pay the full amount for which all State agencies are eligible under such subsections, the Secretary shall ratably reduce each such amount.

SEC. 1413. STATE REALLOCATION OF FUNDS.

If a State educational agency determines that a State agency does not need the full amount of the subgrant for which such State agency is eligible under this chapter for any fiscal year, the State educational agency may reallocate the amount that will not be needed to other eligible State agencies that need additional funds to carry out the purpose of this subpart, in such amounts as the State educational agency shall determine.

SEC. 1414. STATE PLAN AND STATE AGENCY APPLICATIONS.

(a) STATE PLAN.—

(1) IN GENERAL.—Each State educational agency that desires to receive a grant under this chapter shall submit, for approval by the Secretary, a plan for meeting the needs of neglected and delinquent children and youth and, where applicable, children and youth at risk of dropping out of school, that is integrated with other programs under this Act, or other Acts, as appropriate, consistent with section 5506.

(2) CONTENTS.—Each such State plan shall—

(A) describe the program goals, objectives, and performance measures established by the State that will be used to assess the effectiveness of the program in improving academic and vocational skills of children in the program;

(B) provide that, to the extent feasible, such children will have the same opportunities to learn as such children would have if such children were in the schools of local educational agencies in the State; and

(C) contain assurances that the State educational agency will—

(i) ensure that programs assisted under this subpart will be carried out in accordance with the State plan described in this subsection;

(ii) carry out the evaluation requirements of section 1431;

(iii) ensure that the State agencies receiving subgrants under this chapter comply with all applicable statutory and regulatory requirements; and

(iv) provide such other information as the Secretary may reasonably require.

(3) DURATION OF THE PLAN.—Each State plan shall—

(A) remain in effect for the duration of the State's participation under this subpart; and

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

(b) SECRETARIAL APPROVAL; PEER REVIEW.—

(1) IN GENERAL.—The Secretary shall approve each State plan that meets the requirements of this part.

(2) PEER REVIEW.—The Secretary may review any State plan with the assistance and advice of individuals with relevant expertise.

(c) STATE AGENCY APPLICATIONS.—Any State agency that desires to receive funds to carry out a program under this chapter shall submit an application to the State educational agency that—

(1) describes the procedures to be used, consistent with the State plan under section 1111, to assess the educational needs of the children to be served;

(2) provides assurances that in making services available to youth in adult correctional institutions, priority will be given to such youth who are likely to complete incarceration within a 2-year period;

(3) describes the program, including a budget for the first year of the program, with annual updates to be provided to the State educational agency;

(4) describes how the program will meet the goals and objectives of the State plan;

(5) describes how the State agency will consult with experts and provide the necessary training for appropriate staff, to ensure that the planning and operation of institution-wide projects under section 1416 are of high quality;

(6) describes how the agency will carry out evaluation activities and how the results of the most recent evaluation are used to plan and improve the program;

(7) includes data showing that the agency has maintained the fiscal effort required of a local educational agency, in accordance with section 4;

(8) describes how the programs will be coordinated with other appropriate State and Federal programs, such as programs under title I of the Workforce Investment Act of 1998, vocational education programs, State and local dropout prevention programs, and special education programs;

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

(10) designates an individual in each affected institution to be responsible for issues relating to the transition of children and youth from the institution to locally operated programs;

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

(12) provides assurances that the agency will assist in locating alternative programs through which students can continue their education if students are not returning to school after leaving the correctional facility;

(13) provides assurances that the agency will work with parents to secure parents' assistance in improving the educational achievement of their children and preventing their children's further involvement in delinquent activities;

(14) provides assurances that the agency works with special education youth in order to meet an existing individualized education program and an assurance that the agency will notify the youth's local school if the youth—

(A) is identified as in need of special education services while the youth is in the facility; and

(B) intends to return to the local school;

(15) provides assurances that the agency will work with youth who dropped out of school before entering the facility to encourage the youth to reenter school once the term of the youth has been completed or provide the youth with the skills necessary to gain employment, continue the education of the youth, or achieve a secondary school diploma or its recognized equivalent if the youth does not intend to return to school;

(16) provides assurances that teachers and other qualified staff are also trained to work with children with disabilities and other students with special needs taking into consideration the unique needs of such students;

(17) describes any additional services provided to children and youth, such as career counseling, and assistance in securing student loans and grants; and

(18) provides assurances that the program under this chapter will be coordinated with any programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 or other comparable programs, if applicable.

SEC. 1415. USE OF FUNDS.

(a) USES.—

(1) IN GENERAL.—A State agency shall use funds received under this chapter only for programs and projects that—

(A) are consistent with the State plan under section 1414(a); and

(B) concentrate on providing participants with the knowledge and skills needed to make a successful transition to secondary school completion, further education, or employment.

(2) PROGRAMS AND PROJECTS.—Such programs and projects—

(A) may include the acquisition of equipment;

(B) shall be designed to support educational services that—

(i) except for institution-wide projects under section 1416, are provided to children and youth identified by the State agency as failing, or most at risk of failing, to meet the State's challenging State content standards and challenging State student performance standards;

(ii) supplement and improve the quality of the educational services provided to such children and youth by the State agency; and

(iii) afford such children and youth an opportunity to learn to such challenging State standards;

(C) shall be carried out in a manner consistent with section 1120A and part H of title I; and

(D) may include the costs of evaluation activities.

(b) SUPPLEMENT, NOT SUPPLANT.—A program under this chapter that supplements the number of hours of instruction students receive from State and local sources shall be considered to comply with the supplement, not supplant requirement of section 1120A without regard to the subject areas in which instruction is given during those hours.

SEC. 1416. INSTITUTION-WIDE PROJECTS.

A State agency that provides free public education for children and youth in an institution for neglected or delinquent children and youth (other than an adult correctional institution) or attending a community-day program for such children may use funds received under this part to serve all children in, and upgrade the entire educational effort of, that institution or program if the State agency has developed, and the State educational agency has approved, a comprehensive plan for that institution or program that—

(1) provides for a comprehensive assessment of the educational needs of all youth in the institution or program serving juveniles;

(2) provides for a comprehensive assessment of the educational needs of youth aged 20 and younger in adult facilities who are expected to complete incarceration within a two-year period;

(3) describes the steps the State agency has taken, or will take, to provide all youth under age 21 with the opportunity to meet challenging State content standards and challenging State student performance standards in order to improve the likelihood that the youths will complete secondary school, attain a secondary diploma or its recognized equivalent, or find employment after leaving the institution;

(4) describes the instructional program, pupil services, and procedures that will be used to meet the needs described in paragraph (1), including, to the extent feasible, the provision of mentors for students;

(5) specifically describes how such funds will be used;

(6) describes the measures and procedures that will be used to assess student progress;

(7) describes how the agency has planned, and will implement and evaluate, the institution-wide or program-wide project in consultation with personnel providing direct instructional services and support services in institutions or community-day programs for neglected or delinquent children and personnel from the State educational agency; and

(8) includes an assurance that the State agency has provided for appropriate training for teachers and other instructional and administrative personnel to enable such teachers and personnel to carry out the project effectively.

SEC. 1417. THREE-YEAR PROGRAMS OR PROJECTS.

If a State agency operates a program or project under this chapter in which individual children are likely to participate for more than 1 year, the State educational agency may approve the State agency's application for a subgrant under this chapter for a period of not more than 3 years.

SEC. 1418. TRANSITION SERVICES.

(a) TRANSITION SERVICES.—Each State agency shall reserve not more than 10 percent of the amount such agency receives under this chapter for any fiscal year to support projects that facilitate the transition of children and youth from State-operated institutions to local educational agencies.

(b) CONDUCT OF PROJECTS.—A project supported under this section may be conducted directly by the State agency, or through a contract or other arrangement with one or more local educational agencies, other public agencies, or private nonprofit organizations.

(c) LIMITATION.—Any funds reserved under subsection (a) shall be used only to provide transitional educational services, which may include pupil services and mentoring, to neglected and delinquent children and youth in schools other than State-operated institutions.

(d) CONSTRUCTION.—Nothing in this section shall be construed to prohibit a school that receives funds under subsection (a) from serving neglected and delinquent children and youth simultaneously with students with similar educational needs, in the same educational settings where appropriate.

CHAPTER 2—LOCAL AGENCY PROGRAMS

SEC. 1421. PURPOSE.

The purpose of this chapter is to support the operation of local educational agency programs that involve collaboration with locally operated correctional facilities to—

(1) carry out high quality education programs to prepare youth for secondary school completion, training, and employment, or further education;

(2) provide activities to facilitate the transition of such youth from the correctional program to further education or employment; and

(3) operate dropout prevention programs in local schools for youth at risk of dropping out of school and youth returning from correctional facilities.

SEC. 1422. PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES.

(a) LOCAL SUBGRANTS.—With funds made available under section 1412(b), the State educational agency shall award subgrants to local educational agencies with high numbers or percentages of youth residing in locally operated (including county operated) correctional facilities for youth (including facilities involved in community day programs).

(b) SPECIAL RULE.—A local educational agency which includes a correctional facility that operates a school is not required to operate a dropout prevention program if more than 30 percent of the youth attending such facility will reside outside the boundaries of the local educational agency upon leaving such facility.

(c) NOTIFICATION.—A State educational agency shall notify local educational agencies within the State of the eligibility of such agencies to receive a subgrant under this chapter.

SEC. 1423. LOCAL EDUCATIONAL AGENCY APPLICATIONS.

Eligible local educational agencies desiring assistance under this chapter shall submit an application to the State educational agency, containing such information as the State educational agency may require. Each such application shall include—

(1) a description of the program to be assisted;

(2) a description of formal agreements between—

(A) the local educational agency; and

(B) correctional facilities and alternative school programs serving youth involved with the juvenile justice system to operate programs for delinquent youth;

(3) as appropriate, a description of how participating schools will coordinate with facilities working with delinquent youth to ensure that such youth are participating in an education program comparable to one operating in the local school such youth would attend;

(4) as appropriate, a description of the dropout prevention program operated by participating schools and the types of services such schools will provide to at-risk youth in participating schools and youth returning from correctional facilities;

(5) as appropriate, a description of the youth expected to be served by the dropout prevention program and how the school will coordinate existing educational programs to meet unique education needs;

(6) as appropriate, a description of how schools will coordinate with existing social and health services to meet the needs of students at risk of dropping out of school and other participating students, including prenatal health care and nutrition services related to the health of the parent and child, parenting and child development classes, child care, targeted re-entry and outreach programs, referrals to community resources, and scheduling flexibility;

(7) as appropriate, a description of any partnerships with local businesses to develop training and mentoring services for participating students;

(8) as appropriate, a description of how the program will involve parents in efforts to improve the educational achievement of their children, assist in dropout prevention activities, and prevent the involvement of their children in delinquent activities;

(9) a description of how the program under this chapter will be coordinated with other Federal, State, and local programs, such as programs under title I of the Workforce Investment Act of 1998 and vocational education programs serving at-risk youth;

(10) a description of how the program will be coordinated with programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 and other comparable programs, if applicable;

(11) as appropriate, a description of how schools will work with probation officers to assist in meeting the needs of youth returning from correctional facilities;

(12) a description of efforts participating schools will make to ensure correctional facilities working with youth are aware of a child's existing individualized education program; and

(13) as appropriate, a description of the steps participating schools will take to find alternative placements for youth interested in continuing their education but unable to participate in a regular public school program.

SEC. 1424. USES OF FUNDS.

Funds provided to local educational agencies under this chapter may be used, where appropriate, for—

(1) dropout prevention programs which serve youth at educational risk, including pregnant and parenting teens, youth who have come in contact with the juvenile justice system, youth at least one year behind their expected grade level, migrant youth, immigrant youth, students with limited-English proficiency and gang members;

(2) the coordination of health and social services for such individuals if there is a likelihood that the provision of such services, including day care and drug and alcohol counseling, will improve the likelihood such individuals will complete their education; and

(3) programs to meet the unique education needs of youth at risk of dropping out of school, which may include vocational education, special education, career counseling, and assistance in securing student loans or grants.

SEC. 1425. PROGRAM REQUIREMENTS FOR CORRECTIONAL FACILITIES RECEIVING FUNDS UNDER THIS SECTION.

Each correctional facility having an agreement with a local educational agency under section 1423(2) to provide services to youth under this chapter shall—

(1) where feasible, ensure educational programs in juvenile facilities are coordinated with the student's home school, particularly with respect to special education students with an individualized education program;

(2) notify the local school of a youth if the youth is identified as in need of special education services while in the facility;

(3) where feasible, provide transition assistance to help the youth stay in school, including coordination of services for the family, counseling, assistance in accessing drug and alcohol abuse prevention programs, tutoring, and family counseling;

(4) provide support programs which encourage youth who have dropped out of school to reenter school once their term has been completed or provide such youth with the skills necessary for such youth to gain employment or seek a secondary school diploma or its recognized equivalent;

(5) work to ensure such facilities are staffed with teachers and other qualified staff who are trained to work with children with disabilities and other students with special needs taking into consideration the unique needs of such children and students;

(6) ensure educational programs in correctional facilities are related to assisting students to meet high educational standards;

(7) use, to the extent possible, technology to assist in coordinating educational programs between the juvenile facility and the community school;

(8) where feasible, involve parents in efforts to improve the educational achievement of their children and prevent the further involvement of such children in delinquent activities;

(9) coordinate funds received under this program with other local, State, and Federal funds available to provide services to participating youth, such as funds made available under title I of the Workforce Investment Act of 1998, and vocational education funds;

(10) coordinate programs operated under this chapter with activities funded under the Juvenile Justice and Delinquency Prevention Act of 1974 and other comparable programs, if applicable; and

(11) if appropriate, work with local businesses to develop training and mentoring programs for participating youth.

SEC. 1426. ACCOUNTABILITY.

The State educational agency may—

(1) reduce or terminate funding for projects under this chapter if a local educational agency does not show progress in reducing dropout rates for male students and for female students over a 3-year period; and

(2) require juvenile facilities to demonstrate, after receiving assistance under this chapter for 3 years, that there has been an increase in the number of youth returning to school, obtain-

ing a secondary school diploma or its recognized equivalent, or obtaining employment after such youth are released.

CHAPTER 3—GENERAL PROVISIONS

SEC. 1431. PROGRAM EVALUATIONS.

(a) SCOPE OF EVALUATION.—Each State agency or local educational agency that conducts a program under chapter 1 or 2 shall evaluate the program, disaggregating data on participation by sex, and if feasible, by race, ethnicity, and age, not less than once every 3 years to determine the program's impact on the ability of participants to—

(1) maintain and improve educational achievement;

(2) accrue school credits that meet State requirements for grade promotion and secondary school graduation;

(3) make the transition to a regular program or other education program operated by a local educational agency; and

(4) complete secondary school (or secondary school equivalency requirements) and obtain employment after leaving the institution.

(b) EVALUATION MEASURES.—In conducting each evaluation under subsection (a), a State agency or local educational agency shall use multiple and appropriate measures of student progress.

(c) EVALUATION RESULTS.—Each State agency and local educational agency shall—

(1) submit evaluation results to the State educational agency; and

(2) use the results of evaluations under this section to plan and improve subsequent programs for participating children and youth.

SEC. 1432. DEFINITIONS.

In this subpart:

(1) ADULT CORRECTIONAL INSTITUTION.—The term "adult correctional institution" means a facility in which persons are confined as a result of a conviction for a criminal offense, including persons under 21 years of age.

(2) AT-RISK YOUTH.—The term "at-risk youth" means school aged youth who are at risk of academic failure, have drug or alcohol problems, are pregnant or are parents, have come into contact with the juvenile justice system in the past, are at least one year behind the expected grade level for the age of the youth, have limited-English proficiency, are gang members, have dropped out of school in the past, or have high absenteeism rates at school.

(3) COMMUNITY DAY PROGRAM.—The term "community day program" means a regular program of instruction provided by a State agency at a community day school operated specifically for neglected or delinquent children and youth.

(4) INSTITUTION FOR NEGLECTED OR DELINQUENT CHILDREN AND YOUTH.—The term "institution for neglected or delinquent children and youth" means—

(A) a public or private residential facility, other than a foster home, that is operated for the care of children who have been committed to the institution or voluntarily placed

in the institution under applicable State law, due to abandonment, neglect, or death of their parents or guardians; or

(B) a public or private residential facility for the care of children who have been adjudicated to be delinquent or in need of supervision.

PART F—21ST CENTURY COMMUNITY LEARNING CENTERS

SEC. 1601. SHORT TITLE.

This part may be cited as the "21st Century Community Learning Centers Act".

SEC. 1602. PURPOSE.

It is the purpose of this part to provide opportunities for public schools, primarily in rural and inner-city communities, to collaborate with other public and nonprofit entities (including businesses and postsecondary institutions) to—

(1) offer a broad selection of services that address the needs of the communities served by such schools; and

(2) offer extended learning opportunities for children, youth, and adults in the communities.

SEC. 1603. PROGRAM AUTHORIZATION.

(a) GRANTS BY THE SECRETARY.—The Secretary is authorized, in accordance with the provisions of this part, to award grants to local educational agencies, and units of general purpose local government, on behalf of rural and inner-city public elementary schools or secondary schools, or consortia of such schools, to enable such schools or consortia to plan, implement, or to expand projects that benefit the educational, health, social service, cultural, and recreational needs of a rural or inner-city community.

(b) EQUITABLE DISTRIBUTION.—In awarding grants under this part, the Secretary shall assure an equitable distribution of assistance among the States, among urban and rural areas of the United States, and among urban and rural areas of a State.

(c) GRANT PERIOD.—The Secretary shall award grants under this part for a period not to exceed 3 years.

(d) AMOUNT.—The Secretary shall not award a grant under this part in any fiscal year in an amount less than $50,000.

SEC. 1604. ELIGIBILITY OF CERTAIN ORGANIZATIONS AND ENTITIES.

(a) IN GENERAL.—Notwithstanding any other provision of law—

(1) the Secretary may award grants under this part to community-based organizations, and public or private entities, that have experience in providing before- and after-school services, on the same basis as local educational agencies described in section 1603; and

(2) for purposes of this part—

(A) references to local educational agencies shall be considered to include references to organizations and entities described in paragraph (1); and

(B) except as provided in subsection (c), references to schools shall be considered to include references to rural and inner-city public elementary schools or secondary

schools served by organizations and entities described in paragraph (1).

(b) PRIORITY.—In addition to giving priority to applications described in section 1605(b), in awarding grants under this part, the Secretary shall give priority to applications that—

(1) describe projects that include academic enrichment components; and

(2) are submitted jointly by—

(A) organizations and entities described in subsection (a)(1); and

(B) rural and inner-city public elementary schools or secondary schools (including consortia of such schools).

(c) WAIVER.—The Secretary may waive, for an organization or entity described in subsection (a)(1), any provision of this part that requires the organization or entity to carry out a project through or in a school, if the Secretary determines that the provision would undermine the effectiveness of the project or limit the accessibility of the project to children and families in the community.

SEC. 1605. APPLICATION REQUIRED.

(a) APPLICATION.—To be eligible to receive a grant under this part, a local educational agency or unit of general purpose local government shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably prescribe. Each such application shall include—

(1) a comprehensive local plan that enables the school or consortium served by the local educational agency or unit of general purpose local government to serve as a center for the delivery of education and human resources for members of a community;

(2) an evaluation of the needs, available resources, and goals and objectives for the proposed project in order to determine which activities will be undertaken to address such needs; and

(3) a description of the proposed project, including—

(A) a description of the mechanism that will be used to disseminate information in a manner that is understandable and accessible to the community;

(B) identification of Federal, State, and local programs to be merged or coordinated so that public resources may be maximized;

(C) a description of the collaborative efforts to be undertaken by community-based organizations, related public agencies, businesses, or other appropriate organizations;

(D) a description of how the school or consortium served by the local educational agency or unit of general purpose local government will serve as a delivery center for existing and new services, especially for interactive telecommunication used for education and professional training; and

(E) an assurance that the school or consortium served by the local educational agency or unit of general purpose local government will establish a facility utilization policy that specifically states—

(i) the rules and regulations applicable to building and equipment use; and

(ii) supervision guidelines.

(b) PRIORITY.—The Secretary shall give priority to applications describing projects that offer a broad selection of services which address the needs of the community.

(c) ENCOURAGING JOINT SUBMISSION OF APPLICATIONS.—The Secretary shall strongly encourage applications for grants under this part to be submitted jointly by a local educational agency (or a consortium of local educational agencies) or unit of general purpose local government, and a community-based organization, including public or private entities with demonstrated effectiveness in providing educational and related services to individuals in the community.

SEC. 1606. USES OF FUNDS.

Grant funds awarded under this part may be used to plan, implement, or expand community learning centers which include not less than 4 of the following activities:

(1) Literacy education programs.

(2) Senior citizen programs.

(3) Children's day care services.

(4) Integrated education, health, social service, recreational, or cultural programs.

(5) Summer and weekend school programs.

(6) Expanded library service hours to serve community needs.

(7) Telecommunications and technology education programs for individuals of all ages.

(8) Services for individuals who leave school before graduating from secondary school, regardless of the age of such individual.

(9) Services for individuals with disabilities.

(10) Academic enrichment activities.

SEC. 1607. DEFINITIONS.

For the purpose of this part:

(1) COMMUNITY LEARNING CENTER.—The term "community learning center" means an entity within a public elementary school or secondary school building that—

(A) provides educational, recreational, health, and social service programs for residents of all ages within a local community; and

(B) is operated by a local educational agency or unit of general purpose local government, in conjunction with local governmental agencies, businesses, vocational education programs, institutions of higher education, community colleges, and cultural, recreational, and other community and human service entities.

(2) UNIT OF GENERAL PURPOSE LOCAL GOVERNMENT.—The term "unit of general purpose local government" means any city, town, township, parish, village, or other general purpose political subdivision of a State.

PART G—COMPREHENSIVE SCHOOL REFORM

SEC. 1701. PURPOSE.

The purpose of this part is to provide financial incentives for schools to develop comprehensive school reforms based upon prom-

ising and effective practices and scientifically based research programs that emphasize basic academics and parental involvement so that all children can meet challenging State content and student performance standards.

SEC. 1702. PROGRAM AUTHORIZATION.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants to State educational agencies, from allotments under paragraph (2), to enable the State educational agencies to award subgrants to local educational agencies to carry out the purpose described in section 1701.

(2) ALLOTMENTS.—

(A) RESERVATIONS.—Of the amount appropriated under section 1002(h) for a fiscal year, the Secretary may reserve—

(i) not more than 1 percent to provide assistance to schools supported by the Bureau of Indian Affairs and in the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands according to their respective needs for assistance under this part; and

(ii) not more than 1 percent to conduct national evaluation activities described in section 1707.

(B) IN GENERAL.—Of the amount appropriated under section 1002(h) that remains after making the reservation under subparagraph (A) for a fiscal year, the Secretary shall allot to each State for the fiscal year an amount that bears the same ratio to the remainder for that fiscal year as the amount made available under section 1124 to the State for the preceding fiscal year bears to the total amount made available under section 1124 to all States for that year.

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

SEC. 1703. STATE APPLICATIONS.

(a) IN GENERAL.—Each State educational agency that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(b) CONTENTS.—Each such application shall describe—

(1) the process and selection criteria by which the State educational agency, using expert review, will select local educational agencies to receive subgrants under this section;

(2) how the State educational agency will ensure that only comprehensive school reforms that are based on promising and effective practices and scientifically based research programs receive funds under this part;

(3) how the State educational agency will disseminate information on comprehensive school reforms that are based on promising and effective practices and scientifically based research programs;

(4) how the State educational agency will evaluate the implementation of such reforms and measure the extent to which the reforms have resulted in increased student academic performance; and

(5) how the State educational agency will make available technical assistance to a local educational agency or consortia of local educational agencies in evaluating, developing, and implementing comprehensive school reform.

SEC. 1704. STATE USE OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (e), a State educational agency that receives a grant under this part shall use the grant funds to award subgrants, on a competitive basis, to local educational agencies or consortia of local educational agencies in the State that receive funds under part A.

(b) SUBGRANT REQUIREMENTS.—A subgrant to a local educational agency or consortium shall be—

(1) of sufficient size and scope to support the initial costs for the particular comprehensive school reform plan selected or designed by each school identified in the application of the local educational agency or consortium;

(2) in an amount not less than $50,000 for each participating school; and

(3) renewable for 2 additional 1-year periods after the initial 1-year grant is made if the school is making substantial progress in the implementation of reforms.

(c) PRIORITY.—A State educational agency, in awarding subgrants under this part, shall give priority to local educational agencies or consortia that—

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

(2) demonstrate a commitment to assist schools with budget allocation, professional development, and other strategies necessary to ensure the comprehensive school reforms are properly implemented and are sustained in the future.

(d) GRANT CONSIDERATION.—In awarding subgrants under this part, the State educational agency shall take into consideration the equitable distribution of subgrants to different geographic regions within the State, including urban and rural areas, and to schools serving elementary school and secondary students.

(e) ADMINISTRATIVE COSTS.—A State educational agency that receives a grant under this part may reserve not more than 5 percent of the grant funds for administrative, evaluation, and technical assistance expenses.

(f) SUPPLEMENT.—Funds made available under this part shall be used to supplement, and not supplant, any other Federal, State, or local funds that would otherwise be available to carry out the activities assisted under this part.

(g) REPORTING.—Each State educational agency that receives a grant under this part shall provide to the Secretary such information as the Secretary may require, including the names of local educational agencies and schools receiving assistance under this part, the amount of the assistance, and a description of the comprehensive school reform model selected and used.

SEC. 1705. LOCAL APPLICATIONS.

(a) IN GENERAL.—Each local educational agency or consortium of local educational agencies desiring a subgrant under this section shall submit an application to the State educational agency at such time, in such manner, and containing such information as the State educational agency may reasonably require.

(b) CONTENTS.—Each such application shall—

(1) identify the schools, that are eligible for assistance under part A, that plan to implement a comprehensive school reform program, including the projected costs of such a program;

(2) describe the promising and effective practices and scientifically based research programs that such schools will implement;

(3) describe how the local educational agency or consortium will provide technical assistance and support for the effective implementation of the promising and effective practices and scientifically based research school reforms selected by such schools; and

(4) describe how the local educational agency or consortium will evaluate the implementation of such reforms and measure the results achieved in improving student academic performance.

SEC. 1706. LOCAL USE OF FUNDS.

(a) USES OF FUNDS.—A local educational agency or consortium that receives a subgrant under this section shall provide the subgrant funds to schools, that are eligible for assistance under part A and served by the agency, to enable the schools to implement a comprehensive school reform program for—

(1) employing innovative strategies for student learning, teaching, and school management that are based on promising and effective practices and scientifically based research programs and have been replicated successfully in schools with diverse characteristics;

(2) integrating a comprehensive design for effective school functioning, including instruction, assessment, classroom management, professional development, parental involvement, and school management, that aligns the school's curriculum, technology, and professional development into a comprehensive reform plan for schoolwide change designed to enable all students to meet challenging State content and student performance standards and addresses needs identified through a school needs assessment;

(3) providing high quality and continuous teacher and staff professional development;

(4) the inclusion of measurable goals for student performance;

(5) support for teachers, principals, administrators, and other school personnel staff;

(6) meaningful community and parental involvement initiatives that will strengthen school improvement activities;

(7) using high quality external technical support and assistance from an entity that has experience and expertise in schoolwide reform and improvement, which may include an institution of higher education;

(8) evaluating school reform implementation and student performance; and

(9) identification of other resources, including Federal, State, local, and private resources, that shall be used to coordinate services that will support and sustain the school reform effort.

(b) SPECIAL RULE.—A school that receives funds to develop a comprehensive school reform program shall not be limited to using the approaches identified or developed by the Secretary, but may develop the school's own comprehensive school reform programs for schoolwide change as described in subsection (a).

SEC. 1707. NATIONAL EVALUATION AND REPORTS.

(a) IN GENERAL.—The Secretary shall develop a plan for a national evaluation of the programs assisted under this part.

(b) EVALUATION.—The national evaluation shall—

(1) evaluate the implementation and results achieved by schools after 3 years of implementing comprehensive school reforms; and

(2) assess the effectiveness of comprehensive school reforms in schools with diverse characteristics.

(c) REPORTS.—Prior to the completion of the national evaluation, the Secretary shall submit an interim report describing implementation activities for the Comprehensive School Reform Program, which began in 1998, to the Committee on Education and the Workforce, and the Committee on Appropriations of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions, and the Committee on Appropriations of the Senate.

PART H—SCHOOL DROPOUT PREVENTION

SEC. 1801. SHORT TITLE.

This part may be cited as the "Dropout Prevention Act".

SEC. 1802. PURPOSE.

The purpose of this part is to provide for school dropout prevention and reentry and to raise academic achievement levels by providing grants, to schools through State educational agencies, that—

(1) challenge all children to attain their highest academic potential; and

(2) ensure that all students have substantial and ongoing opportunities to do so through schoolwide programs proven effective in school dropout prevention.

Subpart 1—Coordinated National Strategy

SEC. 1811. NATIONAL ACTIVITIES.

(a) IN GENERAL.—The Secretary is authorized—

(1) to collect systematic data on the participation in the programs described in paragraph (2)(C) of individuals disaggregated within each State, local educational agency, and school by gender, by each major racial and ethnic group, by English proficiency status, by migrant status, by students with disabilities as compared to nondisabled students, and by economically disadvantaged students as compared to students who are not economically disadvantaged;

(2) to establish and to consult with an interagency working group that shall—

(A) address inter- and intra-agency program coordination issues at the Federal level with respect to school dropout prevention and middle school and secondary school reentry, and assess the targeting of existing Federal services to students who are most at risk of dropping out of school, and the cost-effectiveness of various programs and approaches used to address school dropout prevention;

(B) describe the ways in which State and local agencies can implement effective school dropout prevention programs using funds from a variety of Federal programs, including the programs under this title and the School-to-Work Opportunities Act of 1994; and

(C) address all Federal programs with school dropout prevention or school reentry elements or objectives, including programs under this title, the School-to-Work Opportunities Act of 1994, subtitle C of title I of the Workforce Investment Act of 1998, and other programs; and

(3) carry out a national recognition program in accordance with subsection (b) that recognizes schools that have made extraordinary progress in lowering school dropout rates under which a public middle school or secondary school from each State will be recognized.

(b) RECOGNITION PROGRAM.—

(1) NATIONAL GUIDELINES.—The Secretary shall develop uniform national guidelines for the recognition program that shall be used to recognize schools from nominations submitted by State educational agencies.

(2) ELIGIBLE SCHOOLS.—The Secretary may recognize under the recognition program any public middle school or secondary school (including a charter school) that has implemented comprehensive reforms regarding the lowering of school dropout rates for all students at that school.

(3) SUPPORT.—The Secretary may make monetary awards to schools recognized under the recognition program in amounts determined by the Secretary. Amounts received under this section shall be used for dissemination activities within the school district or nationally.

(c) CAPACITY BUILDING.—

(1) IN GENERAL.—The Secretary, through a contract with a non-Federal entity, may conduct a capacity building and design initiative in order to increase the types of proven strategies for dropout prevention and reentry that address the needs of an entire school population rather than a subset of students.

(2) NUMBER AND DURATION.—

(A) NUMBER.—The Secretary may award not more than 5 contracts under this subsection.

(B) DURATION.—The Secretary may award a contract under this subsection for a period of not more than 5 years.

(d) SUPPORT FOR EXISTING REFORM NETWORKS.—

(1) IN GENERAL.—The Secretary may provide appropriate support to eligible entities to enable the eligible entities to provide

training, materials, development, and staff assistance to schools assisted under this chapter.

(2) DEFINITION OF ELIGIBLE ENTITY.—In this subsection, the term "eligible entity" means an entity that, prior to the date of enactment of the Dropout Prevention Act—

(A) provided training, technical assistance, and materials to 100 or more elementary schools or secondary schools; and

(B) developed and published a specific educational program or design for use by the schools.

Subpart 2—National School Dropout Prevention Initiative

SEC. 1821. PROGRAM AUTHORIZED.

(a) GRANTS.—

(1) DISCRETIONARY GRANTS.—If the sum appropriated under section 1002(i) for a fiscal year is less than $250,000,000, then the Secretary shall use such sum to award grants, on a competitive basis, to State educational agencies to enable the State educational agencies to award grants under subsection (b).

(2) FORMULA.—If the sum appropriated under section 1002(i) for a fiscal year equals or exceeds $250,000,000, then the Secretary shall use such sum to make an allotment to each State in an amount that bears the same relation to the sum as the amount the State received under part A for the preceding fiscal year bears to the amount received by all States under such part for the preceding fiscal year.

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

(b) GRANTS.—From amounts made available to a State under subsection (a), the State educational agency may award grants to public middle schools or secondary schools that serve students in grades 6 through 12, that have school dropout rates that are the highest of all school dropout rates in the State, to enable the schools to pay only the startup and implementation costs of effective, sustainable, coordinated, and whole school dropout prevention programs that involve activities such as—

(1) professional development;

(2) obtaining curricular materials;

(3) release time for professional staff;

(4) planning and research;

(5) remedial education;

(6) reduction in pupil-to-teacher ratios;

(7) efforts to meet State student achievement standards;

(8) counseling and mentoring for at-risk students; and

(9) comprehensive school reform models.

(c) AMOUNT.—

(1) IN GENERAL.—Subject to subsection (d) and except as provided in paragraph (2), a grant under this subpart shall be awarded—

(A) in the first year that a school receives a grant payment under this subpart, based on factors such as—

(i) school size;

(ii) costs of the model or set of prevention and reentry strategies being implemented; and

(iii) local cost factors such as poverty rates;

(B) in the second such year, in an amount that is not less than 75 percent of the amount the school received under this subpart in the first such year;

(C) in the third year, in an amount that is not less than 50 percent of the amount the school received under this subpart in the first such year; and

(D) in each succeeding year in an amount that is not less than 30 percent of the amount the school received under this subpart in the first such year.

(2) INCREASES.—The Secretary shall increase the amount awarded to a school under this subpart by 10 percent if the school creates smaller learning communities within the school and the creation is certified by the State educational agency.

(d) DURATION.—A grant under this subpart shall be awarded for a period of 3 years, and may be continued for a period of 2 additional years if the State educational agency determines, based on the annual reports described in section 1827(a), that significant progress has been made in lowering the school dropout rate for students participating in the program assisted under this subpart compared to students at similar schools who are not participating in the program.

SEC. 1822. STRATEGIES AND CAPACITY BUILDING.

Each school receiving a grant under this subpart shall implement scientifically based research, sustainable, and widely replicated strategies for school dropout prevention and reentry that address the needs of an entire school population rather than a subset of students. The strategies may include—

(1) specific strategies for targeted purposes, such as—

(A) effective early intervention programs designed to identify at-risk students;

(B) effective programs encompassing traditionally underserved students, including racial and ethnic minorities and pregnant and parenting teenagers, designed to prevent such students from dropping out of school; and

(C) effective programs to identify and encourage youth who have already dropped out of school to reenter school and complete their secondary education; and

(2) approaches such as breaking larger schools down into smaller learning communities and other comprehensive reform approaches, creating alternative school programs, developing clear linkages to career skills and employment, and addressing specific gatekeeper hurdles that often limit student retention and academic success.

SEC. 1823. SELECTION OF SCHOOLS.

(a) SCHOOL APPLICATION.—

(1) IN GENERAL.—Each school desiring a grant under this subpart shall submit an application to the State educational

agency at such time, in such manner, and accompanied by such information as the State educational agency may require.

(2) CONTENTS.—Each application submitted under paragraph (1) shall—

(A) contain a certification from the local educational agency serving the school that—

(i) the school has the highest number or rates of school dropouts in the age group served by the local educational agency;

(ii) the local educational agency is committed to providing ongoing operational support, for the school's comprehensive reform plan to address the problem of school dropouts, for a period of 5 years; and

(iii) the local educational agency will support the plan, including—

(I) release time for teacher training;

(II) efforts to coordinate activities for feeder schools; and

(III) encouraging other schools served by the local educational agency to participate in the plan;

(B) demonstrate that the faculty and administration of the school have agreed to apply for assistance under this subpart, and provide evidence of the school's willingness and ability to use the funds under this subpart, including providing an assurance of the support of 80 percent or more of the professional staff at the school;

(C) describe the instructional strategies to be implemented, how the strategies will serve all students, and the effectiveness of the strategies;

(D) describe a budget and timeline for implementing the strategies;

(E) contain evidence of coordination with existing resources;

(F) provide an assurance that funds provided under this subpart will supplement and not supplant other Federal, State, and local funds available for dropout prevention programs;

(G) describe how the activities to be assisted conform with scientifically based research knowledge about school dropout prevention and reentry; and

(H) demonstrate that the school and local educational agency have agreed to conduct a schoolwide program under section 1114.

(b) STATE AGENCY REVIEW AND AWARD.—The State educational agency shall review applications and award grants to schools under subsection (a) according to a review by a panel of experts on school dropout prevention.

(c) ELIGIBILITY.—A school is eligible to receive a grant under this subpart if the school is—

(1) a public school (including a public alternative school)—

(A) that is eligible to receive assistance under part A, including a comprehensive secondary school, a vocational or technical secondary school, or a charter school; and

(B)(i) that serves students 50 percent or more of whom are low-income individuals; or

(ii) with respect to which the feeder schools that provide the majority of the incoming students to the school serve students 50 percent or more of whom are low-income individuals; or

(2) participating in a schoolwide program under section 1114 during the grant period.

(d) COMMUNITY-BASED ORGANIZATIONS.—A school that receives a grant under this subpart may use the grant funds to secure necessary services from a community-based organization, including private sector entities, if—

(1) the school approves the use;

(2) the funds are used to provide school dropout prevention and reentry activities related to schoolwide efforts; and

(3) the community-based organization has demonstrated the organization's ability to provide effective services as described in section 122 of the Workforce Investment Act of 1998.

(e) COORDINATION.—Each school that receives a grant under this subpart shall coordinate the activities assisted under this subpart with other Federal programs, such as programs assisted under chapter 1 of subpart 2 of part A of title IV of the Higher Education Act of 1965.

SEC. 1824. DISSEMINATION ACTIVITIES.

Each school that receives a grant under this part shall provide information and technical assistance to other schools within the school district, including presentations, document-sharing, and joint staff development.

SEC. 1825. PROGRESS INCENTIVES.

Notwithstanding any other provision of law, each local educational agency that receives funds under this title shall use such funds to provide assistance to schools served by the agency that have not made progress toward lowering school dropout rates after receiving assistance under this subpart for 2 fiscal years.

SEC. 1826. SCHOOL DROPOUT RATE CALCULATION.

For purposes of calculating a school dropout rate under this subpart, a school shall use—

(1) the annual event school dropout rate for students leaving a school in a single year determined in accordance with the National Center for Education Statistics' Common Core of Data, if available; or

(2) in other cases, a standard method for calculating the school dropout rate as determined by the State educational agency.

SEC. 1827. REPORTING AND ACCOUNTABILITY.

(a) REPORTING.—To receive funds under this subpart for a fiscal year after the first fiscal year that a school receives funds under this subpart, the school shall provide, on an annual basis, to the Secretary and the State educational agency a report regarding the status of the implementation of activities funded under this subpart, the outcome data for students at schools assisted under this subpart disaggregated in the same manner as information under section

1811(a) (such as dropout rates), and a certification of progress from the eligible entity whose strategies the school is implementing.

(b) ACCOUNTABILITY.—On the basis of the reports submitted under subsection (a), the Secretary shall evaluate the effect of the activities assisted under this subpart on school dropout prevention compared to a control group.

SEC. 1828. STATE RESPONSIBILITIES.

(a) UNIFORM DATA COLLECTION.—Within 1 year after the date of enactment of the Dropout Prevention Act, a State educational agency that receives funds under this subpart shall report to the Secretary and statewide, all school district and school data regarding school dropout rates in the State disaggregated in the same manner as information under section 1811(a), according to procedures that conform with the National Center for Education Statistics' Common Core of Data.

(b) ATTENDANCE-NEUTRAL FUNDING POLICIES.—Within 2 years after the date of enactment of the Dropout Prevention Act, a State educational agency that receives funds under this subpart shall develop and implement education funding formula policies for public schools that provide appropriate incentives to retain students in school throughout the school year, such as—

(1) a student count methodology that does not determine annual budgets based on attendance on a single day early in the academic year; and

(2) specific incentives for retaining enrolled students throughout each year.

(c) SUSPENSION AND EXPULSION POLICIES.—Within 2 years after the date of enactment of the Dropout Prevention Act, a State educational agency that receives funds under this subpart shall develop uniform, long-term suspension and expulsion policies (that in the case of a child with a disability are consistent with the suspension and expulsion policies under the Individuals with Disabilities Education Act) for serious infractions resulting in more than 10 days of exclusion from school per academic year so that similar violations result in similar penalties.

(d) REGULATIONS.—The Secretary shall promulgate regulations implementing subsections (a) through (c).

Subpart 3—Definitions; Authorization of Appropriations

SEC. 1831. DEFINITIONS.

In this part:

(1) LOW-INCOME.—The term "low-income", used with respect to an individual, means an individual determined to be low-income in accordance with measures described in section 1113(a)(5).

(2) SCHOOL DROPOUT.—The term "school dropout" means a youth who is no longer attending any school and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.

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PART [F] *T*—GENERAL PROVISIONS

SEC. [1601.] *1901.* [20 U.S.C. 6511] FEDERAL REGULATIONS.

(a) IN GENERAL.—The Secretary is authorized to issue such regulations as are necessary to reasonably ensure that there is compliance with this title.

(b) NEGOTIATED RULEMAKING PROCESS.—

(1) IN GENERAL.—Prior to publishing in the Federal Register proposed regulations to carry out this title, the Secretary shall obtain the advice and recommendations of representatives of Federal, State, and local administrators, parents, teachers, and members of local boards of education involved with the implementation and operation of programs under this title.

(2) MEETINGS AND ELECTRONIC EXCHANGE.—Such advice and recommendation may be obtained through such mechanisms as regional meetings and electronic exchanges of information.

(3) PROPOSED REGULATIONS.—After obtaining such advice and recommendations, and prior to publishing proposed regulations, the Secretary shall—

(A) establish a negotiated rulemaking process on a minimum of two key issues, including—

(i) schoolwide programs; and

(ii) standards and assessment;

(B) select individuals to participate in such process from among individuals or groups which provided advice and recommendations, including representation from all geographic regions of the United States; and

(C) prepare a draft of proposed policy options that shall be provided to the individuals selected by the Secretary under subparagraph (A) not less than 15 days prior to the first meeting under such process.

(4) PROCESS.—Such process—

(A) shall be conducted in a timely manner to ensure that final regulations are issued by the Secretary not later than July 1, 1995; and

(B) shall not be subject to the Federal Advisory Committee Act but shall otherwise follow the provisions of the Negotiated Rulemaking Act of 1990 (5 U.S.C. 561 et seq.).

(5) EMERGENCY SITUATION.—In an emergency situation in which regulations to carry out this title must be issued with a very limited time to assist State and local educational agencies with the operation of a program under this title, the Secretary may issue proposed regulations without following such process but shall, immediately thereafter and prior to issuing final regulations, conduct regional meetings to review such proposed regulations.

(c) LIMITATION.—Regulations to carry out this part may not require local programs to follow a particular instructional model, such as the provision of services outside the regular classroom or school program.

SEC. [1602.] *1902.* [20 U.S.C. 6512] COORDINATION OF FEDERAL, STATE, AND LOCAL ADMINISTRATION.

(a) PROGRAM ASSISTANCE MANUAL.—The Secretary shall, not later than six months after the publication of final regulations

under this title, prepare and distribute to State educational agencies, State agencies operating programs under parts C and D, and local educational agencies, and shall make available to parents and other interested individuals, organizations, and agencies, a manual for this title to—

(1) assist such agencies in—

(A) enhancing the quality, increasing the depth, or broadening the scope of activities for programs under this title;

(B) applying for program funds under this title; and

(C) meeting the program objectives under this title;

(2) assist State educational agencies in achieving proper and efficient administration of programs funded under this title;

(3) assist parents to become involved in the planning for, and implementation and evaluation of, programs and projects under this title; and

(4) ensure that officers and employees of the Department, including officers and employees of the Secretary and officers and employees of the Department charged with auditing programs carried on under this tile, uniformity interpret, apply, and enforce requirements under this title throughout the United States.

(b) CONTENTS OF POLICY MANUAL—The policy manual shall, with respect to programs carried out under this title, contain descriptions, statements, procedural and substantive rules, opinions, policy statements and interpretations and indices to and amendments of the foregoing, and in particular, whether or not such descriptions, statements, procedural and substantive rules, opinions, policy statements and interpretations and indices are required under section 552 of title 5, United States Code, to be published or made available. The manual shall include—

(1) a statement of the requirements applicable to the programs carried out under this title, including such requirements contained in this title, the General Education Provisions Act, other applicable statutes, and regulations issued under the authority of such statutes;

(2) an explanation of the purpose of each requirement and its interrelationship with other applicable requirements; and

(3) model forms and instructions developed by the Secretary for use by State and local educational agencies, at the discretion of such agencies, including, application forms, application review checklists, and instruments for monitoring programs under this title.

(c) RESPONSE TO INQUIRIES.—The Secretary shall respond with written guidance not later than 90 days after any written request (return receipt requested) from a State or local educational agency regarding a policy, question, or interpretation under this title is received. In the case of a request from a local educational agency, such agency is required to address its request to the State educational agency first.

SEC. [1603.] *1903.* [20 U.S.C. 6513] STATE ADMINISTRATION.

(a) RULEMAKING.—

(1) IN GENERAL.—Each State that receives funds under this title shall—

(A) ensure that any State rules, regulations, and policies relating to this title conform to the purposes of this title and provide any such proposed rules, regulations, and policies to the committee of practitioners under subsection (b) for their review and comment;

(B) minimize such rules, regulations, and policies to which their local educational agencies and schools are subject; and

(C) identify any such rule, regulation, or policy as a State-imposed requirement.

(2) SUPPORT AND FACILITATION.—State rules, regulations, and policies under this title shall support and facilitate local educational agency and school-level systemic reform designed to enable all children to meet the challenging State designed to enable all children to meet the challenging State contend standards and challenging State student performance standards.

(b) COMMITTEE OF PRACTITIONERS.—

(1) IN GENERAL.—Each State educational agency shall create a State committee of practitioners to advise the State in carrying out its responsibilities under this title.

(2) MEMBERSHIP.—Each such committee shall include—

(A) as a majority of its members, representatives from local educational agencies;

(B) administrators;

(C) teachers, including vocational educators;

(D) parents;

(E) members of local boards of education;

(F) representatives of private school children; and

(G) pupil services personnel.

(3) DUTIES.—The duties of such committee shall include a review, prior to publication, of an proposed or final State rule or regulation pursuant to this title. In an emergency situation where such rule or regulation must be issued within a very limited time to assist local educational agencies with the operation of the program under this title, the State educational agency may issue a regulation without prior consultation, but shall immediately thereafter convene the State committee of practioners to review the emergency regulation prior to issuance in final form.

(c) PAYMENT FOR STATE ADMINISTRATION.—Each State may reserve for the proper and efficient performance of its duties under this title the greater of—

(1) 1.00 percent of the funds received under subsections (a), (c), and (d) of section 1002; or

(2) $400,000, or $50,000 in the case of the outlying areas.

SEC. [1604.] *1904.* [20 U.S.C. 6514] CONSTRUCTION.

(a) PROHIBITION OF FEDERAL MANDATES, DIRECTION, OR CONTROL.—Nothing in this title shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific instructional content or pupil performance standards and assessments, curriculum, or program of instruction as a condition of eligibility to receive funds under this title.

(b) EQUALIZED SPENDING.—Nothing in this title shall be construed to mandate equalized spending per pupil for a State, local educational agency, or school.

(c) BUILDING STANDARDS.—Nothing in this title shall be construed to mandate national school building standards for a State, local educational agency, or school.

[TITLE II—DWIGHT D. EISENHOWER PROFESSIONAL DEVELOPMENT PROGRAM

[SEC. 2001. FINDINGS.

[The Congress finds as follows:

[(1) Reaching the National Education Goals, particularly the third, fourth, and fifth National Education Goals, requires a comprehensive educational reform strategy that involves parents, schools, government, communities, and other public and private organizations at all levels.

[(2) A crucial component of the strategy for achieving such goals is ensuring, through sustained and intensive high-quality professional development, that all teachers will provide challenging learning experiences in the core academic subjects for their students.

[(3) Decisionmaking as to what activities a State or local educational agency should undertake to improve teaching and learning are best made by individuals in the schools closest to the classroom and most knowledgeable about the needs of schools and students.

[(4) The potential positive impact of high-quality professional development is underscored by recent research findings that—

[(A) professional development must be focused on teaching and learning in order to improve the opportunities of all students to achieve higher standards;

[(B) effective professional development focuses on discipline-based knowledge and effective subject-specific pedagogical skills, involves teams of teachers, and, where appropriate, administrators and pupil services personnel, in a school and, through professional networks of teachers, and, where appropriate, teacher educators, administrators, pupil services personnel, and parents, is interactive and collaborative, motivates by its intrinsic content and relationship to practice, builds on experience and learning-by-doing, and becomes incorporated into the everyday life of the school;

[(C) professional development can dramatically improve classroom instruction and learning when teachers, and, where appropriate, administrators, pupil services personnel, and parents, are partners in the development and implementation of such professional development; and

[(D) new and innovative strategies for teaching to high standards will require time for teachers, outside of the time spent teaching, for instruction, practice, and collegial collaboration.

[(5) Special attention must be given in professional development activities to ensure that education professionals are knowledgeable of, and make use of, strategies for serving populations that historically have lacked access to equal opportunities for advanced learning and career advancement.

[(6) Professional development is often a victim of budget reductions in fiscally difficult times.

[(7) The Federal Government has a vital role in helping States and local educational agencies to make sustained and intensive high-quality professional development in the core academic subjects become an integral part of the elementary and secondary education system.

[(8) Professional development activities must prepare teachers, pupil services personnel, paraprofessionals and other staff in the collaborative skills needed to appropriately teach children with disabilities, in the core academic subjects.

[(9) Parental involvement is an important aspect of school reform and improvement. There is a need for special attention to ensure the effective involvement of parents in the education of their children. Professional development should include methods and strategies to better prepare teachers and, where appropriate, administrators, to enable parents to participate fully and effectively in their children's education.

[SEC. 2002. PURPOSES.

[The purposes of this title are to provide assistance to State and local educational agencies and to institutions of higher education with teacher education programs so that such agencies and institutions can determine how best to improve the teaching and learning of all students by—

[(1) helping to ensure that teachers, and, where appropriate, other staff and administrators, have access to sustained and intensive high-quality professional development that is aligned to challenging State content standards and challenging State student performance standards, and to support the development and implementation of sustained and intensive high-quality professional development activities in the core academic subjects; and

[(2) helping to ensure that teachers, and, where appropriate, administrators, other staff, pupil services personnel, and parents, have access to professional development that—

[(A) is tied to challenging State content standards and challenging State student performance standards;

[(B) reflects recent research on teaching and learning;

[(C) includes strong academic content and pedagogical components;

[(D) incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse student populations, including females, minorities, individuals with disabilities, limited-English-proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging State student performance standards;

[(E) is of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom; and

[(F) is part of the everyday life of the school and creates an orientation toward continuous improvement throughout the school.

SEC. 2003. AUTHORIZATION OF APPROPRIATIONS; ALLOCATION BETWEEN PARTS.

[(a) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this title (other than part C), there are authorized to be appropriated $800,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(b) ALLOCATION BETWEEN PARTS.—Of the amounts appropriated to carry out this title for any fiscal year, the Secretary shall make available—

[(1) 5 percent of such amounts to carry out subpart 1, of which 5 percent of such 5 percent shall be available to carry out section 2103;

[(2) 94 percent of such amounts to carry out part B; and

[(3) 1 percent of such amounts to carry out part D except that such 1 percent shall not exceed $3,200,000 in any fiscal year.

[PART A—FEDERAL ACTIVITIES

[SEC. 2101. PROGRAM AUTHORIZED.

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

[(1) support activities of national significance that the Secretary determines will contribute to the development and implementation of high-quality professional development activities in the core academic subjects; and

[(2) evaluate activities carried out under this part and parts B and C, in accordance with section 14701.

[(b) REQUIREMENTS.—In carrying out the activities described in subsection (a), the Secretary shall coordinate professional development programs within the Department, particularly with those programs within the Office of Educational Research and Improvement and the Office of Special Education and Rehabilitative Services, and shall consult and coordinate with the National Science Foundation, the National Endowment for the Humanities, the National Endowment for the Arts, the Institute of Museum and Library Services, and other appropriate Federal agencies and entities.

[SEC. 2102. AUTHORIZED ACTIVITIES.

[(a) ACTIVITIES.—The Secretary shall use funds available to carry out this part for—

[(1) providing seed money to the entities described in section 2101(a) to develop and capacity of such entities to offer sustained and intensive high-quality professional development;

[(2) awarding a grant or contract, in consultation with the Director of the National Science Foundation, to establish an Eisenhower National Clearinghouse for Mathematics and Science Education (hereafter in this section referred to as the "Clearinghouse"); and

[(3) evaluating programs assisted under this part and parts B and C, in accordance with section 14701.

[(b) CLEARINGHOUSE.—

[(1) APPLICATION AND AWARD BASIS.—Each entity desiring to establish and operate the Clearinghouse authorized by subsection (a)(2) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. The grant or contract awarded pursuant to subsection (a)(2) shall be made on a competitive, merit basis.

[(2) DURATION.—The grant or contract awarded under subsection (a)(2) shall be awarded for a period of five years and shall be reviewed by the Secretary not later than 30 months from the date the grant or contract is awarded.

[(3) USE OF FUNDS.—The grant or contract awarded under subsection (a)(2) shall be used to—

[(A) maintain a permanent repository of mathematics and science education instructional materials and programs for elementary and secondary schools, including middle schools (including, to the extent practicable, all materials and programs developed with Federal and non-Federal funds, such as instructional materials developed by the Department, materials developed by State and national mathematics and science programs assisted under this part, and other instructional materials) for use by the regional consortia established under part C of title XIII and by the general public;

[(B) compile information on all mathematics and science education programs administered by each Federal agency or department;

[(C) disseminate information, programs, and instructional materials to the public, dissemination networks, and the regional consortia established under part C of title XIII;

[(D) coordinate with identifiable and existing data bases containing mathematics and science curriculum and instructional materials, including Federal, non-Federal, and, where feasible, international, data bases;

[(E) participate in collaborative meetings of representatives of the Clearinghouse and the regional consortia established under part C of title XIII to discuss issues of common interest and concern, to foster effective collaboration and cooperation in acquiring and distributing curriculum materials and programs, and to coordinate computer network access to the Clearinghouse and the resources of the regional consortia, except that not more than 3 percent of the funds awarded under subsection (a)(2) shall be used to carry out this subparagraph; and

[(F) gather qualitative and evaluative data on submissions to the Clearinghouse.

[(4) SUBMISSION TO CLEARINGHOUSE.—Each Federal agency or department which develops mathematics or science education instructional material or programs, including the National Science Foundation and the Department, shall submit to the Clearinghouse copies of such material or programs.

[(5) PEER REVIEW.—The Secretary shall establish a peer review process to select the recipient of the award under subsection (a)(2).

[(6) STEERING COMMITTEE.—The Secretary may appoint a steering committee to recommend policies and activities for the Clearinghouse.

[(7) APPLICATION OF COPYRIGHT LAWS.—Nothing in this subsection shall be construed to allow the use or copying, in any media, of any material collected by the Clearinghouse that is protected under the copyright laws of the United States unless the permission of the owner of the copyright is obtained. The Clearinghouse, in carrying out the provisions of this subsection, shall ensure compliance with title 17, United States Code.

[(8) DISSEMINATION OF INFORMATION.—The Secretary shall disseminate information concerning the grant or contract awarded under this section to State and local educational agencies and institutions of higher education. Such dissemination of information shall include examples of exemplary national programs in mathematics and science instruction and necessary technical assistance for the establishment of similar programs.

[(c) USES OF FUNDS.—The Secretary may use funds available to carry out this part for—

[(1) the development and maintenance of national clearinghouses for core academic subjects as the Secretary determines are needed and which shall be administered as adjunct clearinghouses of the Educational Resources Information Center Clearinghouses system of clearinghouses supported by the Office of Educational Research and Improvement;

[(2) professional development institutes that provide teachers or teams of teachers, and, where appropriate, administrators, pupil services personnel and other staff, from individual schools, with professional development that contains strong and integrated disciplinary and pedagogical components;

[(3) encouraging the development of local and national professional networks, such as the Teacher Research Dissemination Demonstration Program under section 941(j) of the Educational Research, Development, Dissemination, and Improvement Act of 1994, that provide a forum for interaction among teachers of the core academic subjects and that allow the exchange of information on advances in content and pedagogy;

[(4) efforts to train teachers in the innovative uses and applications of technology to enhance student learning;

[(5) the development and dissemination of model teaching standards in the core academic subjects;

[(6) disseminating standards in the core academic subjects, including information on voluntary national content standards and voluntary national student performance standards and related models of high-quality professional development;

[(7) the dissemination of information about voluntary national content standards, State content standards, voluntary national student performance standards and State student performance standards, and related models of high-quality professional development;

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

[(9) disseminating models of high-quality professional development activities that train educators in strategies, techniques, methods, and practices for meeting the educational needs of historically underserved populations, including females, minorities, individuals with disabilities, limited-English-proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging State student performance standards;

[(10) promoting the transferability of licensure and certification of teachers and administrators among State and local jurisdictions;

[(11) supporting the National Board for Professional Teaching Standards;

[(12) developing activities to prepare teachers, and, where appropriate, paraprofessionals, pupil services personnel, and other staff in the collaborative skills needed to appropriately teach children with disabilities in the core academic subjects;

[(13) encouraging the development of innovative models for recruitment, induction, retention, and assessment of new, highly qualified teachers, especially such teachers from historically underrepresented groups; and

[(14) joint activities with other Federal agencies and entities engaged in or supporting similar professional development efforts.

[SEC. 2103. NATIONAL TEACHER TRAINING PROJECT.

[(a) SHORT TITLE; FINDINGS; DEFINITIONS.—

[(1) SHORT TITLE.—This section may be cited as the "National Teacher Training Project Act of 1994".

[(2) FINDINGS.—The Congress finds that—

[(A) teachers must be major players in educational reform in the United States;

[(B) teachers are isolated from their peers and have virtually no time during the school day to consult with other teachers;

[(C) there is a shortage of sustained, year-round professional development programs for teachers;

[(D) successful teaching methods are not adequately shared among teachers;

[(E) teachers are the best teachers of other teachers because practicing classroom teachers have experience that no outside consultant can match;

[(F) it is important for universities and schools to collaborate on teacher development programs if teaching and learning are to be improved;

[(G) pertinent research is not shared among teachers in a professional setting;

[(H) exemplary teachers should be recognized for their abilities and contributions and encouraged to refine their teaching methods;

[(I) each State should support a nationally based teacher training program, that is modeled after the National Writing Project, for teachers of early childhood education, and for teachers of core academic subjects including teachers of mathematics, science, English, civics and government, foreign languages, and arts;

[(J) the National Writing Project is a nationally recognized and honored nonprofit organization that recognizes there are teachers in every region of the United States who have developed successful methods for teaching writing and that such teachers can be trained and encouraged to train other teachers;

[(K) the National Writing Project is a collaborative university-school program which offers summer and school year inservice teacher training programs and a dissemination network to inform and teach teachers regarding developments in the field of writing;

[(L) each year, over 125,000 teachers voluntarily seek training in National Writing Project intensive summer institutes and workshops and school year inservice programs through one of the 155 sites located within the United States and in 18 sites located outside of the United States;

[(M) in the 20 years of its existence, over 1,100,000 teachers, administrators, and parents have participated in National Writing Project programs;

[(N) less than $16 per teacher was the average cost in Federal dollars for all teacher training at writing projects in academic year 1991–1992;

[(O) for every dollar in Federal support, the National Writing Project provides over $5 in matching funds from States, local universities and schools, and the private sector;

[(P) private foundation resources, although generous in the past concerning National Writing Project programs, are inadequate to fund all of the National Teacher Training Project sites needed, and the future of the program is in jeopardy without secure financial support;

[(Q) the National Writing Project has become a model for programs in other fields, such as science, mathematics, history, literature, foreign languages, and the performing

arts, and the development of programs in other fields should continue with the support of Federal funds; and

[(R) each of the 50 States should participate in the National Teacher Training Project by establishing regional teacher training sites in early childhood development, mathematics, science, English, civics and government, foreign languages, and arts to serve all teachers within the State.

[(3) DEFINITIONS.—For the purpose of this section—

[(A) the term "contractor" means—

[(i) a local educational agency;

[(ii) an educational service agency; or

[(iii) an institution of higher education that awards a bachelor's degree; and

[(B) the term "eligible recipient" means a nonprofit educational organization which has as its primary purpose the improvement of student learning in one of the core academic subjects described in subsection (b)(2).

[(b) GRANTS AUTHORIZED.—

[(1) GRANTS TO ELIGIBLE RECIPIENTS.—The Secretary is authorized to award to grant to an eligible recipient to enable such recipient—

[(A) to support and promote the establishment of teacher training programs in early childhood development and one of the nine core subject areas described in paragraph (2), including the dissemination of effective practices and research findings regarding teacher training, and administrative activities;

[(B) to support classroom research on effective teaching practices in such area; and

[(C) to pay the Federal share of the cost of such programs and research.

[(2) CORE SUBJECT AREAS.—To the extent feasible, the Secretary shall award a grant under paragraph (1) for the establishment of a National Teacher Training Project in early childhood development and each of the following core subject areas:

[(A) Mathematics.

[(B) Science.

[(C) English.

[(D) Civics and government.

[(E) Foreign languages.

[(F) Arts.

[(G) Geography.

[(H) History.

[(I) Economics.

[(3) NUMBER OF GRANTS AND ELIGIBLE RECIPIENTS.—The Secretary shall award not more than ten grants under paragraph (1) to ten different eligible recipients.

[(4) EQUITABLE DISTRIBUTION.—The Secretary shall award grants under paragraph (1) to eligible recipients from different geographic areas of the United States.

[(5) SPECIAL RULE.—Each grant under paragraph (1) shall be of sufficient size, scope, and quality to be effective.

[(6) ADMINISTRATIVE COSTS AND TECHNICAL ASSISTANCE.—Each eligible recipient receiving a grant under paragraph (1) may use not more than a total of 5 percent of the grant funds for administrative costs and the costs of providing technical assistance to a contractor.

[(c) GRANT REQUIREMENTS.—Each eligible recipient receiving a grant under subsection (b) shall—

[(1) enter into a contract with a contractor under which such contractor agrees—

[(A) to establish, operate, and provide the non-Federal share of the cost of teacher training programs in effective approaches and processes for the teaching of the core academic subjects for which such eligible recipient was awarded a grant, including approaches and processes to obtain parental involvement in a child's education; and

[(B) to use funds received from the eligible recipient to pay the Federal share of the cost of establishing and operating teacher training programs described in subparagraph (A);

[(2) to submit annual report to the Secretary and be responsible for oversight of the funds expended at each teacher training program described in subparagraph (A); and

[(3) meet such other conditions and standards as the Secretary determines to be necessary to ensure compliance with this section and provide such technical assistance as may be necessary to carry out this section.

[(d) TEACHER TRAINING PROGRAMS.—The teacher training programs described in subsection (b) shall—

[(1) be conducted during the school year and during the summer months;

[(2) train teachers who teach grades kindergarten through college;

[(3) select teachers to become members of a National Teacher Training Project, which members shall conduct inservice workshops for other teachers in the area subject matter served by the National Teacher Training Project site;

[(4) use teacher training principles and receive technical assistance from the National Writing Project; and

[(5) encourage teachers from all disciplines to participate in such teacher training programs.

[(e) FEDERAL SHARE.—The term "Federal share" means, with respect to the costs of teacher training programs described in subsection (b), 50 percent of such costs to the contractor.

[(f) APPLICATION.—Each eligible recipient desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[(g) PARTICIPANTS AND SELECTION PROCESS.—The selection process for participation in a teacher training program described in subsection (b) shall—

[(1) reward exemplary teachers with varying levels of teaching experience who are nominated by other teachers and administrators;

[(2) involve an application process to select participants for a summer program;

[(3) ensure the selection of a geographically and ethnically diverse group of teachers by soliciting applications from teachers of both public and private institutions in rural, urban, and suburban settings in each State; and

[(4) automatically offer a place in a summer program to the "Teacher of the Year" chosen pursuant to a Federal or State teacher recognition program.

[(h) LIMITATION.—A contractor entering into a contract under subsection (c)(1) shall not spend more than 5 percent of funds received under the contract for administrative costs.

[PART B—STATE AND LOCAL ACTIVITIES

[SEC. 2201. PROGRAM AUTHORIZED.

[The Secretary is authorized to make grants to State educational agencies for the improvement of teaching and learning through sustained and intensive high-quality professional development activities in the core academic subjects at the State and local levels.

[SEC. 2202. ALLOCATION OF FUNDS.

[(a) RESERVATION OF FUNDS.—From the amount available to carry out this part for any fiscal year, the Secretary shall reserve—

[(1) ½ of 1 percent for the outlying areas, to be distributed among the outlying areas on the basis of their relative need, as determined by the Secretary in accordance with the purposes of this part; and

[(2) ½ of 1 percent for the Secretary of the Interior for programs under this part for professional development activities for teachers, other staff, and administrators in schools operated or funded by the Bureau of Indian Affairs.

[(b) STATE ALLOCATIONS.—The Secretary shall allocate the amount available to carry out this part and not reserved under subsection (a) to each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico as follows, except that no State shall receive less than ½ of 1 percent of such amount:

[(1) Fifty percent shall be allocated among such jurisdictions on the basis of their relative populations of individuals aged five through 17, as determined by the Secretary on the basis of the most recent satisfactory data.

[(2) Fifty percent shall be allocated among such jurisdictions in accordance with the relative amounts such jurisdictions received under part A of title I for the preceding fiscal year, or for fiscal year 1995 only, such part's predecessor authority.

[(c) REALLOCATION.—If any jurisdiction does not apply for an allotment under subsection (b) for any fiscal year, the Secretary shall reallocate such amount to the remaining jurisdictions in accordance with such subsection.

[SEC. 2203. WITHIN-STATE ALLOCATIONS.

[Of the amounts received by a State under this part for any fiscal year—

[(1) 84 percent shall be available for local allowable activities under section 2210(b), of which—

[(A) not more than 5 percent may be used for the administrative costs of the State educational agency and for State-level activities described in section 2207; and

[(B) of the remaining amount—

[(i) 50 percent shall be distributed to local educational agencies—

[(I) for use in accordance with section 2210; and

[(II) in accordance with the relative enrollments in public and private nonprofit elementary and secondary schools within the boundaries of such agencies; and

[(ii) 50 percent of such amount shall be distributed to local educational agencies—

[(I) for use in accordance with section 2210; and

[(II) in accordance with the relative amount such agencies received under part A of title I or for fiscal year 1995 for the preceding fiscal year, such part's predecessor authority; and

[(2) 16 percent shall be available to the State agency for higher education for activities under section 2211, of which not more than 5 percent may be used for the administrative costs of the State agency for higher education.

[SEC. 2204. CONSORTIUM REQUIREMENT.

[(a) IN GENERAL.—A local educational agency receiving a grant under this part of less than $10,000 shall form a consortium with another local educational agency or an educational service agency serving another local educational agency to be eligible to participate in programs assisted under this part.

[(b) WAIVER.—The State educational agency may waive the application of paragraph (1) in the case of any local educational agency that demonstrates that the amount of its allocation under this part is sufficient to provide a program of sufficient size, scope, and quality to be effective. In granting waivers under the preceding sentence, the State educational agency shall—

[(1) give special consideration to local educational agencies serving rural areas if distances or traveling time between schools make formation of the consortium more costly or less effective; and

[(2) consider cash or in-kind contributions provided from State or local sources that may be combined with the local educational agency's allocation for the purpose of providing services under this part.

[(c) SPECIAL RULE.—Each consortium shall rely, as much as possible, on technology or other arrangements to provide staff development programs tailored to the needs of each school or school district participating in a consortium described in subsection (a).

[SEC. 2205. STATE APPLICATIONS.

[(a) APPLICATIONS REQUIRED.—Each State educational agency that wishes to receive an allotment under this part for any fiscal year shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

[(b) STATE PLAN TO IMPROVE TEACHING AND LEARNING.—

[(1) IN GENERAL.—Each application under this section shall include a State plan that is coordinated with the State's plan under other programs assisted under this Act, the Goals 2000: Educate America Act, and other Acts, as appropriate, consistent with the provisions of section 14306.

[(2) CONTENTS.—Each such State plan shall—

[(A) be developed in conjunction with the State agency for higher education, community-based and other nonprofit organizations of demonstrated effectiveness, institutions of higher education or schools of education, and with the extensive participation of local teachers, administrators and pupil services personnel and show the role of each such entity in implementation of the plan;

[(B) be designed to give teachers, and where appropriate, administrators and pupil services personnel in the State, the knowledge and skills necessary to provide all students the opportunity to meet challenging State content standards and challenging State student performance standards;

[(C) include an assessment of State and local needs for professional development specifically related to subparagraph (B);

[(D) include a description of how the plan has assessed the needs of local educational agencies serving rural and urban areas, and what actions are planned to meet such needs;

[(E) include a description of how the activities assisted under this part will address the needs of teachers in schools receiving assistance under part A of title I;

[(F) a description of how programs in all core academic subjects, but especially in mathematics and science, will take into account the need for greater access to, and participation in, such disciplines by students from historically underrepresented groups, including females, minorities, individuals with limited English proficiency, the economically disadvantaged, and individuals with disabilities, by incorporating pedagogical strategies and techniques which meet such individuals' educational needs;

[(G) be consistent with the State's needs assessment under subparagraph (C), and describe how the State will work with teachers, including teachers in schools receiving assistance under part A of title I, administrators, parents, local educational agencies, schools, educational service agencies, institutions of higher education, and nonprofit organizations of demonstrated effectiveness, to ensure that such individuals develop the capacity to support sustained and intensive, high-quality professional development programs in the core academic subjects;

[(H) describe how the State requirements for licensure of teachers and administrators, including certification and recertification, support challenging State content standards and challenging State student performance standards and whether such requirements are aligned with such standards;

[(I) address the need for improving teaching and learning through teacher development beginning with recruitment, preservice, and induction, and continuing throughout the professional teaching career, taking into account the need, as determined by the State, for greater access to and participation in the teaching profession by individuals from historically underrepresented groups;

[(J) describe how the State will prepare all teachers to teach children with diverse learning needs, including children with disabilities;

[(K) describe how the State will prepare teachers, and, where appropriate, paraprofessionals, pupil services personnel, and other staff in the collaborative skills needed to appropriately teach children with disabilities, in the core academic subjects;

[(L) describe how the State will use technology, including the emerging national information infrastructure, to enhance the professional development of teachers, and, where appropriate, administrators and pupil services personnel;

[(M) describe how the State will provide incentives to teachers and administrators to focus their professional development on preparing such teachers and administrators to provide instruction consistent with challenging State content standards and challenging State student performance standards;

[(N) set specific performance indicators for professional development; and

[(O) describe how parents can be involved in professional development programs to enhance the participation of parents in the education of their children.

[(3) DURATION OF THE PLAN.—Each such State plan shall—

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

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

[(c) ADDITIONAL MATERIAL.—Each State application shall include:

[(1) a description of how the activities assisted under this part will be coordinated, as appropriate, with—

[(A) other activities conducted with Federal funds, especially activities supported under part A of title I of this Act and the Individuals with Disabilities Education Act;

[(B) programs supported by State and local funds;

[(C) resources from business and industry, museums, libraries, educational television stations, and public and private nonprofit organizations of demonstrated experience; and

[(D) funds received from other Federal agencies, such as the National Science Foundation, the Departments of Commerce, Energy, and Health and Human Services, the National Endowment for the Arts, the Institute of Museum

and Library Services, and the National Endowment for the Humanities; and

[(2) a description of the activities to be sponsored under the State-level activities under section 2207 and the higher education activities under section 2211.

[(d) PEER REVIEW AND SECRETARIAL APPROVAL.—

[(1) IN GENERAL.—The Secretary shall approve an application of a State educational agency under this section if such application meets the requirements of this section and holds reasonable promise of achieving the purposes of this part.

[(2) REVIEW.—In reviewing applications under this section, the Secretary shall obtain the advice of non-Federal experts on education in the core academic subjects and on teacher education, including teachers and administrators.

[SEC. 2206. PRIORITY FOR PROFESSIONAL DEVELOPMENT IN MATHEMATICS AND SCIENCE.

[(a) APPROPRIATION OF LESS THAN $25,000,000.—In any fiscal year for which the amount appropriated for this title (other than part C) is less than $250,000,000, each State shall ensure that all funds distributed in accordance with section 2203(1)(C) are used for professional development in mathematics and science.

[(b) APPROPRIATION EQUAL TO OR ABOVE $250,000,000.—In any fiscal year for which the amount appropriated for this title (other than part C) is equal to or exceeds $250,000,000, each State and local educational agency shall use for professional development activities in mathematics and science the amount of funds that would have been made available to each such agency in accordance with sections 2202 and 2203 if the amount appropriated was $250,000,000, consistent with subsection (a), and are permitted and encouraged to use the amount of funds in excess of $250,000,000 that is made available in accordance with sections 2202 and 2203 for professional development activities in mathematics and science.

[SEC. 2207. STATE-LEVEL ACTIVITIES.

[Each State may use funds made available under section 2202(1)(A) to carry out activities described in the plan under section 2205(b), such as—

[(1) reviewing and reforming State requirements for teacher and administrator licensure, including certification and recertification, to align such requirements with the State's challenging State content standards and ensure that teachers and administrators have the knowledge and skills necessary to help students meet challenging State student performance standards;

[(2) developing performance assessments and peer review procedures, as well as other methods, for licensing teachers and administrators;

[(3) providing technical assistance to schools and local educational agencies, especially schools and local educational agencies that receive assistance under part A of title I, to help such schools and agencies provide effective professional development in the core academic subjects;

[(4) developing or supporting professional development networks, either within a State or in a regional consortium of

States, that provide a forum for interaction among teachers and that allow exchange of information on advances in content and pedagogy;

[(5) supporting partnerships between schools, consortia of schools, or local educational agencies and institutions of higher education, including schools of education, which encourage—

[(A) teachers to participate in intensive, ongoing professional development programs, both academic and pedagogical, at institutions of higher education; and

[(B) students at institutions of higher education studying to become teachers to have direct, practical experience at the schools;

[(6) providing professional development in the effective use of educational technology as an instructional tool for increasing student understanding of the core academic subjects, including efforts to train teachers in methods of achieving gender equity both in students' access to computers and other educational technology and in teaching practices used in the application of educational technology;

[(7) providing incentives for teachers to be involved in assessment, curriculum development, and technical assistance processes for teachers and students;

[(8) providing professional development to enable teachers, and, where appropriate, pupil services personnel, and other school staff, to ensure that girls and young women, minorities, limited English proficient students, individuals with disabilities, and economically disadvantaged students have the full opportunity to achieve challenging State content standards and challenging State student performance standards in the core academic subjects by, for example, encouraging girls and young women and minorities to pursue advanced courses in mathematics and science;

[(9) professional development and recruitment activities designed to increase the numbers of minorities, individuals with disabilities, and women teaching in the core academic subjects in which such individuals are underrepresented;

[(10) providing financial or other incentives for teachers to become certified by nationally recognized professional teacher enhancement organizations;

[(11) providing professional development activities which prepare teachers, and where appropriate, pupil services personnel, paraprofessionals, and other staff in the collaborative skills needed to appropriately teach children with disabilities, in the core academic subjects;

[(12) identifying, developing, or supporting professional development strategies to better equip parents to assist their children in raising their children's achievement in the core academic subjects; and

[(13) professional development activities designed to increase the number of women and other underrepresented groups in the administration of schools.

[SEC. 2208. LOCAL PLAN AND APPLICATION FOR IMPROVING TEACHING AND LEARNING.

[(a) LOCAL APPLICATION.—

[(1) IN GENERAL.—Each local educational agency that wishes to receive a subgrant under this part shall submit an application (singly or as a consortium as described in section 2204) to the State educational agency at such time as the State educational agency shall require, but not less frequently than every three years, that is coordinated with other programs under this Act, the Goals 2000: Educate America Act, or other Acts, as appropriate, consistent with the provisions of section 14306.

[(2) INDICATORS.—A local educational agency shall set specific performance indicators for improving teaching and learning through professional development.

[(b) NEEDS ASSESSMENT.—

[(1) IN GENERAL.—A local educational agency that wishes to receive a subgrant under this part shall include in its application an assessment of local needs for professional development as identified by the local educational agency and school staff.

[(2) REQUIREMENTS.—Such needs assessment shall be carried out with the involvement of teachers, including teachers in schools receiving assistance under part A of title I, and shall take into account what activities need to be conducted in order to give teachers and, where appropriate, administrators, the means, including the knowledge and skills, to provide students with the opportunity to meet challenging State or local student performance standards.

[(c) APPLICATION CONTENTS.—Each application under this section shall include the local educational agency's plan for professional development that—

[(1) focuses on teaching and learning in the core academic subjects; and

[(2) has been developed with the extensive participation of administrators, staff, and pupil services personnel, which teachers shall also be representative of the grade spans within schools to be served and of schools which receive assistance under part A of title I.

[(d) PLAN CONTENTS.—

[(1) IN GENERAL.—Based on the needs assessment required under subsection (b), the local educational agency's plan shall—

[(A) include a description of how the plan contributes to the local educational agency's overall for school reform and educational improvement;

[(B) include a description of how the activities funded under this section will address the needs of teachers in schools receiving assistance under part A of title I;

[(C) be aligned with the State's challenging State content standards and challenging State student performance standards;

[(D) describe a strategy, tied to challenging State content standards and challenging State student performance standards, consistent with the needs assessment under subsection (b);

[(E) be of sufficient intensity and duration to have a positive and lasting impact on the student's performance in the classroom;

[(F) describe how programs in all core academic subjects, but especially in mathematics and science, will take into account the need for greater access to, and participation in, such disciplines by students from historically underrepresented groups, including girls and women, minorities, individuals with limited English proficiency, the economically disadvantaged, and individuals with disabilities, by incorporating pedagogical strategies and techniques which meet such individuals' educational need;

[(G) contain an assurance that the activities conducted with funds received under this part will be assessed at least every three years using the performance indicators;

[(H) describe how the program funded under this part will be coordinated, as appropriate, with—

[(i) activities conducted under section 2131 and other services of institutions of higher education;

[(ii) similar State and local activities;

[(iii) resources provided under part A of title I and other provisions of this Act;

[(iv) resources from business, industry, public and private nonprofit organizations (including museums, libraries, educational television stations, community-based organizations, professional organizations and associations specializing in, or with a demonstrated expertise in the core academic subjects);

[(v) funds or programming from other Federal agencies, such as the National Science Foundation, the Department of Energy, the Department of Health and Human Services, the Institute of Museum and Library Services, the National Endowment for the Humanities, and the National Endowment for the Arts;

[(vi) services of educational service agencies; and

[(vii) resources provided under the Individuals with Disabilities Education Act;

[(I) identify the sources of funding that will provide the local educational agency's contribution under section 2209; and

[(J) describe the professional development strategies to be employed to more fully and effectively involve parents in the education of their children.

[(2) DURATION OF THE PLAN.—Each local plan described in subsection (b)(1) shall—

[(A) remain in effect for the duration of the local educational agency's participation under this part; and

[(B) be periodically reviewed and revised by the local educational agency, as necessary, to reflect changes in the local educational agency's strategies and programs under this part.

SEC. 2209. LOCAL COST-SHARING

[(a) IN GENERAL.—Each local educational agency shall provide not less than 33 percent of the cost of the activities assisted under

this part, excluding the cost of services provided to private school teachers.

[(b) AVAILABLE RESOURCES FOR COST-SHARING.—

[(1) IN GENERAL.—A local educational agency may meet the requirement of subsection (a) through one or more of the following:

[(A) Cash expenditures from non-Federal sources, including private contributions, directed toward professional development activities.

[(B) Release time for teachers participating in professional development assisted under this part.

[(C) Funds received under one or more of the following programs, so long as much funds are used for professional development activities consistent with this part and the statutes under which such funds were received, and are used to benefit students and teachers in schools that otherwise would have been served with such funds.

[(i) Helping disadvantaged children meet high standards under part A of title I.

[(ii) The Safe and Drug-Free Schools and Communities program under title IV.

[(iii) Bilingual Education Programs under part A of title VII.

[(iv) Programs under the Women's Educational Equity Act of 1994.

[(v) Programs under title III of the Goals 2000: Educate America Act.

[(vi) Programs that are related to the purposes of this Act that are administered by other Federal agencies, including the National Science Foundation, the National Endowment for the Humanities, the National Endowment for the Arts, the Institute of Museum and Library Services and the Department of Energy.

[(vii) Programs under the Individuals with Disabilities Education Act.

[(2) SPECIAL RULE.—A local educational agency may meet the requirement of subsection (a) through contributions described in paragraph (1) that are provided in cash or in kind, fairly evaluated.

[(c) WAIVER.—The State educational agency may approved an application, which has not fully met the requirements of subsection (a) and waive the requirements of subsection (a) if a local educational agency can demonstrate that such agency is unable to meet the requirements of subsection (a) due to economic hardship and that compliance with such requirements would preclude such agency's participation in the program.

[SEC. 2210. LOCAL ALLOCATION OF FUNDS AND ALLOWABLE ACTIVITIES.

[(a) LOCAL ALLOCATION OF FUNDS.—Each local educational agency that receives funds under this part for any fiscal year—

[(1) shall use not less than 80 percent of such funds for professional development of teachers, and, where appropriate, administrators, and, where appropriate, pupil services personnel,

parents, and other staff of individual schools in a manner that—

[(A) is determined by such teachers and staff;

[(B) to the extent practicable, takes place at the individual school site; and

[(C) is consistent with the local educational agency's application under section 2208, any school plan under part A of title I, and any other plan for professional development carried out with Federal, State, or local funds that emphasizes sustained, ongoing activities; and

[(2) may use not more than 20 percent of such funds for school district-level professional development activities, including, where appropriate, the participation of administrators, policymakers, and parents, if such activities directly support instructional personnel.

[(b) AUTHORIZED ACTIVITIES.—

[(1) IN GENERAL.—Each local educational agency and school that receives funds under this part shall use such funds for activities that give teachers and administrators the knowledge and skills to provide students with the opportunity to meet challenging State of local content standards and student performance standards.

[(2) PROFESSIONAL DEVELOPMENT ACTIVITIES.—Professional development activities funded under this part shall—

[(A) be tied to challenging State content standards or challenging local content standards, and challenging State student performance standards or challenging local student performance standards;

[(B) take into account recent research on teaching and learning;

[(C) provide professional development which incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse groups of students, including girls and women, minorities, individuals with disabilities, limited English proficient individuals, and economically disadvantaged individuals;

[(D) include strong academic content and pedagogical components; and

[(E) be of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom.

[(3) ACTIVITIES.—Funds under this part may be used for professional development activities such as—

[(A) professional development for teams of teachers, and, where appropriate, administrator, pupil service personnel, or other staff from individual schools, to support teaching consistent with challenging State content standards and challenging State student performance standards;

[(B) support and time, which in the case of teachers may include release time with pay, for teachers, and, where appropriate, pupil services personnel and other school staff to enable such teachers, personnel, and staff to participate in professional development in the core academic subjects

that are offered through professional associations, universities, community-based organizations, and other providers, such as educational partnership organizations, science centers, and museums;

[(C) activities that provide followup for teachers who have participated in professional development activities that are designed to ensure that the knowledge and skills learned by the teacher are implemented in the classroom;

[(D) support for partnerships between schools, consortia of schools, or local educational agencies, and institutions of higher education, including schools of education, which partnerships shall encourage—

[(i) teachers to participate in intensive, ongoing professional development programs, both academic and pedagogical, at institutions of higher education; and

[(ii) students at institutions of higher education studying to become teachers to have direct, practical experience at schools;

[(E) the establishment and maintenance of local professional networks that provide a forum for interaction among teachers and that allow exchange of information on advances in content and pedagogy;

[(F) preparing teachers in the effective use of educational technology and assistive technology as instructional tools for increasing student understanding of the core academic subjects;

[(G) professional development to enable teachers, and, where appropriate, pupil services personnel and other school staff, to ensure that girls and young women, minorities, limited English proficient students, individuals with disabilities, and the economically disadvantaged have full opportunity to achieve the challenging State content standards and challenging State student performance standards in the core academic subjects;

[(H) professional development and recruitment activities designed—

[(i) to increase the number of minorities, individuals with disabilities, and females teaching in the core academic subjects in which such individuals are underrepresented; and

[(ii) to increase the numbers of women and members of other under represented groups who are science and mathematics teachers, through such programs as career ladder programs that assist educational paraprofessionals to obtain teaching credentials in the core academic subjects;

[(I) providing financial or other incentives for teachers to become certified by nationally recognized professional teacher enhancement programs;

[(J) support and time for teachers, and, where appropriate, pupil services personnel, and other school staff to learn and implement effective collaboration for the instruction of children with disabilities in the core academic subject areas;

[(K) preparing teachers, and, where appropriate, pupil services personnel to work with parents and families on fostering student achievement in the core academic subjects;

[(L) professional development activities and other support for new teachers as such teachers move into the classroom to provide such teachers with practical support and to increase the retention of such teachers;

[(M) professional development for teachers, parents, early childhood educators, administrators, and other staff to support activities and services related to preschool transition programs to raise student performance in the core academic subjects;

[(N) professional development activities to train teachers in innovative instructional methodologies designed to meet the diverse learning needs of individual students, including methodologies which integrate academic and vocational learning and applied learning, interactive and interdisciplinary team teaching, and other alternative teaching strategies such as service learning, experimental learning, career-related education, and environmental education, that integrate real world applications into the core academic subjects;

[(O) developing professional development strategies and programs to more effectively involve parents in helping their children achieve in the core academic subjects;

[(P) professional development activities designed to increase the number of women and other underrepresented groups in the administration of schools; and

[(Q) release time with pay for teachers.

[SEC. 2211. HIGHER EDUCATION ACTIVITIES.

[(a) ACTIVITIES.—

[(1) IN GENERAL.—From amounts made available under section 2203(2), the State agency for higher education, working in conjunction with the State educational agency (if such agencies are separate), shall make grants to, or enter into contracts or cooperative agreements with, institutions of higher education and nonprofit organizations of demonstrated effectiveness, including museums and educational partnership organizations, which must work in conjunction with a local educational agency, consortium of local educational agencies, or schools, for—

[(A) professional development activities in the core academic subjects that contribute to the State plan for professional development;

[(B) developing and providing assistance to local educational agencies, and the teachers and staff of each such agency, for sustained, high-quality professional development activities; and

[(C) improving teacher education programs in order to promote further innovation in teacher education programs within an institution of higher education and to better meet the needs of the local educational agencies for well-prepared teachers.

[(2) COMPETITIVE BASIS.—Each grant, contract, or cooperative agreement describe din paragraph (1) shall be awarded on a competitive basis.

[(3) SPECIAL RULE.—No institution of higher education may receive assistance under (a)(1) of this subsection unless the institution enters into an agreement with a local educational agency, or consortium of such agencies, to provide sustained, high-quality professional development for the elementary and secondary school teachers in the schools of each such agency.

[(4) JOINT EFFORTS.—Each activity assisted under this section, where applicable, shall involve the joint effort of the institution of higher education's school or department of education, if any, and the schools or departments in the specific disciplines in which such professional development will be provided.

[(b) ALLOWABLE ACTIVITIES.—A recipient of funds under this section shall use such funds for—

[(1) sustained and intensive high-quality professional development for teams of teachers, or teachers, and, where appropriate, pupil services personnel and administrators from individual schools or school districts;

[(2) other sustained and intensive professional development activities related to achievement of the State plan for professional development; and

[(3) preservice training activities.

[(c) PARTNERSHIPS.—Each institution of higher education receiving a grant under this section may also enter into a partnership with a private industry, museum, library, educational television station, or public or private nonprofit organization of demonstrated experience to carry out professional development activities assisted under this section.

[PART C—READING AND LITERACY GRANTS

[SEC. 2251. PURPOSES.

[The purposes of this part are as follows:

[(1) To provide children with the readiness skills they need to learn to read once they enter school.

[(2) To teach every child to read in the child's early childhood years—

[(A) as soon as the child is ready to read; or

[(B) as soon as possible once the child enters school, but not later than 3d grade.

[(3) To improve the reading skills of students, and the instructional practices for current teachers (and, as appropriate, other instructional staff) who teach reading, through the use of findings from scientifically based reading research, including findings relating to phonemic awareness, systematic phonics, fluency, and reading comprehension.

[(4) To expand the number of high-quality family literacy programs.

[(5) To provide early literacy intervention to children who are experiencing reading difficulties in order to reduce the number of children who are incorrectly identified as a child

with a disability and inappropriately referred to special education.

[SEC. 2252. DEFINITIONS.

[For purposes of this part:

[(1) ELIGIBLE PROFESSIONAL DEVELOPMENT PROVIDER.—The term "eligible professional development provider" means a provider of professional development in reading instruction to teachers that is based on scientifically based reading research.

[(2) FAMILY LITERACY SERVICES.—The term "family literacy services" means services provided to participants on a voluntary basis that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family, and that integrate all of the following activities:

[(A) Interactive literacy activities between parents and their children.

[(B) Training for parents regarding how to be the primary teacher for their children and full partners in the education of their children.

[(C) Parent literacy training that leads to economic self-sufficiency.

[(D) An age-appropriate education to prepare children for success in school and life experiences.

[(3) INSTRUCTIONAL STAFF.—The term "instructional staff"—

[(A) means individuals who have responsibility for teaching children to read; and

[(B) includes principals, teachers, supervisors of instruction, librarians, library school media specialists, teachers of academic subjects other than reading, and other individuals who have responsibility for assisting children to learn to read.

[(4) READING.—The term "reading" means a complex system of deriving meaning from print that requires all of the following:

[(A) The skills and knowledge to understand how phonemes, or speech sounds, are connected to print.

[(B) The ability to decode unfamiliar words.

[(C) The ability to read fluently.

[(D) Sufficient background information and vocabulary to foster reading comprehension.

[(E) The development of appropriate active strategies to construct meaning from print.

[(F) The development and maintenance of a motivation to read.

[(5) SCIENTIFICALLY BASED READING RESEARCH.—The term "scientifically based reading research"—

[(A) means the application of rigorous, systematic, and objective procedures to obtain valid knowledge relevant to reading development, reading instruction, and reading difficulties; and

[(B) shall include research that—

[(i) employs systematic, empirical methods that draw on observation or experiment;

[(ii) involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn;

[(iii) relies on measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations; and

[(iv) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review.

[SEC. 2253. READING AND LITERACY GRANTS TO STATE EDUCATIONAL AGENCIES.

[(a) PROGRAM AUTHORIZED.—

[(1) IN GENERAL.—Subject to the provisions of this part, the Secretary shall award grants to State educational agencies to carry out the reading and literacy activities authorized under this section and sections 2254 and 2256.

[(2) LIMITATIONS.—

[(A) SINGLE GRANT PER STATE.—A State educational agency may not receive more than one grant under paragraph (1).

[(B) 3-YEAR TERM.—A State educational agency that receives a grant under paragraph (1) may expend the funds provided under the grant only during the 3-year period beginning on the date on which the grant is made.

[(b) APPLICATION.—

[(1) IN GENERAL.—A State educational agency that desires to receive a grant under this part shall submit an application to the Secretary at such time and in such form as the Secretary may require. The application shall contain the information described in paragraph (2).

[(2) CONTENTS.—An application under this subsection shall contain the following:

[(A) An assurance that the Governor of the State, in consultation with the State educational agency, has established a reading and literacy partnership described in subsection (d), and a description of how such partnership—

[(i) assisted in the development of the State plan;

[(ii) will be involved in advising on the selection of subgrantees under sections 2255 and 2256; and

[(iii) will assist in the oversight and evaluation of such subgrantees.

[(B) A description of the following:

[(i) How the State educational agency will ensure that professional development activities related to reading instruction and provided under this part are—

[(I) coordinated with other State and local level funds and used effectively to improve instructional practices for reading; and

[(II) based on scientifically based reading research.

[(ii) How the activities assisted under this part will address the needs of teachers and other instructional staff, and will effectively teach students to read, in

schools receiving assistance under section 2255 and 2256.

[(iii) The extent to which the activities will prepare teachers in all the major components of reading instruction (including phonemic awareness, systematic phonics, fluency, and reading comprehension).

[(iv) How the State educational agency will use technology to enhance reading and literacy professional development activities for teachers, as appropriate.

[(v) How parents can participate in literacy-related activities assisted under this part to enhance their children's reading.

[(vi) How subgrants made by the State educational agency under sections 2255 and 2256 will meet the requirements of this part, including how State educational agency will ensure that subgrantees will use practices based on scientifically based reading research.

[(vii) How the State educational agency will, to the extent practicable, make grants to subgrantees in both rural and urban areas.

[(viii) The process that the State used to establish the reading and literacy partnership described in subsection (d).

[(C) An assurance that each local educational agency to which the State educational agency makes a subgrant—

[(i) will provide professional development for the classroom teacher and other appropriate instructional staff on the teaching of reading based on scientifically based reading research;

[(ii) will provide family literacy services based on programs such as the Even Start family literacy model authorized under part B of title I, to enable parents to be their child's first and most important teacher;

[(iii) will carry out programs to assist those kindergarten students who are not ready for the transition to first grade, particularly students experiencing difficulty with reading skills; and

[(iv) will use supervised individuals (including tutors), who have been appropriately trained using scientifically based reading research, to provide additional support, before school, after school, on weekends, during noninstructional periods of the school day, or during the summer, for children preparing to enter kindergarten and students in kindergarten through grade 3 who are experiencing difficulty reading.

[(D) An assurance that instruction in reading will be provided to children with reading difficulties who—

[(i) are at risk of being referred to special education based on these difficulties; or

[(ii) have been evaluated under section 614 of the Individuals with Disabilities Education Act but, in ac-

cordance with section 614(b)(5) of such Act, have not been identified as being a child with a disability (as defined in section 602 of such Act).

[(E) A description of how the State educational agency—

[(i) will build on, and promote coordination among, literacy programs in the State (including federally funded programs such as the Adult Education and Family Literacy Act and the Individuals with Disabilities Education Act), in order to increase the effectiveness of the programs in improving reading for adults and children and to avoid duplication of the efforts of the programs;

[(ii) will promote reading and library programs that provide access to engaging reading material;

[(iii) will make local educational agencies described in sections 2255(a)(1) and 2256(a)(1) aware of the availability of subgrants under sections 2255 and 2256; and

[(iv) will assess and evaluate, on a regular basis, local educational agency activities assisted under this part, with respect to whether they have been effective in achieving the purposes of this part.

[(F) A description of the evaluation instrument the State educational agency will use for purposes of the assessments and evaluations under subparagraph (E)(iv).

[(c) APPROVAL OF APPLICATIONS.—

[(1) IN GENERAL.—The Secretary shall approve an application of a State educational agency under this section only—

[(A) if such application meets the requirement of this section; and

[(B) after taking into account the extent to which the application furthers the purposes of this part and the overall quality of the application.

[(2) PEER REVIEW.—

[(A) IN GENERAL.—The Secretary, in consultation with the National Institute for Literacy, shall convene a panel to evaluate applications under this section. At a minimum, the panel shall include—

[(i) representatives of the National Institute for Literacy, the National Research Council of the National Academy of Sciences, and the National Institute of Child Health and Human Development;

[(ii) 3 individuals selected by the Secretary;

[(iii) 3 individuals selected by the National Institute for Literacy;

[(iv) 3 individuals selected by the National Research Council of the National Academy of Sciences; and

[(v) 3 individuals selected by the National Institute of Child Health and Human Development.

[(B) EXPERTS.—The panel shall include experts who are competent, by virtue of their training, expertise, or experience, to evaluate applications under this section, and experts who provide professional development to teachers of reading to children and adults, and experts who provide

professional development to other instructional staff, based on scientifically based reading research.

[(C) PRIORITY.—The panel shall recommend grant applications from State educational agencies under this section to the Secretary for funding or for disapproval. In making such recommendations, the panel shall give priority to applications from State educational agencies whose States have modified, are modifying, or provide an assurance that not later than 18 months after receiving a grant under this section the State educational agencies will increase the training and the methods of teaching reading required for certification as an elementary school teacher to reflect scientifically based reading research, except that nothing in this Act shall be construed to establish a national system of teacher certification.

[(D)MINIMUM GRANT AMOUNTS.—

[(i) STATES.—Each State educational agency selected to receive a grant under this section shall receive an amount for the grant period that is not less than $500,000.

[(ii) OUTLYING AREAS.—The Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands selected to receive a grant under this section shall receive an amount for the grant period that is not less than $100,000.

[(E) LIMITATION.—The Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall not be eligible to receive a grant under this part.

[(d) READING AND LITERACY PARTNERSHIPS.—

[(1) REQUIRED PARTICIPANTS.—In order for a State educational agency to receive a grant under this section, the Governor of the State, in consultation with the State educational agency, shall establish a reading and literacy partnership consisting of at least the following participants:

[(A) The Governor of the State.

[(B) The chief State school officer.

[(C) The chairman and the ranking member of each committee of the State legislature that is responsible for education policy.

[(D) A representative, selected jointly by the Governor and the chief State school officer, of at least one local educational agency that is eligible to receive a subgrant under section 2255.

[(E) A representative, selected jointly by the Governor and the chief State school officer, of a community-based organization working with children to improve their reading skills, particularly a community-based organization using tutors and scientifically based reading research.

[(F) State directors of appropriate Federal or State programs with a strong reading component.

[(G) A parent of a public or private school student or a parent who educates their child or children in their home,

selected jointly by the Governor and the chief State school officer.

[(H) A teacher who successfully teaches reading and an instructional staff member selected jointly by the Governor and the chief State school officer.

[(I) A family literacy service provider selected jointly by the Governor and the chief state school officer.

[(2) OPTIONAL PARTICIPANTS.—A reading and literacy partnership may include additional participants, who shall be selected jointly by the Governor and the chief State school officer, and who may include a representative of—

[(A) an institution of higher education operating a program of teacher preparation based on scientifically based reading research in the State;

[(B) a local educational agency:

[(C) a private nonprofit or for-profit eligible professional development provider providing instruction based on scientifically based reading research;

[(D) an adult education provider;

[(E) a volunteer organization that is involved in reading programs; or

[(F) a school library or a public library that offers reading or literacy programs for children or families.

[(3) PREEXISTING PARTNERSHIP.—If, before the date of the enactment of the Reading Excellence Act, a State established a consortium, partnership, or any other similar body, that includes the Governor and the chief State school officer and has, as a central part of its mission, the promotion of literacy for children in their early childhood years through the 3d grade and family literacy services, but that does not satisfy the requirements of paragraph (1), the State may elect to treat that consortium, partnership, or body as the reading and literacy partnership for the State notwithstanding such paragraph, and it shall be considered a reading and literacy partnership for purposes of the other provisions of this art.

[SEC. 2254. USE OF AMOUNTS BY STATE EDUCATIONAL AGENCIES.

[A State educational agency that receives a grant under section 2253—

[(1) shall use not more than 5 percent of the funds made available under the grant for the administrative costs of carrying out this part (excluding section 2256), of which not more than 2 percent may be used to carry out section 2259; and

[(2) shall use not more than 15 percent of the funds made available under the grant to solicit applications for, award, and oversee the performance of, not less than one subgrant pursuant to section 2256.

[SEC. 2255. LOCAL READING IMPROVEMENT SUBGRANTS.

[(a) IN GENERAL.—

[(1) SUBGRANTS.—A State educational agency that receives a grant under section 2253 shall make subgrants, on a competitive basis, to local educational agencies that either—

[(A) have at least one school that is identified for school improvement under section 1116(c) in the geographic area served by he agency;

[(B) have the largest, or second largest, number of children who are counted under section 1124(c), in comparison to all other local educational agencies in the State; or

[(C) have the highest, or second highest, school-age child poverty rate, in comparison to all other local educational agencies in the State.

[For purposes of subparagraph (C), the term "school-age child poverty rate" means the number of children counted under section 1124(c) who are living within the geographic boundaries of the local educational agency, expressed as a percentage of the total number of children aged 5–17 years living within the geographic boundaries of the local educational agency.

[(2) SUBGRANT AMOUNT.–A subgrant under this section shall consist of an amount sufficient to enable the subgrant recipient to operate a program for a 2-year period and may not be revoked or terminated on the grounds that a school ceases, during the grant period, to meet the requirements of subparagraph (A), (B), or (C) of paragraph (1).

[(b) APPLICATIONS.—A local educational agency that desires to receive a subgrant under this section shall submit an application to the State educational agency at such time, in such manner, and including such information as the agency may require. The application—

[(1) shall describe how the local educational agency will work with schools selected by the agency to receive assistance under subsection (d)(1)—

[(A) to select one or more programs of reading instruction, developed using scientifically based reading research, to improve reading instruction by all academic teachers for all children in each of the schools selected by the agency under such subsection and, where appropriate, for their parents; and

[(B) to enter into an agreement with a person or entity responsible for the development of each program selected under subparagraph (A), or a person with experience or expertise about the program and its implementation, under which the person or entity agrees to work with the local educational agency and the schools in connection with such implementation and improvement efforts;

[(2) shall include an assurance that the local educational agency—

[(A) will carry out professional development for the classroom teacher and other instructional staff on the teaching of reading based on scientifically based reading research;

[(B) will provide family literacy services based on programs such as the Even Start family literacy model authorized under part B of title I, to enable parents to be their child's first and most important teacher;

[(C) will carry out programs to assist those kindergarten students who are not ready for the transition to first

grade, particularly students experiencing difficulty with reading skills; and

[(D) will use supervised individuals (including tutors), who have been appropriately trained using scientifically based reading research, to provide additional support, before school, after school, on weekends, during noninstructional periods of the school day, or during the summer, for children preparing to enter kindergarten and students in kindergarten through grade 3 who are experiencing difficulty reading;

[(3) shall describe how the applicant will ensure that funds available under this part, and funds available for reading instruction for kindergarten through grade 6 from other appropriate sources, are effectively coordinated, and, where appropriate, integrated with funds under this Act in order to improve existing activities in the areas of reading instruction, professional development, program improvement, parental involvement, technical assistance, and other activities that can help meet the purposes of this part;

[(4) shall describe, if appropriate, how parents, tutors, and early childhood education providers will be assisted by, and participate in, literacy-related activities receiving financial assistance under this part to enhance children's reading fluency;

[(5) shall describe how the local educational agency—

[(A) provides instruction in reading to children with reading difficulties who—

[(i) are at risk of being referred to special education based on these difficulties; or

[(ii) have been evaluated under section 614 of the Individuals with Disabilities Education Act but, in accordance with section 614(b)(5) of such Act, have not been identified as being a child with a disability (as defined in section 602 of the such Act); and

[(B) will promote reading and library programs that provide access to engaging reading material; and

[(6) shall include an assurance that the local educational agency will make available, upon request and in an understandable and uniform format, to any parent of a student attending any school selected to receive assistance under subsection (d)(1) in the geographic area served by the local educational agency, information regarding the professional qualifications of the student's classroom teacher to provide instruction in reading.

[(c) SPECIAL RULE.—To the extent feasible, a local educational agency that desires to receive a grant under this section shall form a partnership with one or more community-based organizations of demonstrated effectiveness in early childhood literacy, and reading readiness, reading instruction, and reading achievement for both adults and children, such as a Head Start program, family literacy program, public library, or adult education program, to carry out the functions described in paragraphs (1) through (6) of subsection (b). In evaluating subgrant applications under this subsection, a State educational agency shall consider whether the applicant has satisfied the requirement in the preceding sentence. If not, the ap-

plicant must provide information on why it would not have been feasible for the applicant to have done so.

[(d) USE OF FUNDS.—

[(1) IN GENERAL.—Subject to paragraph (2), a local educational agency that receives a subgrant under this section shall use amounts from the subgrant to carry out activities to advance reform of reading instruction in any school that (A) is described in subsection (a)(1)(A), (B) has the largest, or second largest, number of children who are counted under section 1124(c), in comparison to all other schools in the local educational agency, or (C) has the highest, or second highest, school-age child poverty rate (as defined in the second sentence of subsection (a)(1)), in comparison to all other schools in the local educational agency. Such activities shall include the following:

[(A) Securing technical and other assistance from—

[(i) a program of reading instruction based on scientifically based reading research;

[(ii) a person or entity with experience or expertise about such program and its implementation, who has agreed to work with the recipient in connection with its implementation; or

[(iii) a program providing family literacy services.

[(B) Providing professional development activities to teachers and other instructions staff (including training of tutors), using scientifically based reading research and purchasing of curricular and other supporting materials.

[(C) Promoting reading and library programs that provide access to engaging reading material.

[(D) Providing, on a voluntary basis, training to parents of children enrolled in a school selected to receive assistance under subsection (d)(1) on how to help their children with school work, particularly in the development of reading skills. Such training may be provided directly by the subgrant recipient, or through a grant or contract with another person. Such training shall be consistent with reading reforms taking place in the school setting. No parent shall be required to participate in such training.

[(E) Carrying out family literacy services based on programs such as the Even Start family literacy model authorized under part B of title I, to enable parents to be their child's first and most important teacher.

[(F) Providing instruction for parents of children enrolled in a school selected to receive assistance under subsection (d)(1), and others who volunteer to be reading tutors for such children, in the instructional practices based on scientifically based reading research used by the applicant.

[(G) Programs to assist those kindergarten students enrolled in a school selected to receive assistance under subsection (d)(1) who are not ready for the transition to first grade, particularly students experiencing difficulty with reading skills.

[(H) Providing additional support for children preparing to enter kindergarten and students in kindergarten through grade 3 who are enrolled in a school selected to receive assistance under subsection (d)(1), who are experiencing difficulty reading, before school, after school, on weekends, during noninstructional periods of the school day, or during the summer, using supervised individuals (including tutors), who have been appropriately trained using scientifically based reading research.

[(I) Providing instruction in reading to children with reading difficulties who—

[(i) are at risk of being referred to special education based on these difficulties; or

[(ii) have been evaluated under section 614 of the Individuals with Disabilities Education act but, in accordance with section 614(b)(5) of such Act, have not been identified as being a child with a disability (as defined in section 602 of the such Act).

[(J) Providing coordination of reading, library, and literacy programs within the local educational agency to avoid duplication and increase the effectiveness of reading, library, and literacy activities.

[(2) LIMITATION ON ADMINISTRATIVE EXPENSES.—A recipient of a subgrant under this section may use not more than 5 percent of the subgrant funds for administrative costs.

[(e) TRAINING NONRECIPIENTS.—A recipient of a subgrant under this section may train, on a fee-for-service basis, personnel from schools, or local educational agencies, that are not a beneficiary of, or receiving, such a subgrant, in the instructional practices based on scientifically based reading research used by the recipient. Such a nonrecipient school or agency may use funds received under title I of this Act, and other appropriate Federal funds used for reading the law under which such funds were received.

[SEC. 2256. TUTORIAL ASSISTANCE SUBGRANTS.

[(a) IN GENERAL.—

[(1) SUBGRANTS.—Except as provided in paragraph (4), a State educational agency that receives a grant under section 2253 shall make at least one subgrant on a competitive basis to—

[(A) local educational agencies that have at least one school in the geographic area served by the agency that—

[(i) is located in an area designated as an empowerment zone under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986; or

[(ii) is located in an area designated as an enterprise community under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986;

[(B) local educational agencies that have at least one school that is identified for school improvement under section 1116(c) in the geographic area served by the agency;

[(C) local educational agencies with the largest, or second largest, number of children who are counted under section 1124(c), in comparison to all other local educational agencies in the State; or

[(D) local educational agencies with the highest, or second highest, school-age child poverty rate, in comparison to all other local educational agencies in the State.

[For purposes of subparagraph (D), the term "school-age child poverty rate" means the number of children counted under section 1124(c) who are living within the geographic boundaries of the local educational agency, expressed as a percentage of the total number of children aged 5–17 years living within the geographic boundaries of the local educational agency.

[(2) NOTIFICATION.—

[(A) TO LOCAL EDUCATIONAL AGENCIES.—A State educational agency shall provide notice to all local educational agencies within the State regarding the availability of the subgrants under this section.

[(B) TO PROVIDERS AND PARENTS.—Not later than 30 days after the date on which the State educational agency provides notice under subparagraph (A), each local educational agency described in paragraph (1) shall, as a condition on the agency's receipt of funds made available under title I of this Act, provide public notice to potential providers of tutorial assistance operating in the jurisdiction of the agency, and parents residing in such jurisdiction, regarding the availability of the subgrants under this section.

[(3) APPLICATION.—A local educational agency that desires to receive a subgrant under this section shall submit an application to the State educational agency at such time, in such manner, and including such information as the agency may require. The application shall include an assurance that the local educational agency will use the subgrant funds to carry out the duties described in subsection (b) for children enrolled in any school selected by the agency that (A) is described in paragraph (1)(A), (B) is described in paragraph (1)(B), (C) has the largest, or second largest, number of children who are counted under section 1124(c), in comparison to all other schools in the local educational agency, or (D) has the highest, or second highest, school-age child poverty rate (as defined in the second sentence of paragraph (1)), in comparison to all other schools in the local educational agency.

[(4) EXCEPTION.—If no local educational agency within the State submits an application to receive a subgrant under this section within the 6-month period beginning on the date on which the State educational agency provided notice to the local educational agencies regarding the availability of the subgrants, the State educational agency may use funds otherwise reserved under 2254(2) for the purpose of providing local reading improvement subgrants under section 2255 if the State educational agency certifies to the Secretary that the requirements of paragraph (2) have been met and each local educational agency in the State described in subparagraph (B) of such paragraph has demonstrated to the State educational agency that no provider of tutorial assistance described in such subparagraph requested the local educational agency to submit

under paragraph (3) an application for a tutorial assistance subgrant.

[(b) USE OF FUNDS.—

[(1) IN GENERAL.—A local educational agency that receives a subgrant under this section shall carry out, using the funds provided under the subgrant, each of the duties described in paragraph (2).

[(2) DUTIES.—The duties described in this paragraph are the provision of tutorial assistance in reading, before school, after school, on weekends, or during the summer, to children who have difficulty reading, using instructional practices based on scientifically based reading research, through the following:

[(A) The creation and implementation of objective criteria to determine in a uniform manner the eligibility of tutorial assistance providers and tutorial assistance programs desiring to provide tutorial assistance programs desiring to provide tutorial assistance under the subgrant. Such criteria shall include the following:

[(i) A record of effectiveness with respect to reading readiness, reading instruction for children in kindergarten through 3d grade, and early childhood literacy, as appropriate.

[(ii) Location in a geographic area convenient to the school or schools attended by the children who will be receiving tutorial assistance.

[(iii) The ability to provide tutoring in reading to children who have difficulty reading, using instructional practices based on scientifically based reading research and consistent with the reading instructional methods and content used by the school the child attends.

[(B) The provision, to parents of a child eligible to receive tutorial assistance pursuant to this section, of multiple choices among tutorial assistance providers and tutorial assistance programs determined to be eligible under the criteria described in subparagraph (A). Such choices shall include a school-based program and at least one tutorial assistance program operated by a provider pursuant to a contract with the local educational agency.

[(C) The development of procedures—

[(i) for the provision of information to parents of an eligible child regarding such parents' choices for tutorial assistance for the child;

[(ii) for considering children for tutorial assistance who are identified under subparagraph (D) and for whom no parent has selected a tutorial assistance provider or tutorial assistance program that give such parents additional opportunities to select a tutorial assistance provider or tutorial assistance program referred to in subparagraph (B); and

[(iii) that permit a local educational agency to recommend a tutorial assistance provider or tutorial assistance program in a case where a parent asks for assistance in the making of such selection.

[(D) The development of a selection process for providing tutorial assistance in accordance with this paragraph that limits the provision of assistance to children identified, by the school the child attends, as having difficulty reading, including difficulty mastering phonemic awareness, systematic phonics, fluency, and reading comprehension.

[(E) The development of procedures for selecting children to receive tutorial assistance, to be used in cases where insufficient funds are available to provide assistance with respect to all children identified by a school under subparagraph (D), that—

[(i) give priority to children who are determined, through State or local reading assessments, to be most in need of tutorial assistance; and

[(ii) give priority, in cases where children are determined, through State or local reading assessments, to be equally in need of tutorial assistance, based on a random selection principle.

[(F) The development of a methodology by which payments are made directly to tutorial assistance providers who are identified and selected pursuant to this section and selected for funding. Such methodology shall include the making of a contract, consistent with State and local law, between the provider and the local educational agency. Such contract shall satisfy the following requirements:

[(i) It shall contain specific goals and timetables with respect to the performance of the tutorial assistance provider.

[(ii) It shall require the tutorial assistance provider to report to the local educational agency on the provider's performance in meeting such goals and timetables.

[(iii) It shall specify the measurement techniques that will be used to evaluate the performance of the provider.

[(iv) It shall require the provider to meet all applicable Federal, State, and local health, safety, and civil rights laws.

[(v) It shall ensure that the tutorial assistance provided under the contract is consistent with reading instruction and content used by the local educational agency.

[(vi) It shall contain an agreement by the provider that information regarding the identity of any child eligible for, or enrolled in the program, will not be publicly disclosed without the permission of a parent of the child.

[(vii) It shall include the terms of an agreement between the provider and the local educational agency with respect to the provider's purchase and maintenance of adequate general liability insurance.

[(viii) It shall contain provisions with respect to the making of payments to the provider by the local educational agency.

[(G) The development of procedures under which the local educational agency carrying out this paragraph—

[(i) will ensure oversight of the quality and effectiveness of the tutorial assistance provided by each tutorial assistance provider that is selected for funding;

[(ii) will provide for the termination of contracts with ineffective and unsuccessful tutorial assistance providers (as determined by the local educational agency based upon the performance of the provider with respect to the goals and timetables contained in the contract between the agency and the provider under subparagraph (F));

[(iii) will provide to each parent of a child identified under subparagraph (D) who requests such information for the purpose of selecting a tutorial assistance provider for the child, in a comprehensible format, information with respect to the quality and effectiveness of the tutorial assistance referred to in clause (i);

[(iv) will ensure that each school identifying a child under subparagraph (D) will provide upon request, to a parent of the child, assistance in selecting, from among the tutorial assistance providers who are identified pursuant to subparagraph (B) the provider who is best able to meet the needs of the child;

[(v) will ensure that parents of a child receiving tutorial assistance pursuant to this section are informed of their child's progress in the tutorial program; and

[(vi) will ensure that it does not disclose the name of any child who may be eligible for tutorial assistance pursuant to this section, the name of any parent of such a child, or any other personally identifiable information about such a parent or child, to any tutorial assistance provider (excluding the agency itself), without the prior written consent of such parent.

[SEC. 2257. NATIONAL EVALUATION.

[From funds reserved under section 2260(b)(1), the Secretary, through grants or contracts, shall conduct a national assessment of the programs under this part. In developing the criteria for the assessment, the Secretary shall receive recommendations from the peer review panel convened under section 2253(c)(2).

[SEC. 2258. INFORMATION DISSEMINATION.

[(a) IN GENERAL.—From funds reserved under section 2260(b)(2), the National Institute for Literacy shall disseminate information on scientifically based reading research and information on subgrantee projects under section 2255 or 2256 that have proven effective. At a minimum, the institute shall disseminate such information to all recipients of Federal financial assistance under titles I and VII of this Act, the Head Start Act, the Individuals with Disabilities Education Act, and the Adult Education and Family Literacy Act.

[(b) COORDINATION.—In carrying out this section, the National Institute for Literacy—

[(1) shall use, to the extent practicable, information networks developed and maintained through other public and private persons, including the Secretary, the National Center for Family Literacy, and the Readline Program;

[(2) shall work in conjunction with any panel convened by the National Institute of Child Health and Human Development and the Secretary and any panel convened by the Office of Educational Research and Improvement to assess the current status of research-based knowledge on reading development, including the effectiveness of various approaches to teaching children to read, with respect to determining the criteria by which the National Institute for Literacy judges scientifically based reading research and the design of strategies to disseminate such information; and

[(3) may assist any State educational agency selected to receive a grant under section 2253, and that requests such assistance—

[(A) in determining whether applications submitted under section 2253 meet the requirements of this title relating to scientifically based reading research; and

[(B) in the development of subgrant application forms.

[SEC. 2259. STATE EVALUATIONS; PERFORMANCE REPORTS.

[(a) STATE EVALUATIONS.—

[(1) IN GENERAL.—Each State educational agency that receives a grant under section 2253 shall evaluate the success of the agency's subgrantees in meeting the purposes of this part. At a minimum, the evaluation shall measure the extent to which students who are the intended beneficiaries of the subgrants made by the agency have improved their reading skills.

[(2) CONTRACT.—A State educational agency shall carry out the evaluation under this subsection by entering into a contract with an entity that conducts scientifically based reading research, under which contract the entity will perform the evaluation.

[(3) SUBMISSION.—A State educational agency shall submit the findings from the evaluation under this subsection to the Secretary. The Secretary shall submit a summary of the findings from the evaluations under this subsection and the national assessment conducted under section 2257 to the appropriate committees of the Congress, including the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

[(b) PERFORMANCE REPORTS.—A State educational agency that receives a grant under section 2253 shall submit performance reports to the Secretary pursuant to a schedule to be determined by the Secretary, but not more frequently than annually. Such reports shall include—

[(1) with respect to subgrants under section 2255, the program or programs of reading instruction, based on scientifically based reading research, selected by subgrantees;

[(2) the results of use of the evaluation referred to in section 2253(b)(2)(E)(iv); and

[(3) a description of the subgrantees receiving funds under this part.

[SEC. 2260. AUTHORIZATIONS OR APPROPRIATIONS; RESERVATIONS FROM APPROPRIATIONS; SUNSET.

[(a) AUTHORIZATIONS.—

[(1) FY 1999.—There are authorized to be appropriated to carry out this part and section 1202(c) $260,000,000 for fiscal year 1999.

[(2) FY 2000.—There are authorized to be appropriated to carry out this part and section 1202(c) $260,000,000 for fiscal year 2000.

[(b) RESERVATIONS.—From each of the amounts appropriated under subsection (a) for a fiscal year, the Secretary—

[(1) shall reserve 1.5 percent to carry out section 2257(a);

[(2) shall reserve $5,000,000 to carry out section 2258; and

[(3) shall reserve $10,000,000 to carry out section 1202(c).

[(c) SUNSET.—Notwithstanding section 422(a) of the General Education Provisions Act, this part is not subject to extension under such section.

[PART D—PROFESSIONAL DEVELOPMENT DEMONSTRATION PROJECT

[SEC. 2301. FINDINGS AND PURPOSE.

[(a) FINDINGS.—The Congress finds that—

[(1) underlying the standards-driven framework of the Goals 2000: Educate America Act and the high academic standards for eligible students under title I is a widespread need to prepare teachers to teach to higher standards;

[(2) prospective and current teachers need knowledge and skills beyond what such teachers currently possess;

[(3) while both the Goals 2000: Educate America Act and titles I and II of this Act have extensive references to professional development of teachers, there are no provisions to incorporate "on-the-ground" planning and implementation to serve as models for local educational agencies across the Nation; and

[(4) better prepared teachers can lead to improved student achievement, especially for students who are furthest from reaching high standards.

[(b) PURPOSE.—It is the purpose of this part—

[(1) to address the need for professional development with a primary focus on teachers;

[(2) to provide both prospective teachers and current teachers opportunities to learn both the content and the pedagogy needed to teach to high standards; and

[(3) to build models, in a few cities and States, that demonstrate new organizational arrangements and deep investments in teachers necessary to better prepare teachers for new standards and assessments.

[SEC. 2302. DEMONSTRATION PROGRAM AUTHORIZED.

[(a) GENERAL AUTHORITY.—

[(1) IN GENERAL.—The Secretary shall carry out a demonstration project under which the Secretary awards grants in

accordance with this part to eligible partnerships to enable such partnerships to plan and implement professional development programs.

[(2) PROGRAM REQUIREMENTS.—The programs described in paragraph (1)—

[(A) shall focus on increasing teachers' knowledge and understanding of content by providing teachers opportunities to improve their knowledge and to improve their classroom practice in order to help students meet high academic standards;

[(B) shall include teachers at all career stages, from student teachers or interns through senior team leaders or department chairs; and

[(C) may incorporate professional development for principals, pupil services personnel, aides, other school-based staff, and parents.

[(b) ELIGIBLE PARTNERSHIPS.—For the purpose of this part, the term "eligible partnership" means a partnership consisting of—

[(1) a local educational agency, a subunit of such agency, or a consortium of such agencies, in which not less than 50 percent of the schools served by such agency, subunit, or consortium are eligible to participate in schoolwide programs under section 1114; or

[(2) other partners that—

[(A) shall include, at a minimum, a teachers' union (if appropriate), one or more institutions of higher education which may include faculty from schools of education and faculty from schools of arts and sciences, and a local parent or community council; and

[(B) may include a business partner or a nonprofit organization with a demonstrated record in staff development.

[SEC. 2303. GRANTS.

[(a) AUTHORITY.—

[(1) IN GENERAL.—The Secretary shall award grants for planning, and grants for the implementation of, professional development programs under this part.

[(2) DISTRIBUTION.—The Secretary shall award not less than 75 percent of the funds available for grants under this part to eligible partnerships serving the schools with the greatest number of poor students. To the extent possible, such grants shall be awarded to eligible partnerships serving both rural and urban school districts and in a manner that reflects geographic and racial diversity.

[(3) NUMBER OF GRANTS.—In the first year that the Secretary awards grants under this part, the Secretary shall award at least twice as many planning grants as implementation grants in order to receive well-developed plans for long-term funding under this part.

[(b) GRANT REQUIREMENTS.—

[(1) DURATION.—The Secretary shall award—

[(A) planning grants under this part for a period of not less than six months and not more than nine months; and

[(B) implementation grants under this part for a period of four fiscal years.

[(2) AMOUNT.—The Secretary shall award grants under this part in an amount determined on the basis of the size of the program and the level of investment the eligible partnership is making in teacher development in the area served by the eligible partnership, including local, State, and Federal funds and existing higher education resources, except that no grant under this part shall exceed $500,000 in any one fiscal year.

[SEC. 2304. PLAN.

[Each eligible partnership desiring assistance under this part shall develop a plan for the program to be assisted under this part. Such plan shall—

[(1) identify clearly how such plan, will support an overall systemic reform strategy giving special attention to the role of teacher preparation for new standards and assessment;

[(2) describe the eligible partnership's instructional objectives and how the professional development activities will support such objectives;

[(3) specify the organizational arrangements and delivery strategies to be used, such as teacher centers, professional development schools, teacher networks, and academic alliances, as well as the curriculum for teachers;

[(4) specify the commitments the local educational agencies, teacher's union, institutions of higher education, or any other entity participating in such partnership are prepared to make, not only to support program activities such as release time, contractual flexibility, support for interns or student teachers if applicable, but also to sustain the central aspects of the plan after the expiration of the grant; and

[(5) describe how the activities described under this part will lead to districtwide policy and budget changes.

[SEC. 2305. TECHNICAL ASSISTANCE.

[The Secretary is authorized to enter into an arrangement with an intermediary organization to enable such organization to provide technical assistance to eligible partnerships receiving assistance under this part.

[SEC. 2306. MATCHING FUNDS.

[The Secretary shall give special priority to awarding grants under this part to eligible partnerships that demonstrate such partnership's ability to raise matching funds from private sources.

[PART E—GENERAL PROVISIONS

[SEC. 2401. REPORTING AND ACCOUNTABILITY.

[(a) STATES.—Each State that receives funds under this title (other than part C) shall submit a report to the Secretary every three years, beginning with fiscal year 1997, on the State's progress toward the performance indicators identified in such State's plan, as well as on the effectiveness of State and local activities assisted under this title (other than part C).

[(b) LOCAL EDUCATIONAL AGENCIES.—Each local educational agency that receives funds under this part shall submit a report to the State every three years, beginning with fiscal year 1997, re-

garding the progress of such agency toward performance indicators identified in such agency's activities under this part.

[(c) FEDERAL EVALUATION.—The Secretary shall report to the President and the Congress on the effectiveness of programs and activities assisted under this part in accordance with section 14701.

[(d) PROHIBITION ON FUNDS BEING USED FOR CONSTRUCTION OR RENOVATION.—Funds received under this part shall not be used for construction or renovation of buildings, rooms, or any other facilities.

[SEC. 2402. DEFINITIONS.

[As used in this title (other than part C)—

[(1) the term "core academic subjects" means those subjects listed in the State plan under title III of the Goals 2000: Educate America Act or under the third National Education Goal as set forth in section 102(3) of such Act;

[(2) the term "performance indicators" means measures of specific outcomes that the State or local educational agency identifies as assessing progress toward the goal of ensuring that all teachers have the knowledge and skills necessary to assist their students to meet challenging State content standards and challenging State student performance standards in the core academic subjects, such as—

[(A) the degree to which licensure requirements are tied to challenging State content standards and challenging State student performance standards;

[(B) specific increases in the number of elementary and secondary teachers with strong content backgrounds in the core academic subjects;

[(C) incorporating effective strategies, techniques, methods, and practices for meeting the educational needs of diverse students, including females, minorities, individuals with disabilities, limited English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging student performance standards.

[(D) specific increases in the number of teachers who are certified by the National Board for Professional Teaching Standards or other nationally recognized professional teacher enhancement organizations; and

[(E) specific increases in the number of teachers licensed in each core academic subject;

[(3) the term "sustained and intensive high-quality professional development" means professional development activities that—

[(A) are tied to challenging State content standards, challenging State student performance standards, voluntary national content standards or voluntary national student performance standards;

[(B) reflect up-to-date research in teaching and learning and include integrated content and pedagogical components appropriate for students with diverse learning needs;

[(C) incorporate effective strategies, techniques, methods, and practices for meeting the educational needs of di-

verse students, including females, minorities, individuals with disabilities, limited English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging student performance standards;

[(D) are of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom or the administrator's performance on the job; and

[(E) recognize teachers as an important source of knowledge that should inform and help shape professional development; and

[(4) the term "local", when used with respect to standards, means challenging content and student performance standards in the core academic subjects (in addition to challenging State content and student performance standards approved by the State for title I).]

TITLE II—TEACHERS

PART A—TEACHER QUALITY

SEC. 2101. PURPOSE.

The purpose of this part is to provide grants to State educational agencies, local educational agencies, State agencies for higher education, and eligible partnerships in order to—

(1) increase student academic achievement and student performance through such strategies as improving teacher quality and increasing the number of highly qualified teachers in the classroom; and

(2) hold local educational agencies and schools accountable for improvements in student academic achievement and student performance.

SEC. 2102. DEFINITIONS.

In this part:

(1) ALL STUDENTS.—The term "all students" means students from a broad range of backgrounds and circumstances, including economically disadvantaged students, students with diverse racial, ethnic, and cultural backgrounds, students with disabilities, students with limited English proficiency, and academically talented students.

(2) CORE ACADEMIC SUBJECTS.—The term "core academic subjects" means English, mathematics, science, foreign languages, civics and government, economics, arts, history, and geography.

(3) HIGHLY QUALIFIED.—The term "highly qualified" means—

(A) with respect to an elementary school teacher, a teacher—

(i)(I) with an academic major in the arts and sciences; or

(II) who can demonstrate competence through a high level of performance in core academic subjects; and

(ii) who is certified or licensed by the State involved; and

(B) with respect to a secondary school teacher, a teacher—

(i)(I) with an academic major (or courses totaling an equivalent number of credit hours) in the academic subject that the teacher teaches or a related field;

(II) who can demonstrate a high level of competence through rigorous academic subject tests and achievement of a high level of competence as described in subclause (III);

(III) who can demonstrate a high level of competence through a high level of performance in the academic subjects that the teacher teaches; and

(ii) who is certified or licensed by the State.

(4) HIGH NEED LOCAL EDUCATIONAL AGENCY.—The term "high need local educational agency" has the meaning given the term in section 201(b) of the Higher Education Act of 1965.

(5) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101(a) of the Higher Education Act of 1965.

(6) OUT-OF-FIELD TEACHER.—The term "out-of-field teacher" means a secondary school teacher who is teaching an academic subject for which the teacher is not highly qualified.

(7) POVERTY LINE.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act) applicable to a family of the size involved.

(8) PROFESSIONAL DEVELOPMENT.—The term "professional development" means activities that—

(A) are an integral part of broad schoolwide and districtwide educational improvement plans;

(B) enhance the ability of teachers and other staff to—

(i) help all students meet challenging State and local content and student performance standards;

(ii) improve understanding and use of student assessments by the teachers and staff;

(iii) improve classroom management skills; and

(iv) as appropriate, integrate technology into the curriculum;

(C) are sustained, intensive, and school-embedded;

(D) are tied to State content and student performance standards;

(E) are of high quality and sufficient duration to have a positive and lasting impact on classroom instruction, and are not one-time workshops; and

(F) are based on the best available research on teaching and learning.

SEC. 2103. AUTHORIZATION OF APPROPRIATIONS.

(a) GRANTS TO STATES, LOCAL EDUCATIONAL AGENCIES, AND ELIGIBLE PARTNERSHIPS.—There are authorized to be appropriated to carry out this part (other than subpart 5) $3,000,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) NATIONAL PROGRAMS.—There are authorized to be appropriated to carry out subpart 5 (other than subsection (f)) $100,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

Subpart 1—Grants to States

SEC. 2111. ALLOTMENTS TO STATES.

(a) IN GENERAL.—The Secretary shall make grants to States with applications approved under section 2112 to pay for the Federal share of carrying out the activities specified in section 2113. Each grant shall consist of the allotment determined for a State under subsection (b).

(b) DETERMINATION OF ALLOTMENTS.—

(1) RESERVATION OF FUNDS.—

(A) IN GENERAL.—From the total amount appropriated under section 2103(a) for a fiscal year, the Secretary shall reserve—

(i) ½ of 1 percent for payments to the outlying areas, to be distributed among the outlying areas on the basis of their relative need, as determined by the Secretary, for activities authorized under this part relating to teacher quality, including professional development and teacher hiring; and

(ii) ½ of 1 percent for payments to the Secretary of the Interior for activities described in clause (i) in schools operated or funded by the Bureau of Indian Affairs.

(B) LIMITATION.—In reserving an amount for the purposes described in clauses (i) and (ii) of subparagraph (A) for a fiscal year, the Secretary shall not reserve more than the total amount the outlying areas and the schools operated or funded by the Bureau of Indian Affairs received for fiscal year 2001 under—

(i) section 2202(b) of this Act (as in effect on the day before the date of enactment of the Better Education for Students and Teachers Act); and

(ii) section 306 of the Department of Education Appropriations Act, 2001 (as enacted into law by section 1(a)(1) of Public Law 106–554).

(2) STATE ALLOTMENTS.—

(A) HOLD HARMLESS.—

(i) IN GENERAL.—Subject to subparagraph (B), from the total amount appropriated under section 2103(a) 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 total amount that such State received for fiscal year 2001 under the authorities described in paragraph (1)(B).

(ii) RATABLE REDUCTION.—If the total amount appropriated under section 2103(a) 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 the fiscal year, the Secretary shall ratably reduce such amounts for the fiscal year.

(B) ALLOTMENT OF ADDITIONAL FUNDS.—

(i) IN GENERAL.—Subject to clause (ii), for any fiscal year for which the total amount appropriated under section 2103(a) 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 2001 under the authorities described in paragraph (1)(B), 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 does not apply for an allotment under this subsection for any fiscal year, the Secretary shall reallot the amount of the allotment to the remaining States in accordance with this subsection.

SEC. 2112. STATE APPLICATIONS.

(a) IN GENERAL.—For a State to be eligible to receive a grant under this part, the State educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(b) CONTENTS.—Each application submitted under this section shall include the following:

(1) A description of how the activities to be carried out by the State educational agency under this subpart will be based on a review of relevant research and an explanation of why the activities are expected to improve student performance and outcomes.

(2) 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.

(3) A description of how the State educational agency will ensure that a local educational agency receiving a subgrant to carry out subpart 2 will comply with the requirements of such subpart.

(4) 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 the educational opportunities for students.

(5) A description of how the State educational agency will coordinate professional development activities authorized under this part with professional development activities provided under other Federal, State, and local programs, including those authorized under—

(A) title I, part C of this title, part A of title III, and title IV; 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.

(6) An assurance that the State educational agency will consistently monitor the progress of each local educational agency and school in the State in achieving the purpose of this part and meeting the performance objectives and measures described in section 2141.

(c) APPROVAL.—The Secretary shall approve a State application submitted to the Secretary under this section unless the Secretary makes a written determination, within 90 days after receiving the application, that the application does not meet the requirements of this Act.

SEC. 2113. STATE USE OF FUNDS.

(a) IN GENERAL.—A State that receives a grant under section 2111 shall—

(1) reserve a portion of the funds made available through the grant for State activities described in subsection (b);

(2) reserve 95 percent of the funds to make subgrants to local educational agencies as described in subpart 2; and

(3) reserve a portion of the funds to make subgrants to local partnerships as described in subpart 3.

(b) STATE ACTIVITIES.—The State educational agency for a State that receives a grant under section 2111 shall use the funds reserved under subsection (a)(1) to carry out 1 or more of the following activities:

(1) Reforming teacher certification (including recertification) or licensing requirements to ensure that—

(A) teachers have the necessary subject matter knowledge and teaching skills in the academic subjects that the teachers teach;

(B) the requirements are aligned with challenging State content standards; and

(C) teachers have the subject matter knowledge and teaching skills necessary to help students meet challenging State student performance standards.

(2) Carrying out programs that provide support during the initial teaching experience, such as programs that provide mentoring, team teaching, reduced schedules, and intensive professional development.

(3) Carrying out programs that establish, expand, or improve alternative routes for State certification of teachers for highly

qualified individuals with a baccalaureate degree, including mid-career professionals from other occupations, paraprofessionals, former military personnel, and recent college or university graduates with records of academic distinction who demonstrate the potential to become highly effective teachers.

(4) Supporting activities to encourage and support teachers seeking national board certification from the National Board for Professional Teaching Standards or other recognized entities.

(5) Developing and implementing effective mechanisms to assist local educational agencies and schools in effectively recruiting and retaining highly qualified and effective teachers and principals.

(6) Funding projects to promote reciprocity of teacher certification or licensure between or among States.

(7) Testing new teachers for subject matter knowledge, and testing the teachers for State certification or licensing, consistent with title II of the Higher Education Act of 1965.

(8) Supporting activities that ensure that teachers are able to use State content and student performance standards and assessments to improve instructional practices and improve student achievement and student performance.

(9) Establishing teacher compensation systems based on merit and proven performance.

(10) Reforming tenure systems.

(c) 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 subpart and the activities carried out under that section 202.

Subpart 2—Subgrants to Local Educational Agencies

SEC. 2121. ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.

(a) IN GENERAL.—A State that receives a grant under section 2111 shall use the funds reserved under section 2113(a)(2) to make subgrants to eligible local educational agencies to carry out the activities specified in section 2123. Each subgrant shall consist of the allocation determined for a local educational agency under subsection (b).

(b) DETERMINATION OF ALLOCATIONS.—From the total amount made available through the grant, the State shall allocate to each of the eligible local educational agencies the sum of—

(1) an amount that bears the same relationship to 25 percent of the total amount as the number of individuals age 5 through 17 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; and

(2) an amount that bears the same relationship to 75 percent of the total amount 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.

SEC. 2122. LOCAL APPLICATIONS AND NEEDS ASSESSMENT.

(a) IN GENERAL.—To be eligible to receive a subgrant under this subpart, a local educational agency shall submit an application to the State educational agency at such time, in such manner, and containing such information as the State educational agency may reasonably require.

(b) CONTENTS.—Each application submitted under this section shall be based on the needs assessment required in subsection (c) and shall include the following:

(1)(A) A description of the activities to be carried out by the local educational agency under this subpart.

(B) A description of how the activities will be based on a review of relevant research and an explanation of why the activities are expected to improve student performance and outcomes.

(2) A description of how the activities will have a substantial, measurable, and positive impact on student academic achievement and student performance and how the activities will be used as part of a broader strategy to eliminate the achievement gap that separates low-income and minority students from other students.

(3) An assurance that the local educational agency will target funds to schools served by the local educational agency that—

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

(B) are identified for school improvement under section 1116(c); or

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

(4) A description of how the local educational agency will coordinate professional development activities authorized under this subpart with professional development activities provided under other Federal, State, and local programs, including those authorized under—

(A) title I, part C of this title, part A of title III, and title IV; 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.

(5) A description of the evaluation plan that the local educational agency will carry out pursuant to section 2141.

(6) A description of how the local educational agency has collaborated with teachers, paraprofessionals, principals, other relevant school personnel, and parents in the preparation of the application.

(7) A description of the results of the needs assessment described in subsection (c).

(8) A description of how the local educational agency will address the ongoing professional development and mentoring needs of teachers and administrators.

(c) NEEDS ASSESSMENT.—

(1) IN GENERAL.—To be eligible to receive a subgrant under this subpart, a local educational agency shall conduct an assessment of local needs for professional development and hiring, as identified by the local educational agency and school staff.

(2) REQUIREMENTS.—Such needs assessment shall be conducted with the involvement of teachers, including teachers receiving assistance under part A of title I, and shall take into account the activities that need to be conducted in order to give teachers and, where appropriate, administrators, the means, including subject matter knowledge and teaching skills, to provide students with the opportunity to meet challenging State and local student performance standards.

SEC. 2123. LOCAL USE OF FUNDS.

(a) SPECIAL RULE.—

(1) IN GENERAL.—A local educational agency that receives a subgrant under section 2121 may use the amount described in paragraph (2), of the funds made available through the subgrant, to carry out activities described in section 306 of the Department of Education Appropriations Act, 2001 (as enacted into law by section 1(a)(1) of Public Law 106–554).

(2) AMOUNT.—The amount referred to in paragraph (1) is the amount received by the agency under that section 306.

(b) LOCAL USE OF FUNDS.—A local educational agency that receives a subgrant under section 2121 shall use the funds made available through the subgrant to carry out 1 or more of the following activities:

(1) Providing professional development activities that improve the knowledge of teachers concerning—

(A) 1 or more of the core academic subjects that the teachers teach;

(B) effective instructional strategies, methods, and skills for improving student academic achievement and student performance; and

(C) effective use of State content and student performance standards and assessments to improve instructional practices and improve student achievement and student performance.

(2) Mentoring.

(3) Providing teachers and principals with opportunities for professional development through institutions of higher education.

(4) Providing induction and support for teachers during their first 3 years of teaching.

(5) Recruiting (including recruiting through the use of scholarships, signing bonuses, or other financial incentives, as well as accelerated paraprofessional-to-teacher training programs and programs that attract mid-career professionals from other professions), hiring, and training regular and special education teachers (which may include hiring special education teachers to team-teach in classrooms that contain both children with disabilities and nondisabled children, and may include recruiting and hiring certified or licensed teachers to reduce class size), and teachers of special needs children, who are highly qualified.

(6) Carrying out programs and activities related to—

(A) reform of teacher tenure systems;

(B) provision of merit pay for teachers; and

(C) testing of elementary school and secondary school teachers in the academic subjects that the teachers teach.

Subpart 3—Subgrants to Eligible Partnerships

SEC. 2131. SUBGRANTS.

(a) IN GENERAL.—The State agency for higher education for a State that receives a grant under section 2111, working in conjunction with the State educational agency (if such agencies are separate) shall use the funds reserved under section 2113(a)(3) to make subgrants, on a competitive basis, to eligible partnerships to enable such partnerships to carry out the activities described in section 2133.

(b) DISTRIBUTION.—The State agency for higher education shall ensure that—

(1) such subgrants are equitably distributed by geographic area within a State; or

(2) eligible partnerships in all geographic areas within the State are served through the subgrants.

(c) SPECIAL RULE.—No single participant in an eligible partnership may use more than 50 percent of the funds made available to the partnership under this section.

SEC. 2132. APPLICATIONS.

To be eligible to receive a subgrant under this subpart, an eligible 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 require.

SEC. 2133. USE OF FUNDS.

(a) IN GENERAL.—An eligible partnership that receives a subgrant under section 2131 shall use the funds made available through the subgrant for—

(1) professional development activities in core academic subjects to ensure that teachers, paraprofessionals, and, if appropriate, principals have subject matter knowledge in the academic subjects that the teachers teach; and

(2) developing and providing assistance to local educational agencies and individuals who are teachers, paraprofessionals, or principals of schools served by such agencies, for sustained, high-quality professional development activities that—

(A) ensure that the individuals are able to use State content standards, performance standards, and assessments to improve instructional practices and improve student academic achievement and student performance; and

(B) may include intensive programs designed to prepare such individuals who will return to a school to provide instruction related to the professional development described in subparagraph (A) to other such individuals within such school.

(b) COORDINATION.—An eligible partnership that receives a subgrant to carry out this subpart and a grant under section 203 of the Higher Education Act of 1965 shall coordinate the activities

carried out under this subpart and the activities carried out under that section 203.

SEC. 2134. DEFINITION.

In this subpart, the term "eligible partnership" means an entity that—

(1) shall include—

(A) a private or State institution of higher education and the division of the institution that prepares teachers;

(B) a school of arts and sciences; and

(C) a high need local educational agency; and

(2) may include another local educational agency, a public charter school, an elementary school or secondary school, an educational service agency, a nonprofit educational organization, another institution of higher education, a school of arts and sciences within such an institution, the division of such an institution that prepares teachers, a nonprofit cultural organization, an entity carrying out a prekindergarten program, a teacher organization, or a business.

Subpart 4—Accountability

SEC. 2141. EVALUATION PLAN FOR LOCAL EDUCATIONAL AGENCIES.

Each local educational agency receiving funds under this part shall establish and include in the agency's application submitted under section 2122(b) an evaluation plan that requires evaluation of the agency and the schools served by the agency with respect to—

(1) strong performance objectives and other measures concerning—

(A)(i) increasing student academic achievement and student performance for all students as measured by the local educational agency; and

(ii) increasing participation in sustained professional development and mentoring;

(B) increasing teacher retention among teachers in the first 3 years of their teaching careers; and

(C) decreasing use of out-of-field teachers; and

(2) other measures of improved student academic achievement and student performance, as determined by the local educational agency.

SEC. 2142. SANCTIONS FOR LOCAL EDUCATIONAL AGENCIES.

(a) REPORTS.—Each local educational agency receiving a subgrant under this part shall annually prepare and submit to the State educational agency a report describing the progress of the local educational agency and the schools served by the agency toward achieving the purpose of this part and meeting the performance objectives and measures described in section 2141.

(b) TECHNICAL ASSISTANCE.—If a State educational agency determines that a local educational agency in the State has failed to make substantial progress toward achieving the purpose and meeting the objectives and measures described in subsection (a) by the end of the third year for which the local educational agency receives funds under this part, the State educational agency shall provide technical assistance—

(1) to the local educational agency; and

(2) if applicable, to schools served by the local educational agency that need assistance to achieve the purpose and meet the objectives and measures.

(c) WITHHOLDING OF FUNDS.—If the State educational agency determines that the local educational agency has failed to make substantial progress toward achieving the purpose and meeting the objectives and measures described in subsection (a) by the end of the fifth year for which the local educational agency receives funds under this part, the State educational agency shall—

(1) withhold the allocation described in section 2121(b) from the local educational agency for 2 fiscal years; and

(2) use the funds to carry out programs to assist the local educational agency and schools served by the local educational agency to achieve the purpose and meet the objectives and measures.

Subpart 5—National Programs

SEC. 2151. NATIONAL PROGRAMS OF DEMONSTRATED EFFECTIVENESS.

(a) IN GENERAL.—The Secretary shall use funds made available under section 2103(b) to carry out each of the activities described in subsections (b) through (e).

(b) SCHOOL LEADERSHIP.—The Secretary shall award grants to entities that are State educational agencies, local educational agencies, institutions of higher education, or nonprofit educational organizations, and consortia of such entities, to enable such entities and consortia to recruit and train school leaders (including principals and assistant principals), provide mentorship for new school leaders, and provide ongoing professional development to develop or enhance the leadership skills of school leaders.

(c) ADVANCED CERTIFICATION OR ADVANCED CREDENTIALING.—

(1) IN GENERAL.—The Secretary shall support activities to encourage and support teachers seeking advanced certification or advanced credentialing through high quality professional teacher enhancement programs designed to improve teaching and learning, including programs provided by the National Board for Professional Teaching Standards.

(2) IMPLEMENTATION.—In carrying out paragraph (1), the Secretary shall make grants to the National Board for Professional Teaching Standards, State educational agencies, local educational agencies, or individuals, to promote outreach, teacher recruitment, teacher subsidy, or teacher support programs related to teacher certification by the National Board for Professional Teaching Standards.

(d) TROOPS-TO-TEACHERS PROGRAM.—

(1) PURPOSE.—The purpose of this subsection is to authorize a mechanism for the funding and administration of the Troops-to-Teachers Program established by the Troops-to-Teachers Program Act of 1999 (title XVII of the National Defense Authorization Act for Fiscal Year 2000).

(2) TRANSFER OF FUNDS FOR ADMINISTRATION OF PROGRAM.—To the extent that funds are made available under this Act to the Secretary for the Troops-to-Teachers Program, the Secretary shall use the funds to enter into a contract with the Defense Ac-

tivity for Non-Traditional Education Support of the Department of Defense. The Defense Activity shall use the amounts made available through the contract to perform the actual administration of the Troops-to-Teachers Program, including the selection of participants in the program under section 1704 of the Troops-to-Teachers Program Act of 1999. The Secretary may retain a portion of the funds to identify local educational agencies with concentrations of children from low-income families or with teacher shortages and States with alternative certification or licensure requirements, as required by section 1702 of such Act.

(e) TRANSITION TO TEACHING.—The Secretary shall provide assistance for activities to support the development and implementation of national or regional programs to—

(1) recruit, prepare, place, and support mid-career professionals who have knowledge and experience that will help the professionals become highly qualified teachers, through alternative routes to certification, for high need local educational agencies; and

(2) help retain the professionals as classroom teachers serving the local educational agencies for more than 3 years.

(f) NATIONAL TEACHER RECRUITMENT CAMPAIGN.—

(1) GRANT.—The Secretary shall award a grant, on a competitive basis, to a single national coalition of teacher and media organizations, including the National Teacher Recruitment Clearinghouse, to enable such organizations to jointly conduct a national public service campaign as described in paragraph (2).

(2) USE OF FUNDS.—A coalition that receives a grant under paragraph (1) shall use amounts made available under the grant to conduct a national public service campaign concerning the resources for and routes to entering the field of teaching. In conducting the campaign, the coalition shall focus on providing information both to a national audience and in specific media markets, and shall specifically expand on, promote, and link the coalition's outreach efforts to, the information referral activities and resources of the National Teacher Recruitment Clearinghouse.

(3) APPLICATION.—To be eligible to receive a grant under this subsection, a coalition shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $3,000,0000 for fiscal year 2002 and each of the 6 succeeding fiscal years.

PART B—MATHEMATICS AND SCIENCE PARTNERSHIPS

SEC. 2201. PURPOSE.

"The purpose of this part is to improve the performance of students in the areas of mathematics and science by encouraging States, institutions of higher education, elementary schools, and secondary schools to participate in programs that—

(1) upgrade the status and stature of mathematics and science teaching by encouraging institutions of higher education

to assume greater responsibility for improving mathematics and science teacher education through the establishment of a comprehensive, integrated system of recruiting and advising such teachers;

(2) focus on education of mathematics and science teachers as a career-long process that should continuously stimulate teachers' intellectual growth and upgrade teachers' knowledge and skills;

(3) bring mathematics and science teachers in elementary schools and secondary schools together with scientists, mathematicians, and engineers to increase the subject matter knowledge and improve the teaching skills of teachers through the use of more sophisticated laboratory equipment and space, computing facilities, libraries, and other resources that institutions of higher education are better able to provide than the schools; and

(4) develop more rigorous mathematics and science curricula that are aligned with State and local standards and with the standards expected for postsecondary study in mathematics and science, respectively.

SEC. 2202. DEFINITIONS.

In this part:

(1) ELIGIBLE PARTNERSHIP.—The term "eligible partnership" means a partnership that—

(A) shall include—

(i) a State educational agency;

(ii) a mathematics or science department of an institution of higher education; and

(iii) a local educational agency; and

(B) may include—

(i) another mathematics, science, or teacher training department of an institution of higher education;

(ii) another local educational agency, or an elementary school or secondary school;

(iii) a business; or

(iv) a nonprofit organization of demonstrated effectiveness, including a museum.

(2) HIGH NEED LOCAL EDUCATIONAL AGENCY.—The term "high need local educational agency" has the meaning given the term in section 201(b) of the Higher Education Act of 1965.

(3) SUMMER WORKSHOP OR INSTITUTE.—The term "summer workshop or institute" means a workshop or institute, conducted during the summer, that—

(A) is conducted during a period of not less than 2 weeks;

(B) provides for a program that provides direct interaction between students and faculty; and

(C) provides for followup training during the academic year that—

(i) except as provided in clause (ii) or (iii), shall be conducted in the classroom for a period of not less than 3 days, which may or may not be consecutive;

(ii) if the program described in subparagraph (B) is for a period of not more than 2 weeks, shall be conducted for a period of more than 3 days; or

(iii) if the program is for teachers in rural school districts, may be conducted through distance education.

Subpart 1—Grants to Partnerships

SEC. 2211. GRANTS AUTHORIZED.

(a) IN GENERAL.—The Secretary is authorized to award grants, on a competitive basis, to eligible partnerships to enable the eligible partnerships to pay the Federal share of the costs of carrying out the authorized activities described in section 2213.

(b) DURATION.—The Secretary shall award grants under this section for a period of 5 years.

(c) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share of the costs of the activities assisted under this subpart shall be—

(A) 75 percent of the costs for the first year an eligible partnership receives a grant payment under this subpart;

(B) 65 percent of the costs for the second such year; and

(C) 50 percent of the costs for each of the third, fourth, and fifth such years.

(2) NON-FEDERAL SHARE.—The non-Federal share of the costs may be provided in cash or in kind, fairly evaluated.

(d) PRIORITY.—In awarding grants under this subpart the Secretary shall give priority to partnerships that include high need local educational agencies.

SEC. 2212. APPLICATION REQUIREMENTS.

(a) IN GENERAL.—Each eligible partnership desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

(b) CONTENTS.—Each such application shall include—

(1) an assessment of the teacher quality and professional development needs of all the schools and agencies participating in the eligible partnership with respect to the teaching and learning of mathematics and science;

(2) a description of how the activities to be carried out by the eligible partnership will be aligned with State and local standards and with other educational reform activities that promote student achievement in mathematics and science;

(3) a description of how the activities to be carried out by the eligible partnership will be based on a review of relevant research, and an explanation of why the activities are expected to improve student performance and to strengthen the quality of mathematics and science instruction; and

(4) a description of—

(A) how the eligible partnership will carry out the authorized activities described in section 2213; and

(B) the eligible partnership's evaluation and accountability plan described in section 2214.

SEC. 2213. AUTHORIZED ACTIVITIES.

An eligible partnership shall use the grant funds provided under this subpart for 1 or more of the following activities related to elementary schools or secondary schools:

(1) Developing or redesigning more rigorous mathematics and science curricula that are aligned with State and local standards and with the standards expected for postsecondary study in mathematics and science, respectively.

(2) Creating opportunities for enhanced and ongoing professional development that improves the subject matter knowledge of mathematics and science teachers.

(3) Recruiting mathematics and science majors to teaching.

(4) Promoting strong teaching skills for mathematics and science teachers and teacher educators, including integrating reliable scientifically based research teaching methods into the curriculum.

(5) Establishing mathematics and science summer workshops or institutes (including followup training) for teachers, using curricula that are experiment-oriented, content-based, and grounded in research that is current as of the date of the workshop or institute involved.

(6) Establishing distance learning programs for mathematics and science teachers using curricula that are experiment-oriented, content-based, and grounded in research that is current as of the date of the program involved.

(7) Designing programs to prepare a teacher at a school to provide professional development to other teachers at the school and to assist novice teachers at such school, including (if applicable) a mechanism to integrate experiences from a summer workshop or institute.

(8) Designing programs to bring teachers into contact with working scientists.

SEC. 2214. EVALUATION AND ACCOUNTABILITY PLAN.

Each eligible partnership receiving a grant under this subpart shall develop an evaluation and accountability plan for activities assisted under this subpart that includes strong performance objectives. The plan shall include objectives and measures for—

(1) improved student performance on State mathematics and science assessments or the Third International Math and Science Study assessment;

(2) increased participation by students in advanced courses in mathematics and science;

(3) increased percentages of secondary school classes in mathematics and science taught by teachers with academic majors in mathematics and science, respectively; and

(4) increased numbers of mathematics and science teachers who participate in content-based professional development activities.

SEC. 2215. REPORT; REVOCATION OF GRANT.

(a) REPORT.—Each eligible partnership receiving a grant under this subpart annually shall report to the Secretary regarding the eligible partnership's progress in meeting the performance objectives described in section 2214.

(b) REVOCATION.—If the Secretary determines that an eligible partnership is not making substantial progress in meeting the performance objectives described in section 2214 by the end of the third

year of a grant under this subpart, the grant payments shall not be made for the fourth and fifth year of the grant.

Subpart 2—Eisenhower Clearinghouse for Mathematics and Science Education

SEC. 2221. CLEARINGHOUSE.

(a) GRANT OR CONTRACT.—

(1) IN GENERAL.—The Secretary, in consultation with the Director of the National Science Foundation, may award a grant or contract to an entity to continue the operation of the Eisenhower National Clearinghouse for Mathematics and Science Education (referred to in this section as the 'Clearinghouse'). The Secretary shall award the grant or contract on a competitive basis, on the basis of merit.

(2) DURATION.—The grant or contract awarded under paragraph (1) shall be awarded for a period of 5 years.

(b) CLEARINGHOUSE.—

(1) USE OF FUNDS.—An entity that receives a grant or contract under subsection (a) shall use the funds made available through the grant or contract to—

(A) maintain a permanent repository of mathematics and science education instructional materials and programs for elementary schools and secondary schools, including middle schools;

(B) compile information on all mathematics and science education programs administered by each Federal agency or department;

(C) disseminate instructional materials, programs, and information to the public and dissemination networks, including information on model engineering, science, technology, and mathematics teacher mentoring programs;

(D) coordinate activities with entities operating identifiable databases containing mathematics and science instructional materials and programs, including Federal, non-Federal, and, where feasible, international, databases;

(E) gather qualitative and evaluative data on submissions to the Clearinghouse;

(F)(i) solicit and gather (in consultation with the Department, national teacher associations, professional associations, and other reviewers and developers of instructional materials and programs) qualitative and evaluative materials and programs, including full text and graphics, for the Clearinghouse;

(ii) review the evaluation of the materials and programs, and rank the effectiveness of the materials and programs on the basis of the evaluations, except that nothing in this subparagraph shall be construed to permit the Clearinghouse to directly conduct an evaluation of the materials or programs; and

(iii) distribute to teachers, in an easily accessible manner, the results of the reviews (in a short, standardized, and electronic format that contains electronic links to an electronic version of the qualitative and evaluative materials and programs described in clause (i)), excerpts of the mate-

rials and programs, links to Internet-based sites, and information regarding on-line communities of persons who use the materials and programs; and

(G) develop and establish an Internet-based site offering a search mechanism to assist site visitors in identifying information available through the Clearinghouse on engineering, science, technology, and mathematics education instructional materials and programs, including electronic links to information on classroom demonstrations and experiments, to teachers who have used materials or participated in programs, to vendors, to curricula, and to textbooks.

(2) 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 to the Clearinghouse copies of such materials or programs.

(3) STEERING COMMITTEE.—The Secretary may appoint a steering committee to recommend policies and activities for the Clearinghouse.

(4) APPLICATION OF COPYRIGHT LAWS.—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. The Clearinghouse, in carrying out this subsection, shall ensure compliance with title 17, United States Code.

(c) APPLICATION.—

(1) IN GENERAL.—To be eligible to receive a grant or contract under subsection (a) to operate the Clearinghouse, an entity 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) PEER REVIEW.—The Secretary shall establish a peer review process to review the applications and select the recipient of the award under subsection (a).

(d) DISSEMINATION OF INFORMATION.—The Secretary shall disseminate information concerning the grant or contract awarded under this section to State educational agencies, local educational agencies, and institutions of higher education. The information disseminated shall include examples of exemplary national programs in mathematics and science instruction and information on necessary technical assistance for the establishment of similar programs.

(e) REPORT.—Not later than 2 years after the date of enactment of the Better Education for Students and Teachers Act, the National Academy of Sciences, in conjunction with appropriate related associations and organizations, shall—

(1) conduct a study on the Clearinghouse to evaluate the effectiveness of the Clearinghouse in conducting the activities described in subsection (b)(1); and

(2) submit to Congress a report on the results of the study, including any recommendations of the Academy regarding the Clearinghouse.

Subpart 3—Preparing Tomorrow's Teachers To Use Technology

SEC. 2231. PURPOSE; PROGRAM AUTHORITY.

(a) PURPOSE.—It is the purpose of this subpart to assist consortia of public and private entities in carrying out programs that prepare prospective teachers to use advanced technology to foster learning environments conducive to preparing all students to meet challenging State and local content and student performance standards.

(b) PROGRAM AUTHORITY.—

(1) IN GENERAL.—The Secretary, acting through the Director of the Office of Educational Technology, is authorized to award grants, contracts, or cooperative agreements on a competitive basis to eligible applicants in order to pay for the Federal share of the cost of assisting applicants in carrying out projects to develop or redesign teacher preparation programs to enable prospective teachers to use advanced technology effectively in their classrooms.

(2) PERIOD OF AWARDS.—The Secretary may award grants, contracts, or cooperative agreements under this subpart for a period of not more than 5 years.

SEC. 2232. ELIGIBILITY.

(a) ELIGIBLE APPLICANTS.—In order to receive an award under this subpart, an applicant shall be a consortium that includes—

(1) at least 1 institution of higher education that offers a baccalaureate degree and prepares teachers for their initial entry into teaching;

(2) at least 1 State educational agency or local educational agency; and

(3) 1 or more entities consisting of—

(A) an institution of higher education (other than the institution described in paragraph (1));

(B) a school or department of education at an institution of higher education;

(C) a school or college of arts and sciences at an institution of higher education;

(D) a professional association, foundation, museum, library, for-profit business, public or private nonprofit organization, community-based organization, or other entity, with the capacity to contribute to the technology-related reform of teacher preparation programs.

(b) APPLICATION REQUIREMENTS.—In order to receive an award under this subpart, an eligible applicant shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

(1) a description of the proposed project, including how the project would ensure that individuals participating in the project would be prepared to use advanced technology to create learning environments conducive to preparing all students, including girls and students who have economic and educational disadvantages, to meet challenging State and local content and student performance standards;

(2) a demonstration of—

(A) the commitment, including the financial commitment, of each of the members of the consortium for the proposed project; and

(B) the active support of the leadership of each organization that is a member of the consortium for the proposed project;

(3) a description of how each member of the consortium will be included in project activities;

(4) a description of how the proposed project will be continued after Federal funds are no longer awarded under this subpart; and

(5) a plan for the evaluation of the project, which shall include benchmarks to monitor progress toward specific project objectives.

(c) MATCHING REQUIREMENTS.—

(1) IN GENERAL.—The Federal share of the cost of any project funded under this subpart shall not exceed 50 percent. Except as provided in paragraph (2), the non-Federal share of the cost of such project may be provided in cash or in kind, fairly evaluated, including services.

(2) ACQUISITION OF EQUIPMENT.—Not more than 10 percent of the funds awarded for a project under this subpart may be used to acquire equipment, networking capabilities, or infrastructure, and the non-Federal share of the cost of any such acquisition shall be provided in cash.

SEC. 2233. USE OF FUNDS.

(a) REQUIRED USES.—A recipient of an award under this subpart shall use funds made available under this subpart for—

(1) a project that creates programs that enable prospective teachers to use advanced technology to create learning environments conducive to preparing all students, including girls and students who have economic and educational disadvantages, to meet challenging State and local content and student performance standards; and

(2) evaluating the effectiveness of the project.

(b) PERMISSIBLE USES.—The recipient may use funds made available under this subpart for activities, described in the application submitted by the recipient under this subpart, that carry out the purpose of this subpart, such as—

(1) developing and implementing high-quality teacher preparation programs that enable educators to—

(A) learn the full range of resources that can be accessed through the use of technology;

(B) integrate a variety of technologies into the classroom in order to expand students' knowledge;

(C) evaluate educational technologies and their potential for use in instruction; and

(D) help students develop their technical skills and digital learning environments;

(2) developing alternative teacher development paths that provide elementary schools and secondary schools with well-prepared, technology-proficient educators;

(3) developing performance-based standards and assessments aligned with the standards to measure the capacity of prospective teachers to use technology effectively in their classrooms;

(4) providing technical assistance to entities carrying out other teacher preparation programs;

(5) developing and disseminating resources and information in order to assist institutions of higher education to prepare teachers to use technology effectively in their classrooms; and

(6) subject to section 2232(c)(2), acquiring equipment, networking capabilities, and infrastructure to carry out the project.

Subpart 4—General Provisions

SEC. 2241. CONSULTATION WITH NATIONAL SCIENCE FOUNDATION.

In carrying out the activities authorized by this part, the Secretary shall consult and coordinate activities with the Director of the National Science Foundation, particularly with respect to the appropriate roles for the Department and the Foundation in the conduct of summer workshops or institutes provided by the eligible partnerships to improve mathematics and science teaching in elementary schools and secondary schools.

SEC. 2242. AUTHORIZATION OF APPROPRIATIONS.

(a) GRANTS.—There are authorized to be appropriated to carry out subpart 1 $500,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) CLEARINGHOUSE.—There are authorized to be appropriated to carry out subpart 2 $5,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(c) TECHNOLOGY PREPARATION.—There are authorized to be appropriated to carry out subpart 3 $150,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

PART C—STATE AND LOCAL PROGRAMS FOR TECHNOLOGY USE IN CLASSROOMS

SEC. 2301. PURPOSE; GOAL.

(a) PURPOSE.—The purpose of this part is to support a comprehensive system to effectively use technology in elementary and secondary schools to improve student academic achievement and performance.

(b) GOAL.—A goal of this part shall also be to assist every student in crossing the digital divide by ensuring that every child is technologically literate by the time the child finishes the 8th grade, regardless of the child's race, ethnicity, gender, income, geography, or disability.

SEC. 2302. DEFINITIONS.

In this part:

(1) ADULT EDUCATION.—The term "adult education" has the meaning given the term in section 312(2) of the Adult Education Act (20 U.S.C. 1201a(2)).

(2) ALL STUDENTS.—The term "all students" means students from a broad range of backgrounds and circumstances, including disadvantaged students, students with diverse racial, eth-

nic, and cultural backgrounds, students with disabilities, students with limited English proficiency, and academically talented students.

(3) CHILD IN POVERTY.—The term "child in poverty" means a child from a family with a family income below the poverty line (as defined in section 2102).

(4) INFORMATION INFRASTRUCTURE.—The term "information infrastructure" means a network of communication systems designed to exchange information among all citizens and residents of the United States.

(5) INTEROPERABLE; INTEROPERABILITY.—The terms "interoperable" and "interoperability" mean the ability to exchange data easily with, and connect to, other hardware and software in order to provide the greatest accessibility for all students and other users.

(6) PUBLIC TELECOMMUNICATIONS ENTITY.—The term "public telecommunications entity" has the meaning given the term in section 397(12) of the Communications Act of 1934 (47 U.S.C. 397(12)).

(7) STATE EDUCATIONAL AGENCY.—The term "State educational agency" includes the Bureau of Indian Affairs for purposes of serving schools funded by the Bureau of Indian Affairs in accordance with this part.

(8) STATE LIBRARY ADMINISTRATIVE AGENCY.—The term "State library administrative agency" has the meaning given the term in section 213(5) of the Library Services and Technology Act (20 U.S.C. 9122(5)).

SEC. 2303. ALLOTMENT AND REALLOTMENT.

(a) LIMITATION.—From funds appropriated under this part, the Secretary shall first reserve such sums as may be necessary for grants awarded under section 3136 prior to the date of enactment of the Better Education for Students and Teacher Act.

(b) ALLOTMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), each State educational agency shall be eligible to receive a grant under this part for a fiscal year in an amount which bears the same relationship to the amount made available under section 2310 for such year as the amount such State received under part A of title I for such year bears to the amount received for such year under such part by all States.

(2) MINIMUM.—No State educational agency shall be eligible to receive a grant under paragraph (1) in any fiscal year in an amount which is less than ½ of 1 percent of the amount made available under section 2310 for such year.

(c) REALLOTMENT OF UNUSED FUNDS.—

(1) IN GENERAL.—The amount of any State educational agency's allotment under subsection (b) for any fiscal year which the State determines will not be required for such fiscal year to carry out this part shall be available for reallotment from time to time, on such dates during such year as the Secretary may determine, to other State educational agencies in proportion to the original allotments to such State educational agencies under subsection (b) for such year, but with such proportionate amount for any of such other State educational agencies being

reduced to the extent such amount exceeds the sum the State estimates such State needs and will be able to use for such year.

(2) OTHER REALLOTMENTS.—The total of reductions under paragraph (1) shall be similarly reallotted among the State educational agencies whose proportionate amounts were not so reduced. Any amounts reallotted to a State educational agency under this subsection during a year shall be deemed a subpart of such agency's allotment under subsection (b) for such year.

SEC. 2304. TECHNOLOGY GRANTS.

(a) GRANTS TO STATES.—

(1) IN GENERAL.—From amounts made available under section 2303, the Secretary, through the Office of Educational Technology, shall award grants to State educational agencies having applications approved under section 2305.

(2) USE OF GRANTS.—

(A) AWARD TO AGENCIES.—Each State educational agency receiving a grant under paragraph (1) shall use such grant funds to award grants, on a competitive basis, to local educational agencies to enable such local educational agencies to carry out the activities described in section 2306.

(B) SUFFICIENCY.—In awarding grants under subparagraph (A), each State educational agency shall ensure that each such grant is of sufficient duration, and of sufficient size, scope, and quality, to carry out the purposes of this part effectively.

(C) PRIORITY.—In awarding the grants, each State educational agency shall give priority to the local educational agencies serving the school districts that have the highest number or percentage of children in poverty.

(D) DISTRIBUTION.—In awarding the grants, each State educational agency shall assure an equitable distribution of assistance under this part among urban and rural areas of the State, according to the demonstrated need of the local educational agencies serving the areas.

(b) TECHNICAL ASSISTANCE.—Each State educational agency receiving a grant under subsection (a) shall—

(1) identify the local educational agencies served by the State educational agency that—

(A) have the highest number or percentage of children in poverty; and

(B) demonstrate to such State educational agency the greatest need for technical assistance in developing the application under 2307; and

(2) offer such technical assistance to such local educational agencies.

SEC. 2305. STATE APPLICATION.

To receive a grant under this part, each State educational agency shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require, including a systemic statewide educational technology plan that—

(1) outlines the long-term strategies for improving student performance and student academic achievement through the effective use of technology in classrooms throughout the State;

(2) outlines long-term strategies for financing technology education in the State and describes how business, industry, and other public and private agencies, including libraries, library literacy programs, and institutions of higher education, can participate in the implementation, ongoing planning, and support of the plan; and

(3) meets such other criteria as the Secretary may establish in order to enable such agency to provide assistance to local educational agencies that have the highest numbers or percentages of children in poverty and demonstrate the greatest need for technology, in order to enable such local educational agencies, for the benefit of school sites served by such local educational agencies, to improve student academic achievement and student performance.

SEC. 2306. LOCAL USES OF FUNDS.

(a) IN GENERAL.—Each local educational agency, to the extent possible, shall use the funds made available under section 2304(a)(2) for—

(1) developing, adapting, or expanding existing and new applications of technology to support the school reform effort to improve student academic achievement and student performance;

(2) providing ongoing professional development in the integration of quality educational technologies into school curriculum;

(3) acquiring connectivity linkages, resources, and services, including the acquisition of hardware and software, for use by teachers, students, and school library media personnel in the classroom or in school library media centers, in order to improve student academic achievement and student performance;

(4) acquiring connectivity with wide area networks for purposes of accessing information and educational programming sources, particularly with institutions of higher education and public libraries;

(5) providing educational services for adults and families; and

(6) repairing and maintaining school technology equipment.

(b) SPECIAL RULE.—A local educational agency receiving a grant under this part shall use at least 30 percent of allocated funds for professional development.

SEC. 2307. LOCAL APPLICATION.

(a) APPLICATION.—Each local educational agency desiring assistance from a State educational agency under section 2304(a)(2) shall submit an application, consistent with the objectives of the systemic statewide plan, to the State educational agency at such time, in such manner, and accompanied by such information as the State educational agency may reasonably require. Such application, at a minimum, shall include an updated version of a strategic, long-range plan (3 to 5 years) that includes—

(1) a description of how the activities to be carried out by the local educational agency under this part will be based on a review of relevant research and an explanation of why the activities are expected to improve student achievement;

(2) an explanation of how the acquired technologies will be integrated into the curriculum to help the local educational agency improve student academic achievement, student performance, and teaching;

(3) a description of the type of technologies to be acquired, including specific provisions for interoperability among components of such technologies and, to the extent practicable, with existing technologies;

(4) an explanation of how programs will be developed in collaboration with existing adult literacy service providers to maximize the use of such technologies;

(5) a description of how the local educational agency will ensure ongoing, sustained professional development for teachers, administrators, and school library media personnel served by the local educational agency to further the effective use of technology in the classroom or library media center, including a list of those entities that will partner with the local educational agency in providing ongoing sustained professional development;

(6) a description of the supporting resources, such as services, software, and print resources, which will be acquired to ensure successful and effective use of technologies acquired under this part;

(7) the projected cost of technologies to be acquired and related expenses needed to implement the plan;

(8) a description of how the local educational agency will coordinate the technology provided pursuant to this part with other grant funds available for technology from other Federal, State, and local sources;

(9) a description of a process for the ongoing evaluation of how technologies acquired under this part will be integrated into the school curriculum; and will affect student academic achievement and student performance as related to challenging State content standards and State student performance standards in all subjects; and

(10) a description of the evaluation plan that the local educational agency will carry out pursuant to section 2308(a).

(b) FORMATION OF CONSORTIA.—A local educational agency for any fiscal year may apply for financial assistance as part of a consortium with other local educational agencies, institutions of higher education, intermediate educational units, libraries, or other educational entities appropriate to provide local programs. The State educational agency may assist in the formation of consortia among local educational agencies, providers of educational services for adults and families, institutions of higher education, intermediate educational units, libraries, or other appropriate educational entities to provide services for the teachers and students in a local educational agency at the request of such local educational agency.

(c) COORDINATION OF APPLICATION REQUIREMENTS.—If a local educational agency submitting an application for assistance under

this section has developed a comprehensive education improvement plan, the State educational agency may approve such plan, or a component of such plan if the State educational agency determines that such approval would further the purposes of this part.

SEC. 2308. ACCOUNTABILITY.

(a) EVALUATION PLAN.—Each local educational agency receiving funds under this part shall establish and include in the agency's application submitted under section 2307 an evaluation plan that requires evaluation of the agency and the schools served by the agency with respect to strong performance objectives and other measures concerning—

(1) increased professional development in the effective use of technology in educating students with the goal of improving student academic achievement and student performance;

(2) increased access to technology in the classroom, especially in low-income schools; and

(3) other indicators reflecting increased student academic achievement or student performance.

(b) REPORT.—Each local educational agency receiving a grant under this part shall annually prepare and submit to the State educational agency a report regarding the progress of the local educational agency and the schools served by the local educational agency toward achieving the purposes of this part and meeting the performance objectives and measures described in this section.

(c) SANCTION.—If after 3 years, the local educational agency does not show measurable improvements in all of the areas, the local educational agency shall not receive funds for the remaining grant years.

(d) ASSISTANCE.—The State educational agency shall provide technical assistance to the local educational agency to assist them in meeting the performance objectives and measures described in this section.

SEC. 2309. NATIONAL EDUCATION TECHNOLOGY PLAN.

(a) IN GENERAL.—Not later than 12 months after the date of enactment of this section, the Secretary shall prepare the national long-range plan that supports the overall national technology policy. The Secretary shall update such plan periodically when appropriate.

(b) CONSULTATION.—In preparing the plan described in subsection (a), the Secretary shall consult with other Federal departments or agencies, State and local education practitioners, and policymakers, including teachers, principals, and superintendents, experts in technology and the applications of technology to education, representatives of distance learning consortia, representatives of telecommunications partnerships receiving assistance under the Star Schools Act or the Technology Challenge Fund program, and providers of technology services and products.

(c) SUBMISSION; PUBLICATION.—Upon completion of the plan described in subsection (a), the Secretary shall—

(1) submit such plan to the President and to the appropriate committees of Congress; and

(2) publish such plan in a form that is readily accessible to the public, including on the Internet.

(d) CONTENT OF THE PLAN.—The plan described in subsection (a) shall describe the following:

(1) EFFECTIVE USE.—The plan shall describe the manner in which the Secretary will encourage the effective use of technology to provide all students the opportunity to achieve challenging State academic content standards and challenging State student performance standards, especially through programs administered by the Department.

(2) JOINT ACTIVITIES.—The plan shall describe joint activities in support of the overall national technology policy to be carried out with other Federal departments or agencies, such as the Office of Science and Technology Policy, the National Endowment for the Humanities, the National Endowment for the Arts, the National Institute for Literacy, the National Aeronautics and Space Administration, the National Science Foundation, the Bureau of Indian Affairs, and the Departments of Commerce, Energy, Health and Human Services, and Labor—

(A) to promote the use of technology in education, training, and lifelong learning, including plans for the educational uses of a national information infrastructure; and

(B) to ensure that the policies and programs of such departments or agencies facilitate the use of technology for educational purposes, to the extent feasible.

(3) COLLABORATION.—The plan shall describe the manner in which the Secretary will work with educators, State and local educational agencies, and appropriate representatives of the private sector, including the Universal Service Administrative Company, to facilitate the effective use of technology in education.

(4) PROMOTING ACCESS.—The plan shall describe the manner in which the Secretary will promote—

(A) higher academic achievement and performance of all students through the integration of technology into the curriculum;

(B) increased access to the benefits of technology for teaching and learning for schools with a high number or percentage of children from low-income families;

(C) the use of technology to assist in the implementation of State systemic reform strategies;

(D) the application of technological advances to use in improving educational opportunities;

(E) increased access to high quality adult and family education services through the use of technology for instruction and professional development; and

(F) increased opportunities for the professional development of teachers in the use of new technologies.

(5) GUIDELINES.—The plan shall describe the manner in which the Secretary will determine, in consultation with appropriate individuals, organizations, industries, and agencies, the feasibility and desirability of establishing guidelines to facilitate an easy exchange of data and effective use of technology in improving educational opportunities.

(6) EXCHANGE.—The plan shall describe the manner in which the Secretary will promote the exchange of information among

States, local educational agencies, schools, consortia, and other entities concerning the effective use of technology in improving educational opportunities.

(7) GOALS.—The plan shall describe the Secretary's long-range measurable goals and objectives relating to the purposes of this part.

SEC. 2310. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this part $1,000,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) LIMITATION.—Not more than 5 percent of the funds made available to a recipient under this part for any fiscal year may be used by such recipient for administrative costs or technical assistance.

PART D—PORTABILITY OF TEACHER PENSIONS AND CREDENTIALS

SEC. 2401. DEFINITION.

In this part, the term "pension" means a pension provided under an employee pension benefit plan, as defined in section 3(2) of the Employee Retirement Income Security Act of 1974.

SEC. 2402. NATIONAL PANEL ON PORTABILITY OF TEACHER PENSIONS AND CREDENTIALS.

(a) ESTABLISHMENT.—There is established a panel to be known as the National Panel on Portability of Teacher Pensions and Credentials (referred to in this section as the "panel").

(b) MEMBERSHIP.—The panel shall be composed of members appointed by the Secretary. The Secretary shall appoint the members from among practitioners and experts with experience relating to teacher pensions and credentials, such as pension managers, teachers, members of teacher certification or licensing bodies, faculty of institutions of higher education that prepare teachers, and State policymakers with such experience.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the panel. Any vacancy in the panel shall not affect the powers of the panel, but shall be filled in the same manner as the original appointment.

(d) DUTIES.—

(1) STUDY.—The panel shall study various options for increasing the reciprocity of recognition of teacher credentials, and the portability of teacher pensions, between States.

(2) REPORT.—Not later than 1 year after the date on which all members of the panel have been appointed, the panel shall submit to the Secretary and to the appropriate committees of Congress a report containing the results of the study.

(e) POWERS.—

(1) HEARINGS.—The panel may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the panel considers advisable to carry out the objectives of this section.

(2) INFORMATION FROM FEDERAL AGENCIES.—The panel may secure directly from any Federal department or agency such information as the panel considers necessary to carry out the pro-

visions of this section. Upon request of a majority of the members of the panel, the head of such department or agency shall furnish such information to the panel.

(3) POSTAL SERVICES.—The panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(f) PERSONNEL.—

(1) TRAVEL EXPENSES.—The members of the panel shall not receive compensation for the performance of services for the panel, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the panel. Notwithstanding section 1342 of title 31, United States Code, the Secretary may accept the voluntary and uncompensated services of members of the panel.

(2) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the panel without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(g) PERMANENT COMMITTEE.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the panel.

(h) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2002.

(2) AVAILABILITY.—Any sums appropriated under the authorization contained in this subsection shall remain available, without fiscal year limitation, until expended.

[TITLE III—TECHNOLOGY FOR EDUCATION

[SEC. 3101. SHORT TITLE.

[This title may be cited as the "Technology for Education Act of 1994".

PART A—TECHNOLOGY FOR EDUCATION OF ALL STUDENTS

[SEC. 3111. FINDINGS.

[The Congress finds that—

[(1) technology can produce far greater opportunities for all students to learn to high standards, promote efficiency and effectiveness in education, and help propel our Nation's school systems into very immediate and dramatic reform, without which our Nation will not meet the National Education Goals by the target year 2000;

[(2) the use of technology as a tool in the teaching and learning process is essential to the development and maintenance of a technologically literate citizenry and an internationally competitive workforce;

[(3) the acquisition and use of technology in education throughout the United States has been inhibited by—

[(A) the absence of Federal leadership;

[(B) the inability of many State and local educational agencies to invest in and support needed technologies;

[(C) the limited exposure of students and teachers to the power of technology as a cost-effective tool to improve student learning and achievement;

[(D) the lack of appropriate electrical and telephone connections in the classroom; and

[(E) the limited availability of appropriate technology-enhanced curriculum, instruction, professional development, and administrative support resources and services in the educational marketplace;

[(4) policies at the Federal, State, and local levels concerning technology in education must address disparities in the availability of technology to different groups of students, give priority to serving students in greatest need, and recognize that educational telecommunications and technology can address educational equalization concerns and school restructuring needs by providing universal access to high-quality teaching and programs, particularly in urban and rural areas;

[(5) the increasing use of new technologies and telecommunications systems in business has increased the gap between schooling and work force preparation, and underscores the need for technology policies at the Federal, State, tribal, and local levels that address preparation for school-to-work transitions;

[(6) technology can enhance the ongoing professional development of teachers and administrators by providing constant access to updated research in teaching and learning by means of telecommunications, and, through exposure to technology advancements, keep teachers and administrators excited and knowledgeable about unfolding opportunities for the classroom;

[(7) planned and creative uses of technology, combined with teachers adequately trained in the use of technology, can reshape our Nation's traditional method of providing education and empower teachers to create an environment in which students are challenged through rigorous, rich classroom instruction provided at a pace suited to each student's learning style, and in which students have increased opportunities to develop higher order thinking and technical skills;

[(8) schools need new ways of financing the acquisition and maintenance of educational technology;

[(9) the needs for educational technology differ from State to State;

[(10) technology can provide students, parents, teachers, other education professionals, communities, and industry with increased opportunities for partnerships and with increased access to information, instruction, and educational services in schools and other settings, including homes, libraries, preschool and child-care facilities, adult and family education programs, and postsecondary institutions;

[(11) the Department, consistent with the overall national technology policy established by the President, must assume a vital leadership and coordinating role in developing the national vision and strategy to infuse advanced technology throughout all educational programs;

[(12) Federal support can ease the burden at the State and local levels by enabling the acquisition of advanced technology and initiating the development of teacher training and support as well as new educational products;

[(13) leadership at the Federal level should consider guidelines to ensure that educational technology is accessible to all users with maximum interoperability nationwide;

[(14) the rapidly changing nature of technology requires coordination and flexibility in Federal leadership; and

[(15) technology has the potential to assist and support the improvement of teaching and learning in schools and other settings.

[SEC. 3112. STATEMENT OF PURPOSE.

[The purpose of this part is to support a comprehensive system for the acquisition and use by elementary and secondary schools in the United States of technology and technology-enhanced curricula, instruction, and administrative support resources and services to improve the delivery of educational services. Such system shall include—

[(1) national leadership with respect to the need for, and the provision of, appropriate technology-enhanced curriculum, instruction, and administrative programs to improve learning in the United States, and to promote equal access for all students to educational opportunities in order to achieve the National Educational Goals by the year 2000;

[(2) funding mechanisms which will support the development, interconnection, implementation, improvement, and maintenance of an effective educational technology infrastructure, including activities undertaken by State and local educational agencies to promote and provide equipment, training for teachers and school library and media personnel, and technical support;

[(3) support for technical assistance, professional development, information and resource dissemination, in order to help States, local educational agencies, teachers, school library and media personnel, and administrators successfully integrate technology into kindergarten through 12th grade classrooms and library media centers;

[(4) support for the development of educational and instructional programming in core subject areas, which shall address the National Education Goals;

[(5) strengthening and building upon, but not duplicating, existing telecommunications infrastructures dedicated to educational purposes;

[(6) development and evaluation of new and emerging educational technologies, telecommunications networks, and state-of-the-art educational technology products that promote the use of advanced technologies in the classroom and school library media center;

[(7) assessment data regarding state-of-the-art uses of technologies in United States education upon which commercial and noncommercial telecommunications entities, and governments can rely for decisionmaking about the need for, and provision of, appropriate technologies for education in the United States;

[(8) ensuring that uses of educational technology are consistent with the overall national technology policy established by the President, and ensuring that Federal technology-related policies and programs will facilitate the use of technology in education;

[(9) ensuring that activities supported under this part will form the basis for sound State and local decisions about investing in, sustaining, and expanding uses of technology in education;

[(10) establishing working guidelines to ensure maximum interoperability nationwide and ease of access for the emerging technologies so that no school system will be excluded from the technological revolution;

[(11) ensuring that, as technological advances are made, the educational uses of these advances are considered and their applications are developed; and

[(12) encouragement of collaborative relationships among the State agency for higher education, the State library administrative agency, the State telecommunications agency, and the State educational agency, in the area of technology support to strengthen the system of education.

[SEC. 3113. DEFINITIONS.

[For purposes of this title—

[(1) the term "adult education" has the same meaning given such term by section 203 of the Adult Education and Family Literacy Act;

[(2) the term "all students" means students from a broad range of backgrounds and circumstances, including disadvantaged students, students with diverse racial, ethnic, and cultural backgrounds, students with disabilities, students with limited English proficiency, students who have dropped out of school, and academically talented students;

[(3) the term "information infrastructure" means a network of communication systems designed to exchange information among all citizens and residents of the United States;

[(4) the term "instructional programming" means the full range of audio and video data, text, graphics, or additional state-of-the-art communications, including multimedia based resources distributed through interactive, command and control, or passive methods for the purpose of education and instruction;

[(5) the terms "interoperable" and "interoperability" mean the ability to exchange easily data with, and connect to, other hardware and software in order to provide the greatest accessibility for all students and other users;

[(6) the term "Office" means the Office of Educational Technology;

[(7) the term "public telecommunications entity" has the same meaning given to such term by section 397(12) of the Communications Act of 1934;

[(8) the term "regional educational laboratory" means a regional educational laboratory supported under section 941(b) of the Educational, Research, Development, Dissemination, and Improvement Act of 1994;

[(9) the term "State educational agency" includes the Bureau of Indian Affairs for purposes of serving schools funded by the Bureau of Indian Affairs in accordance with this part;

[(10) the term "State library administrative agency" has the same meaning given to such term in section 3 of the Library Services and Construction Act; and

[(11) the term "technology" means state-of-the-art technology products and services, such as closed circuit television systems, educational television and radio programs and services, cable television, satellite, copper and fiber optic transmission, computer hardware and software, video and audio laser and CD–ROM discs, and video and audio tapes.

[SEC. 3114. AUTHORIZATION OF APPROPRIATIONS; FUNDING RULE.

[(a) AUTHORIZATION OF APPROPRIATIONS.—

[(1) SUBPARTS 1, 2, AND 3.—There are authorized to be appropriated $200,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years to carry out subparts 1, 2, and 3, of which—

[(A)(i) $3,000,000 shall be available to carry out subpart 1 (National Programs for Technology in Education) for any such year for which the amount appropriated under this subsection is less than $75,000,000; and

[(ii) $5,000,000 shall be available to carry out subpart 1 for any such year for which the amount appropriated under this subsection is equal to or greater than $75,000,000;

[(B) $10,000,000 shall be available to carry out subpart 3 (Regional Technical Support and Professional Development) for each such year; and

[(C) the remainder shall be available to carry out subpart 2 (State and Local Programs for School Technology Resources) for each such year.

[(2) SUBPART 4.—For the purpose of carrying out subpart 4, there are authorized to be appropriated $50,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(b) FUNDING RULE.—

[(1) APPROPRIATIONS OF LESS THAN $75,000,000.—For any fiscal year for which the amount appropriated under subsection (a)(1) is less than $75,000,000, from the remainder of funds made available under subsection (a)(1)(C) the Secretary shall award grants for the National Challenge Grants in accordance with section 3136.

[(2) APPROPRIATIONS EQUAL TO OR GREATER THAN $75,000,000.—For any fiscal year for which the amount appropriated under subsection (a)(1) is equal to or greater than $75,000,000, from the remainder of funds made available

under subsection (a)(1)(C) the Secretary shall award grants to State educational agencies from allotments under section 3131, except that the Secretary may reserve, from such remainder, such funds as the Secretary determines necessary to meet outstanding obligations for such fiscal year to continue the National Challenge Grants for Technology awarded under section 3136.

[SEC. 3115. LIMITATION ON COSTS.

[Not more than 5 percent of the funds under this part that are made available to a recipient of funds under this part for any fiscal year may be used by such recipient for administrative costs or technical assistance.

[Subpart 1—National Programs for Technology in Education

[SEC. 3121. NATIONAL LONG-RANGE TECHNOLOGY PLAN.

[(a) IN GENERAL.—The Secretary shall develop and publish not later than 12 months after the date of the enactment of the Improving America's Schools Act of 1994, and update when the Secretary determines appropriate, a national long-range plan that supports the overall national technology policy and carries out the purposes of this part.

[(b) PLAN REQUIREMENTS.—The Secretary shall—

[(1) develop the national long-range plan in consultation with other Federal departments or agencies, State and local education practitioners and policymakers, experts in technology and the applications of technology to education, representatives of distance learning consortia, representatives of telecommunications partnerships receiving assistance under the Star Schools Act, and providers of technology services and products;

[(2) transmit such plan to the President and to the appropriate committees of the Congress; and

[(3) publish such plan in a form that is readily accessible to the public.

[(c) CONTENTS OF THE PLAN.—The national long-range plan shall describe the Secretary's activities to promote the purposes of this title, including—

[(1) how the Secretary will encourage the effective use of technology to provide all students the opportunity to achieve State content standards and State student performance standards, especially through programs administered by the Department;

[(2) joint activities in support of the overall national technology policy with other Federal departments or agencies, such as the Office of Science and Technology Policy, the National Endowment for the Humanities, the National Endowment for the Arts, the National Institute for Literacy, the National Aeronautics and Space Administration, the National Science Foundation, the Bureau of Indian Affairs, and the Departments of Commerce, Energy, Health and Human Services, and Labor—

[(A) to promote the use of technology in education, training, and lifelong learning, including plans for the educational uses of a national information infrastructure; and

[(B) to ensure that the policies and programs of such departments or agencies facilitate the use of technology for educational purposes, to the extent feasible;

[(3) how the Secretary will work with educators, State and local educational agencies, and appropriate representatives of the private sector to facilitate the effective use of technology in education;

[(4) how the Secretary will promote—

[(A) higher achievement of all students through the integration of technology into the curriculum;

[(B) increased access to the benefits of technology for teaching and learning for schools with a high number or percentage of children from low-income families;

[(C) the use of technology to assist in the implementation of State systemic reform strategies;

[(D) the application of technological advances to use in education;

[(E) increased access to high quality adult and family education services through the use of technology for instruction and professional development; and

[(F) increased opportunities for the professional development of teachers in the use of new technologies;

[(5) how the Secretary will determine, in consultation with appropriate individuals, organizations, industries, and agencies, the feasibility and desirability of establishing guidelines to facilitate an easy exchange of data and effective use of technology in education;

[(6) how the Secretary will promote the exchange of information among States, local educational agencies, schools, consortia, and other entities concerning the effective use of technology in education;

[(7) how the Secretary will utilize the outcomes of the evaluation undertaken pursuant to section 3123 to promote the purposes of this part; and

[(8) the Secretary's long-range measurable goals and objectives relating to the purposes of this part.

[SEC. 3122. FEDERAL LEADERSHIP.

[(a) PROGRAM AUTHORIZED.—In order to provide Federal leadership in promoting the use of technology in education, the Secretary, in consultation with the National Science Foundation, the Department of Commerce, the United States National Commission on Libraries and Information Sciences, and other appropriate Federal agencies, may carry out activities designed to achieve the purposes of this part directly or by awarding grants or contracts competitively and pursuant to a peer review process to, or entering into contracts with, State educational agencies, local educational agencies, institutions of higher education, or other public and private nonprofit or for-profit agencies and organizations.

[(b) ASSISTANCE.—

[(1) IN GENERAL.—The Secretary shall provide assistance to the States to enable such States to plan effectively for the use

of technology in all schools throughout the State in accordance with the purpose and requirements of section 317 of the Goals 2000: Educate America Act.

[(2) OTHER FEDERAL AGENCIES.—For the purpose of carrying out coordinated or joint activities consistent with the purposes of this part, the Secretary may accept funds from, and transfer funds to, other Federal agencies.

[(c) USES OF FUNDS.—The Secretary shall use funds made available to carry out this section for activities designed to carry out the purpose of this part, such as—

[(1) providing assistance to technical assistance providers to enable such providers to improve substantially the services such providers offer to educators regarding the uses of technology for education, including professional development;

[(2) providing development grants to technical assistance providers, to enable such providers to improve substantially the services such providers offer to educators on the educational uses of technology, including professional development;

[(3) consulting with representatives of industry, elementary and secondary education, higher education, adult and family education, and appropriate experts in technology and educational applications of technology to carrying out activities under this subpart;

[(4) research on, and the development of, guidelines to facilitate maximum interoperability, efficiency and easy exchange of data for effective use of technology in education;

[(5) research on, and the development of, applications for education of the most advanced and newly emerging technologies which research shall be coordinated, when appropriate, with the Office of Educational Research and Improvement, and other Federal agencies;

[(6) the development, demonstration, and evaluation of the educational aspects of high performance computing and communications technologies and of the national information infrastructure, in providing professional development for teachers, school librarians, and other educators; enriching academic curricula for elementary and secondary schools; facilitating communications among schools, local educational agencies, libraries, parents, and local communities and in other such areas as the Secretary deems appropriate;

[(7) the development, demonstration, and evaluation of applications of existing technology in preschool education, elementary and secondary education, training and lifelong learning, and professional development of educational personnel;

[(8) the development and evaluation of software and other products, including multimedia television programming, that incorporate advances in technology and help achieve the National Education Goals, State content standards and State student performance standards;

[(9) the development, demonstration, and evaluation of model strategies for preparing teachers and other personnel to use technology effectively to improve teaching and learning;

[(10) the development of model programs that demonstrate the educational effectiveness of technology in urban and rural areas and economically distressed communities;

[(11) research on, and the evaluation of, the effectiveness and benefits of technology in education;

[(12) a biennial assessment of, and report to the public regarding, the uses of technology in elementary and secondary education throughout the United States upon which private businesses and Federal, State, tribal, and local governments may rely for decisionmaking about the need for, and provision of, appropriate technologies in schools, which assessment and report shall use, to the extent possible, existing information and resources;

[(13) conferences on, and dissemination of information regarding, the uses of technology in education;

[(14) development of model strategies to promote gender equity concerning assess to, and the use of, technology in the classroom;

[(15) encouraging collaboration between the Department and other Federal agencies in the development, implementation, evaluation and funding of applications of technology for education, as appropriate; and

[(16) such other activities as the Secretary determines will meet the purposes of this subpart.

[(d) NON-FEDERAL SHARE.—

[(1) IN GENERAL.—Subject to paragraphs (2) and (3), the Secretary may require any recipient of a grant or contract under this section to share in the cost of the activities assisted under such grant or contract, which non-Federal share shall be announced through a notice in the Federal Register and may be in the form of cash or in-kind contributions, fairly valued.

[(2) INCREASE.—The Secretary may increase the non-Federal share that is required of a recipient of a grant or contract under this section after the first year such recipient receives funds under such grant or contract.

[(3) MAXIMUM.—The non-Federal share required under this section shall not exceed 50 percent of the cost of the activities assisted pursuant to a grant or contract under this section.

[SEC. 3123. STUDY, EVALUATION AND REPORT OF FUNDING ALTERNATIVES.

[The Secretary, through the Office of Educational Technology, shall conduct a study to evaluate, and report to the Congress on, the feasibility of several alternative models for providing sustained and adequate funding for schools throughout the United States so that such schools are able to acquire and maintain technology-enhanced curriculum, instruction, and administrative support resources and services. Such report shall be submitted to the Congress not later than one year after the date of enactment of the Improving America's Schools Act of 1994.

[Subpart 2—State and Local Programs for School Technology Resources

[SEC. 3131. ALLOTMENT AND REALLOTMENT.

[(a) ALLOTMENT.—

[(1) IN GENERAL.—Except as provided in paragraph (2), each State educational agency shall be eligible to receive a grant under this subpart for a fiscal year in an amount which bears the same relationship to the amount made available under section 3114(a)(1)(C) for such year as the amount such State received under part A of title I for such year bears to the amount received for such year under such part by all States.

[(2) MINIMUM.—No State educational agency shall be eligible to receive a grant under paragraph (1) in any fiscal year in an amount which is less than one-half of one percent of the amount made available under section 3115(a)(1)(C) for such year.

[(b) REALLOTMENT OF UNUSED FUNDS.—

[(1) IN GENERAL.—The amount of any State educational agency's allotment under subsection (a) for any fiscal year which the Secretary determines will not be required for such fiscal year to carry out this subpart shall be available for reallotment from time to time, on such dates during such year as the Secretary may determine, to other State educational agencies in proportion to the original allotments to such State educational agencies under subsection (a) for such year, but with such proportionate amount for any of such other State educational agencies being reduced to the extent such amount exceeds the sum the Secretary estimates such State needs and will be able to use for such year.

[(2) OTHER REALLOTMENTS.—The total of reductions under paragraph (1) shall be similarly reallotted among the State educational agencies whose proportionate amounts were not so reduced. Any amounts reallotted to a State educational agency under this subsection during a year shall be deemed a subpart of such agencies allotment under subsection (a) for such year.

[SEC. 3132. SCHOOL TECHNOLOGY RESOURCE GRANTS.

[(a) GRANTS TO STATES.—

[(1) IN GENERAL.—From amounts made available under section 3131, the Secretary, through the Office of Educational Technology, shall award grants to State educational agencies having applications approved under section 3133.

[(2) USE OF GRANTS.—(A) Each State educational agency receiving a grant under paragraph (1) shall use such grant funds to award grants, on a competitive basis, to local educational agencies to enable such local educational agencies to carry out the activities described in section 3134.

[(B) In awarding grants under subparagraph (A), each State educational agency shall ensure that each such grant is of sufficient duration, and of sufficient size, scope, and quality, to carry out the purposes of this part effectively.

[(b) TECHNICAL ASSISTANCE.—Each State educational agency receiving a grant under paragraph (1) shall—

[(1) identify the local educational agencies served by the State educational agency that—

[(A) have the highest number or percentage of children in poverty; and

[(B) demonstrate to such State educational agency the greatest need for technical assistance in developing the application under section 3133; and

[(2) offer such technical assistance to such local educational agencies.

[SEC. 3133. STATE APPLICATION.

[To receive funds under this subpart, each State educational agency shall submit a statewide educational technology plan which may include plans submitted under the Goals 2000: Educate America Act or other statewide technology plans which meet the requirements of this section. Such application shall be submitted to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Each such application shall contain a systemic statewide plan that—

[(1) outlines long-term strategies for financing technology education in the State and describes how business, industry, and other public and private agencies, including libraries, library literacy programs, and institutions of higher education, can participate in the implementation, ongoing planning, and support of the plan; and

[(2) meets such other criteria as the Secretary may establish in order to enable such agency to provide assistance to local educational agencies that have the highest numbers or percentages of children in poverty and demonstrate the greatest need for technology, in order to enable such local educational agencies, for the benefit of school sites served by such local educational agencies, to carry out activities such as—

[(A) purchasing quality technology resources;

[(B) installing various linkages necessary to acquire connectivity;

[(C) integrating technology into the curriculum in order to improve student learning and achievement;

[(D) providing teachers and library media personnel with training or access to training;

[(E) providing administrative and technical support and services that improve student learning through enriched technology-enhanced resources, including library media resources;

[(F) promoting in individual schools the sharing, distribution, and application of educational technologies with demonstrated effectiveness;

[(G) assisting schools in promoting parent involvement;

[(H) assisting the community in providing literacy-related services;

[(I) establishing partnerships with private or public educational providers or other entities to serve the needs of children in poverty; and

[(J) providing assurances that financial assistance provided under this part shall supplement, not supplant, State and local funds.

[SEC. 3134. LOCAL USES OF FUNDS.

[Each local educational agency, to the extent possible, shall use the funds made available under section 3132(a)(2) for—

[(1) developing, adapting, or expanding existing and new applications of technology to support the school reform effort;

[(2) funding projects of sufficient size and scope to improve student learning and, as appropriate, support professional development, and provide administrative support;

[(3) acquiring connectivity linkages, resources, and services, including the acquisition of hardware and software, for use by teachers, students and school library media personnel in the classroom or in school library media centers, in order to improve student learning by supporting the instructional program offered by such agency to ensure that students in schools will have meaningful access on a regular basis to such linkages, resources and services;

[(4) providing ongoing professional development in the integration of quality educational technologies into school curriculum and long-term planning for implementing educational technologies;

[(5) acquiring connectivity with wide area networks for purposes of accessing information and educational programming sources, particularly with institutions of higher education and public libraries; and

[(6) providing educational services for adults and families.

[SEC. 3135. LOCAL APPLICATIONS.

[Each local educational agency desiring assistance from a State educational agency under section 3132(a)(2) shall submit an application, consistent with the objectives of the systemic statewide plan, to the State educational agency at such time, in such manner and accompanied by such information as the State educational agency may reasonably require. Such application, at a minimum, shall—

[(1) include a strategic, long-range (three- to five-year), plan that includes—

[(A) a description of the type of technologies to be acquired, including specific provisions for interoperability among components of such technologies and, to the extent practicable, with existing technologies;

[(B) an explanation of how the acquired technologies will be integrated into the curriculum to help the local educational agency enhance teaching, training, and student achievement;

[(C) an explanation of how programs will be developed in collaboration with existing adult literacy services providers to maximize the use of such technologies;

[(D)(i) a description of how the local educational agency will ensure ongoing, sustained professional development for teachers, administrators, and school library media personnel served by the local educational agency to further the use of technology in the classroom or library media center, and

[(ii) a list of the source or sources of ongoing training and technical assistance available to schools, teachers and

administrators served by the local educational agency, such as State technology offices, intermediate educational support units, regional educational laboratories or institutions of higher education;

[(E) a description of the supporting resources, such as services, software and print resources, which will be acquired to ensure successful and effective use of technologies acquired under this section;

[(F) the projected timetable for implementing such plan in schools;

[(G) the projected cost of technologies to be acquired and related expenses needed to implement such plan; and

[(H) a description of how the local educational agency will coordinate the technology provided pursuant to this subpart with other grant funds available for technology from State and local sources;

[(2) describe how the local educational agency will involve parents, public libraries, business leaders and community leaders in the development of such plan;

[(3) describe how the acquired instructionally based technologies will help the local educational agency—

[(A) promote equity in education in order to support State content standards and State student performance standards that may be developed; and

[(B) provide access for teachers, parents and students to the best teaching practices and curriculum resources through technology; and

[(4) describe a process for the ongoing evaluation of how technologies acquired under this section—

[(A) will be integrated into the school curriculum; and

[(B) will affect student achievement and progress toward meeting the National Education Goals and any challenging State content standards and State student performance standards that may be developed.

[(d) FORMATION OF CONSORTIA.—A local educational agency for any fiscal year may apply for financial assistance as part of a consortium with other local educational agencies, institutions of higher education, intermediate educational units, libraries, or other educational entities appropriate to provide local programs. The State educational agency may assist in the formation of consortia among local educational agencies, providers of educational services for adults and families, institutions of higher education, intermediate educational units, libraries, or other appropriate educational entities to provide services for the teachers and students in a local educational agency at the request of such local educational agency.

[(e) COORDINATION OF APPLICATION REQUIREMENTS.—If a local educational agency submitting an application for assistance under this section has developed a comprehensive education improvement plan, in conjunction with requirements under this Act or the Goals 2000: Educate America Act, the State educational agency may approve such plan, or a component of such plan, notwithstanding the requirements of subsection (e) if the State educational agency determines that such approval would further the purposes of this subpart.

[SEC. 3136. NATIONAL CHALLENGE GRANTS FOR TECHNOLOGY IN EDUCATION.

[(a) GRANTS AUTHORIZED.—

[(1) IN GENERAL.—From amounts made available under section 3115(b)(1) for any fiscal year the Secretary is authorized to award grants, on a competitive basis, to consortia having applications approved under subsection (d), which consortia shall include at least one local educational agency with a high percentage or number of children living below the poverty line and may include other local educational agencies, State educational agencies, institutions of higher education, businesses, academic content experts, software designers, museums, libraries, or other appropriate entities.

[(2) DURATION.—Grants under this section shall be awarded for a period of 5 years.

[(b) USE OF GRANTS.—Grants awarded under subsection (a) shall be used for activities similar to the activities described in section 3134.

[(c) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to consortia which demonstrate in the application submitted under subsection (d) that—

[(1) the project for which assistance is sought is designed to serve areas with a high number or percentage of disadvantaged students or the greatest need for educational technology;

[(2) the project will directly benefit students by, for example, integrating the acquired technologies into curriculum to help the local educational agency enhance teaching, training, and student achievement;

[(3) the project will ensure ongoing, sustained professional development for teachers, administrators, and school library media personnel served by the local educational agency to further the use of technology in the classroom or library media center;

[(4) the project will ensure successful, effective, and sustainable use of technologies acquired under this subsection; and

[(5) members of the consortia or other appropriate entities will contribute substantial financial and other resources to achieve the goals of the project.

[(d) APPLICATION.—Each local educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[SEC. 3137. FEDERAL ADMINISTRATION.

[(a) EVALUATION PROCEDURES.—The Secretary shall develop procedures for State and local evaluations of the programs under this subpart.

[(b) EVALUATION SUMMARY.—The Secretary shall submit to the Congress four years after the enactment of the Improving America's Schools Act of 1994 a summary of the State evaluations of programs under this subpart in accordance with the provisions of section 14701.

[Subpart 3—Regional Technical Support and Professional Development

[SEC. 3141. REGIONAL TECHNICAL SUPPORT AND PROFESSIONAL DEVELOPMENT.

[(a) GRANTS AUTHORIZED.—

[(1) AUTHORITY.—The Secretary, through the Office of Educational Technology, shall make grants in accordance with the provisions of this section, to regional entities such as the Eisenhower Mathematics and Science Regional Consortia under part C of title XIII, the regional education laboratories, the comprehensive regional assistance centers, or such other regional entities as may be designated or established by the Secretary. In awarding grants under this section, the Secretary shall give priority to such consortia and shall ensure that each geographic region of the United States shall be served by such a consortium.

[(2) REQUIREMENTS.—Each consortium receiving a grant under this section shall—

[(A) be composed of State educational agencies, institutions of higher education, nonprofit organizations, or a combination thereof;

[(B) in cooperation with State and local educational agencies, develop a regional program that addresses professional development, technical assistance, and information resource dissemination, with special emphasis on meeting the documented needs of educators and learners in the region; and

[(C) foster regional cooperation and resource and coursework sharing.

[(b) FUNCTIONS.—

[(1) TECHNICAL ASSISTANCE.—Each consortium receiving a grant under this section shall, to the extent practicable—

[(A) collaborate with State educational agencies and local educational agencies requesting collaboration, particularly in the development of strategies for assisting those schools with the highest numbers or percentages of disadvantaged students with little or no access to technology in the classroom;

[(B) provide information, in coordination with information available from the Secretary, to State educational agencies, local educational agencies, schools and adult education programs, on the types and features of various educational technology equipment and software available, evaluate and make recommendations on equipment and software that support the National Education Goals and are suited for a school's particular needs, and compile and share information regarding creative and effective applications of technology in the classroom and school library media centers in order to support the purposes of this part;

[(C) collaborate with such State educational agencies, local educational agencies, or schools requesting to participate in the tailoring of software programs and other supporting materials to meet challenging State content stand-

ards or challenging State student performance standards that may be developed; and

[(D) provide technical assistance to facilitate use of the electronic dissemination networks by State and local educational agencies and schools throughout the region.

[(2) PROFESSIONAL DEVELOPMENT.—Each consortium receiving a grant under this section shall, to the extent practicable—

[(A) develop and implement, in collaboration with State educational agencies and institutions of higher education, technology-specific, ongoing professional development, such as—

[(i) intensive school year and summer workshops that use teachers, school librarians, and school library personnel to train other teachers, school librarians, and other school library media personnel; and

[(ii) distance professional development, including—

[(I) interactive training tele-courses using researchers, educators, and telecommunications personnel who have experience in developing, implementing, or operating educational and instructional technology as a learning tool;

[(II) onsite courses teaching teachers to use educational and instructional technology and to develop their own instructional materials for effectively incorporating technology and programming in their own classrooms;

[(III) methods for successful integration of instructional technology into the curriculum in order to improve student learning and achievement;

[(IV) video conferences and seminars which offer professional development through peer interaction with experts as well as other teachers using technologies in their classrooms; and

[(V) mobile education technology and training resources;

[(B) develop training resources that—

[(i) are relevant to the needs of the region and schools within the region;

[(ii) are relevant to the needs of adult literacy staff and volunteers, including onsite courses on how to—

[(I) use instructional technology; and

[(II) develop instructional materials for adult learning; and

[(iii) are aligned with the needs of teachers and administrators in the region;

[(C) establish a repository of professional development and technical assistance resources;

[(D) identify and link technical assistance providers to State and local educational agencies, as needed;

[(E) ensure that training, professional development, and technical assistance meet the needs of educators, parents, and students served by the region;

[(F) assist colleges and universities within the region to develop and implement preservice training programs for students enrolled in teacher education programs; and

[(G) assist local educational agencies and schools in working with community members and parents to develop support from communities and parents for educational technology programs and projects.

[(3) INFORMATION AND RESOURCE DISSEMINATION.—Each consortium receiving a grant under this section shall, to the extent practicable—

[(A) assist State and local educational agencies in the identification and procurement of financial, technological and human resources needed to implement technology plans;

[(B) provide outreach and, at the request of a State or local educational agency, work with such agency to assist in the development and validation of instructionally based technology education resources; and

[(C) coordinate activities and establish partnerships with organizations and institutions of higher education that represent the interests of the region as such interests pertain to the application of technology in teaching, learning, instructional management, dissemination, collection and distribution of educational statistics, and the transfer of student information.

[(4) COORDINATION.—Each consortium receiving a grant under this section shall work collaboratively, and coordinate the services the consortium provides, with appropriate regional and other entities assisted in whole or in part by the Department.

[Subpart 4—Product Development

[SEC. 3151. EDUCATIONAL TECHNOLOGY PRODUCT DEVELOPMENT.

[(a) PURPOSE.—It is the purpose of this subpart to—

[(1) support development of curriculum-based learning resources using state-of-the-art technologies and techniques design to improve student learning; and

[(2) support development of long-term comprehensive instructional programming and associated support resources that ensure maximum access by all educational institutions.

[(b) FEDERAL ASSISTANCE AUTHORIZED.—

[(1) IN GENERAL.—The Secretary shall provide assistance, on a competitive basis, to eligible consortia to enable such entities to develop, produce, and distribute state-of-the-art technology-enhanced instructional resources and programming for use in the classroom or to support professional development for teachers.

[(2) GRANTS AND LOANS AUTHORIZED.—In carrying out the purposes of this section, the Secretary is authorized to pay the Federal share of the cost of the development, production, and distribution of state-of-the-art technology enhanced instructional resources and programming—

[(A) by awarding grants to, or entering into contracts or cooperative agreements with, eligible consortia; or

[(B) by awarding loans to eligible consortia which—

[(i) shall be secured in such manner and be repaid within such period, not exceeding 20 years, as may be determined by the Secretary;

[(ii) Shall bear interest at a rate determined by the Secretary which shall be not more than the total of one-quarter of 1 percent per annum added to the rate of interest paid by the Secretary on funds obtained from the Secretary of the Treasury; and

[(iii) may be forgiven by the Secretary, in an amount not to exceed 25 percent of the total loan, under such terms and conditions as the Secretary may consider appropriate.

[(3) MATCHING REQUIREMENT.—The Secretary may require any recipient of a grant or contract under this subpart to share in the cost of the activities assisted under such grant or contract, which non-Federal share shall be announced through a notice in the Federal Register and may be in the form of cash or in-kind contributions, fairly valued.

[(4) ELIGIBLE CONSORTIUM.—For the purpose of this subsection, the term "eligible consortium" means a consortium—

[(A) that shall include—

[(i) a State or local educational agency; and

[(ii) a business, industry, or telecommunications entity; and

[(B) that may include—

[(i) a public or private nonprofit organization; or

[(ii) postsecondary institution.

[(5) PRIORITIES.—In awarding assistance under this section, the Secretary shall give priority to applications describing programs or systems that—

[(A) promote the acquisition of higher-order thinking skills and promise to raise the achievement levels of all students, particularly disadvantaged students who are not realizing their potential;

[(B) are aligned with challenging State content standards and State and local curriculum frameworks;

[(C) may be adapted and applied nationally at a reasonable cost over a broad technology platform;

[(D) convert technology resources developed with support from the Department of Defense and other Federal agencies for effective use in the classroom.

[(E) show promise of reducing the costs of providing high quality instruction;

[(F) show promise of expanding access to high-quality instruction in content areas which would otherwise not be available to students in rural and urban communities or who are served by other educational agencies with limited financial resources;

[(G) are developed in consultation with classroom teachers;

[(H) are developed through consultation and collaboration with appropriate education entities in designing the product to ensure relevance to the voluntary national con-

tent standards, the voluntary national student performance standards and State curriculum frameworks; and

[(I) are developed so that the product can be adapted for use by adults in need of literacy services, including English as a second language and preparation for a secondary school diploma or its recognized equivalent.

[(6) REQUIREMENTS FOR FEDERAL ASSISTANCE.—Each eligible consortium desiring Federal assistance under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe. Each application shall include—

[(A) a description of how the product will improve the achievement levels of students;

[(B) a description of how the activities assisted under this section will promote professional development of teachers and administrators in the uses and applications of the product, including the development of training materials;

[(C) a description of design, development, field testing, evaluation, and distribution of products, where appropriate;

[(D) an assurance that the product shall effectively serve a significant number or percentage of economically disadvantaged students;

[(E) plans for dissemination of products to a wide audience of learners;

[(F) a description of how the product can be adapted for use by students with disabilities including provisions for closed captioning or descriptive video, where appropriate;

[(G) a description of how ownership and rights to the use and marketing of any product developed by the consortium, including intellectual property rights, will be allocated among consortium participants; and

[(H) a description of the contributions, including services and funds, to be made by each member of the consortium, and how any revenues derived from the sale of any product developed by the consortium shall be distributed.

[(c) CONSUMER REPORT.—The Secretary shall provide for the independent evaluation of products developed under this section and shall disseminate information about products developed pursuant to provisions of this section to State and local educational agencies, and other organizations or individuals that the Secretary determines to be appropriate, through print and electronic media that are accessible to the education community at large.

[(d) PROCEEDS.—The Secretary shall not prohibit an eligible consortium or any of the members of such consortium from receiving financial benefits from the distribution of any products resulting from the assistance received under this section. Notwithstanding any other provision of law, any profits or royalties received by a State educational agency, local educational agency, or other nonprofit member of an eligible consortium receiving assistance under this section shall be used to support further development of curriculum-based learning resources, services, and programming or to provide access to such products for a wider audience.

[PART B—STAR SCHOOLS PROGRAM

[SEC. 3201. SHORT TITLE.

[This part may be cited as the "Star Schools Act".

[SEC. 3302. FINDINGS.

[The Congress finds that—

[(1) the Star Schools program has helped to encourage the use of distance learning strategies to serve multi-State regions primarily by means of satellite and broadcast television;

[(2) in general, distance learning programs have been used effectively to provide students in small, rural, and isolated schools with courses and instruction, such as science and foreign language instruction, that the local educational agency is not otherwise able to provide; and

[(3) distance learning programs may also be used to—

[(A) provide students of all ages in all types of schools and educational settings with greater access to high-quality instruction in the full range of core academic subjects that will enable such students to meet challenging, internationally competitive, educational standards;

[(B) expand professional development opportunities for teachers;

[(C) contribute to achievement of the National Education Goals; and

[(D) expand learning opportunities for everyone.

[SEC. 3203. PURPOSE.

[It is the purpose of this part to encourage improved instruction in mathematics, science, and foreign languages as well as other subjects, such as literacy skills and vocational education, and to serve underserved populations, including the disadvantaged, illiterate, limited-English proficient, and individuals with disabilities, through a star schools program under which grants are made to eligible telecommunication partnerships to enable such partnerships to—

[(1) develop, construct, acquire, maintain and operate telecommunications audio and visual facilities and equipment;

[(2) develop and acquire educational and instructional programming; and

[(3) obtain technical assistance for the use of such facilities and instructional programming.

[SEC. 3204. GRANTS AUTHORIZED.

[(a) AUTHORITY.—The Secretary, through the Office of Educational Technology, is authorized to make grants, in accordance with the provisions of this part, to eligible entities to pay the Federal share of the cost of—

[(1) the development, construction, acquisition, maintenance and operation of telecommunications facilities and equipment;

[(2) the development and acquisition of live, interactive instructional programming;

[(3) the development and acquisition of preservice and inservice teacher training programs based on established research regarding teacher-to-teacher mentoring, effective skill transfer, and ongoing, in-class instruction;

[(4) the establishment of teleconferencing facilities and resources for making interactive training available to teachers;

[(5) obtaining technical assistance; and

[(6) the coordination of the design and connectivity of telecommunications networks to reach the greatest number of schools.

[(b) DURATION.—

[(1) IN GENERAL.—The Secretary shall award grants pursuant to subsection (a) for a period of 5 years.

[(2) RENEWAL.—Grants awarded pursuant to subsection (a) may be renewed for one additional three-year period.

[(c) AUTHORIZATION OF APPROPRIATIONS.—

[(1) IN GENERAL.—There are authorized to be appropriated $35,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this part.

[(2) AVAILABILITY.—Funds appropriated pursuant to the authority of subsection (a) shall remain available until expended.

[(d) LIMITATIONS.—

[(1) IN GENERAL.—A grant under this section shall not exceed—

[(A) five years in duration; and

[(B) $10,000,000 in any one fiscal year.

[(2) INSTRUCTIONAL PROGRAMMING.—Not less than 25 percent of the funds available to the Secretary in any fiscal year under this part shall be used for the cost of instructional programming.

[(3) SPECIAL RULE.—Not less than 50 percent of the funds available in any fiscal year under this part shall be used for the cost of facilities, equipment, teacher training or retraining, technical assistance, or programming, for local educational agencies which are eligible to receive assistance under part A of title I.

[(e) FEDERAL SHARE.—

[(1) IN GENERAL.—The Federal share of the cost of projects funded under this section shall not exceed—

[(A) 75 percent for the first and second years for which an eligible telecommunications partnership receives a grant under this part;

[(B) 60 percent for the third and fourth such years; and

[(C) 50 percent for the fifth such year.

[(2) REDUCTION OR WAIVER.—The Secretary may reduce or waive the requirement of the non-Federal share under paragraph (1) upon a showing of financial hardship.

[(f) AUTHORITY TO ACCEPT FUNDS FROM OTHER AGENCIES.—The Secretary is authorized to accept funds from other Federal departments or agencies to carry out the purposes of this section, including funds for the purchase of equipment.

[(g) COORDINATION.—The Department, the National Science Foundation, the Department of Agriculture, the Department of Commerce, and any other Federal department or agency operating a telecommunications network for educational purposes, shall coordinate the activities assisted under this part with the activities

of such department or agency relating to a telecommunications network for educational purposes.

[(h) CLOSED CAPTIONING AND DESCRIPTIVE VIDEO.—Each entity receiving funds under this part is encouraged to provide—

[(1) closed captioning of the verbal content of such program, where appropriate, to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies; and

[(2) descriptive video of the visual content of such program, as appropriate.

[SEC. 3205. ELIGIBLE ENTITIES.

[(a) ELIGIBLE ENTITIES.—

[(1) REQUIRED PARTICIPATION.—The Secretary may make a grant under section 3204 to any eligible entity, if at least one local educational agency is participating in the proposed project.

[(2) ELIGIBLE ENTITY.—For the purpose of this part, the term "eligible entity" may include—

[(A) a public agency or corporation established for the purpose of developing and operating telecommunications networks to enhance educational opportunities provided by educational institutions, teacher training centers, and other entities, except that any such agency or corporation shall represent the interests of elementary and secondary schools that are eligible to participate in the program under part A of title I; or

[(B) a partnership that will provide telecommunications services and which includes 3 or more of the following entities at least 1 of which shall be an agency described in clause (i) or (ii):

[(i) a local educational agency that serves a significant number of elementary and secondary schools that are eligible for assistance under part A of title I, or elementary and secondary schools operated or funded for Indian children by the Department of the Interior eligible under section 1121(b)(2);

[(ii) a State educational agency;

[(iii) adult and family education programs;

[(iv) an institution of higher education or a State higher education agency;

[(v) a teacher training center or academy that—

[(I) provides teacher pre-service and in-service training; and

[(II) receives Federal financial assistance or has been approved by a State agency;

[(vi) (I) a public or private entity with experience and expertise in the planning and operation of a telecommunications network, including entities involved in telecommunications through satellite, cable, telephone, or computer; or

[(II) a public broadcasting entity with such experience; or

[(vii) a public or private elementary or secondary school.

[(b) SPECIAL RULE.—An eligible entity receiving assistance under this part shall be organized on a statewide or multistate basis.

[SEC. 3206. APPLICATIONS.

[(a) APPLICATIONS REQUIRED.—Each eligible entity which desires to receive a grant under section 3204 shall submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

[(b) STAR SCHOOL AWARD APPLICATIONS.—Each application submitted pursuant to subsection (a) shall—

[(1) describe how the proposed project will assist in achieving the National Education Goals, how such project will assist all students to have an opportunity to learn to challenging State standards, how such project will assist State and local educational reform efforts, and how such project will contribute to creating a high quality system of lifelong learning;

[(2) describe the telecommunications facilities and equipment and technical assistance for which assistance is sought, which may include—

[(A) the design, development, construction, acquisition, maintenance and operation of State or multistate educational telecommunications networks and technology resource centers;

[(B) microwave, fiber optics, cable, and satellite transmission equipment or any combination thereof;

[(C) reception facilities;

[(D) satellite time;

[(E) production facilities;

[(F) other telecommunications equipment capable of serving a wide geographic area;

[(G) the provision of training services to instructors who will be using the facilities and equipment for which assistance is sought, including training in using such facilities and equipment and training in integrating programs into the classroom curriculum; and

[(H) the development of educational and related programming for use on a telecommunications network;

[(3) in the case of an application for assistance for instructional programming, describe the types of programming which will be developed to enhance instruction and training and provide assurances that such programming will be designed in consultation with professionals (including classroom teachers) who are experts in the applicable subject matter and grade levels;

[(4) describe how the eligible entity has engaged in sufficient survey and analysis of the area to be served to ensure that the services offered by the eligible entity will increase the availability of courses of instruction in English, mathematics, science, foreign languages, arts, history, geography, or other disciplines;

[(5) describe the professional development policies for teachers and other school personnel to be implemented to ensure the effective use of the telecommunications facilities and equipment for which assistance is sought;

[(6) describe the manner in which historically underserved students (such as students from low-income families, limited English proficient students, students with disabilities, or students who have low literacy skills) and their families, will participate in the benefits of the telecommunications facilities, equipment, technical assistance, and programming assisted under this part;

[(7) describe how existing telecommunications equipment, facilities, and services, where available, will be used;

[(8) provide assurances that the financial interest of the United States in the telecommunications facilities and equipment will be protected for the useful life of such facilities and equipment;

[(9) provide assurances that a significant portion of any facilities and equipment, technical assistance, and programming for which assistance is sought for elementary and secondary schools will be made available to schools or local educational agencies that have a high number or percentage of children eligible to be counted under part A of title I;

[(10) provide assurances that the applicant will use the funds provided under this part to supplement and not supplant funds otherwise available for the purposes of this part;

[(11) if any member of the consortia receives assistance under subpart 3 of part A, describe now funds received under this part will be coordinated with funds received for educational technology in the classroom under such section;

[(12) describe the activities or services for which assistance is sought, such as—

[(A) providing facilities, equipment, training services, and technical assistance;

[(B) making programs accessible to students with disabilities through mechanisms such as closed captioning and descriptive video services;

[(C) linking networks around issues of national importance (such as elections) or to provide information about employment opportunities, job training, or student and other social service programs;

[(D) sharing curriculum resources between networks and development of program guides which demonstrate cooperative, cross-network listing of programs for specific curriculum areas;

[(E) providing teacher and student support services including classroom and training support materials which permit student and teacher involvement in the live interactive distance learning telecasts;

[(F) incorporating community resources such as libraries and museums into instructional programs;

[(G) providing professional development for teachers including, as appropriate, training to early childhood development and Head Start teachers and staff and vocational education teachers and staff, and adult and family educators;

[(H) providing programs for adults to maximize the use of telecommunications facilities and equipment;

[(I) providing teacher training on proposed or established voluntary national content standards in mathematics and science and other disciplines as such standards are developed; and

[(J) providing parent education programs during and after the regular school day which reinforce a student's course of study and actively involve parents in the learning process;

[(13) describe how the proposed project as a whole will be financed and how arrangements for future financing will be developed before the project expires;

[(14) provide an assurance that a significant portion of any facilities, equipment, technical assistance, and programming for which assistance is sought for elementary and secondary schools will be made available to schools in local educational agencies that have a high percentage of children counted for the purpose of part A of title I;

[(15) provide an assurance that the applicant will provide such information and cooperate in any evaluation that the Secretary may conduct under this part; and

[(16) include such additional assurances as the Secretary may reasonably require.

[(c) PRIORITIES.—The Secretary, in approving applications for grants authorized under section 3204, shall give priority to applications describing projects that—

[(1) propose high-quality plans to assist in achieving one or more of the National Education Goals, will provide instruction consistent with State content standards, or will otherwise provide significant and specific assistance to States and local educational agencies undertaking systemic education reform;

[(2) will provide services to programs serving adults, especially parents, with low levels of literacy;

[(3) will serve schools with significant numbers of children counted for the purposes of part A of title I;

[(4) ensure that the eligible entity will—

[(A) serve the broadest range of institutions, programs providing instruction outside of the school setting, programs serving adults, especially parents, with low levels of literacy, institutions of higher education, teacher training centers, research institutes, and private industry;

[(B) have substantial academic and teaching capabilities, including the capability of training, retraining, and inservice upgrading of teaching skills and the capability to provide professional development;

[(C) provide a comprehensive range of courses for educators to teach instructional strategies for students with different skill levels;

[(D) provide training to participating educators in ways to integrate telecommunications courses into existing school curriculum;

[(E) provide instruction for students, teachers, and parents;

[(F) serve a multistate area; and

[(G) give priority to the provision of equipment and linkages to isolated areas; and

[(5) involve a telecommunications entity (such as a satellite, cable, telephone, computer, or public or private television stations) participating in the eligible entity and donating equipment or in-kind services for telecommunications linkages.

[(d) GEOGRAPHIC DISTRIBUTION.—In approving applications for grants authorized under section 3204, the Secretary shall, to the extent feasible, ensure an equitable geographic distribution of services provided under this part.

[SEC. 3207. LEADERSHIP AND EVALUATION ACTIVITIES.

[(a) RESERVATION.—From the amount appropriated pursuant to the authority of section 3204(c)(1) in each fiscal year, the Secretary may reserve not more than 5 percent of such amount for national leadership, evaluation, and peer review activities.

[(b) METHOD OF FUNDING.—The Secretary may fund the activities described in subsection (a) directly or through grants, contracts, and cooperative agreements.

[(c) USES OF FUNDS.—

[(1) LEADERSHIP.—Funds reserved for leadership activities under subsection (a) may be used for—

[(A) disseminating information, including lists and descriptions of services available from grant recipients under this part; and

[(B) other activities designed to enhance the quality of distance learning activities nationwide.

[(2) EVALUATION.—Funds reserved for evaluation activities under subsection (a) may be used to conduct independent evaluations of the activities assisted under this part and of distance learning in general, including—

[(A) analyses of distance learning efforts, including such efforts that are assisted under this part and such efforts that are not assisted under this part; and

[(B) comparisons of the effects, including student outcomes, of different technologies in distance learning efforts.

[(3) PEER REVIEW.—Funds reserved for peer review activities under subsection (a) may be used for peer review of—

[(A) applications for grants under this part; and

[(B) activities assisted under this part.

[SEC. 3208. DEFINITIONS.

[As used in this part—

[(1) the term "educational institution" means an institution of higher education, a local educational agency, or a State educational agency;

[(2) the term "instructional programming" means courses of instruction and training courses for elementary and secondary students, teachers, and others, and materials for use in such instruction and training that have been prepared in audio and visual form on tape, disc, film, or live, and presented by means of telecommunications devices; and

[(3) the term "public broadcasting entity" has the same meaning given such term in section 397 of the Communications Act of 1934.

[SEC. 3209. ADMINISTRATIVE PROVISIONS.

[(a) CONTINUING ELIGIBILITY.—

[(1) IN GENERAL.—In order to be eligible to receive a grant under section 3204 for a second 3-year grant period an eligible entity shall demonstrate in the application submitted pursuant to section 3206 that such partnership shall—

[(A) continue to provide services in the subject areas and geographic areas assisted with funds received under this part for the previous 5-year grant period; and

[(B) use all grant funds received under this part for the second 3-year grant period to provide expanded services by—

[(i) increasing the number of students, schools or school districts served by the courses of instruction assisted under this part in the previous fiscal year;

[(ii) providing new courses of instruction; and

[(iii) serving new populations of underserved individuals, such as children or adults who are disadvantaged, have limited-English proficiency, are individuals with disabilities, are illiterate, or lack secondary school diplomas or their recognized equivalent.

[(2) SPECIAL RULE.—Grant funds received pursuant to paragraph (1) shall be used to supplement and not supplant services provided by the grant recipient under this part in the previous fiscal year.

[(b) FEDERAL ACTIVITIES.—The Secretary may assist grant recipients under section 3204 in acquiring satellite time, where appropriate, as economically as possible.

[SEC. 3210. OTHER ASSISTANCE.

[(a) SPECIAL STATEWIDE NETWORK.—

[(1) IN GENERAL.—The Secretary, through the Office of Educational Technology, may provide assistance to a statewide telecommunications network under this subsection if such network—

[(A) provides 2-way full motion interactive video and audio communications;

[(B) links together public colleges and universities and secondary schools throughout the State; and

[(C) meets any other requirements determined appropriate by the Secretary.

[(2) STATE CONTRIBUTION.—A statewide telecommunications network assisted under paragraph (1) shall contribute, either directly or through private contributions, non-Federal funds equal to not less than 50 percent of the cost of such network.

[(b) SPECIAL LOCAL NETWORK.—

[(1) IN GENERAL.—The Secretary may provide assistance, on a competitive basis, to a local educational agency or consortium thereof to enable such agency or consortium to establish a high technology demonstration program.

[(2) PROGRAM REQUIREMENTS.—A high technology demonstration program assisted under paragraph (1) shall—

[(A) include 2-way full motion interactive video, audio and text communications;

[(B) link together elementary and secondary schools, colleges, and universities;

[(C) provide parent participation and family programs;

[(D) include a staff development program; and

[(E) have a significant contribution and participation from business and industry.

[(3) SPECIAL RULE.—Each high technology demonstration program assisted under paragraph (1) shall be of sufficient size and scope to have an effect on meeting the National Education Goals.

[(4) MATCHING REQUIREMENT.—A local educational agency or consortium receiving a grant under paragraph (1) shall provide, either directly or through private contributions, non-Federal matching funds equal to not less than 50 percent of the amount of the grant.

[(c) TELECOMMUNICATIONS PROGRAMS FOR CONTINUING EDUCATION.—

[(1) AUTHORITY.—The Secretary is authorized to award grants, on a competitive basis, to eligible entities to enable such partnerships to develop and operate one or more programs which provide on-line access to educational resources in support of continuing education and curriculum requirements relevant to achieving a secondary school diploma or its recognized equivalent. The program authorized by this section shall be designed to advance adult literacy, secondary school completion and the acquisition of specified competency by the end of the 12th grade, as envisioned by the Goals 2000: Educate America Act.

[(2) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary. Each such application shall—

[(A) demonstrate that the applicant will use publicly funded or free public telecommunications infrastructure to deliver video, voice and data in an integrated service to support and assist in the acquisition of a secondary school diploma or its recognized equivalent;

[(B) assure that the content of the materials to be delivered is consistent with the accreditation requirements of the State for which such materials are used;

[(C) incorporate, to the extent feasible, materials developed in the Federal departments and agencies and under appropriate federally funded projects and programs;

[(D) assure that the applicant has the technological and substantive experience to carry out the program; and

[(E) contain such additional assurances as the Secretary may reasonably require.

[PART C—READY-TO-LEARN TELEVISION

[SEC. 3301. READY-TO-LEARN.

[(a) IN GENERAL.—The Secretary is authorized to award grants to or enter into contracts or cooperative agreements with eligible entities described in section 3302(b) to develop, produce, and distribute educational and instructional video programming for preschool and elementary school children and their parents in order to facilitate the achievement of the National Education Goals.

[(b) AVAILABILITY.—In making such grants, contracts, or cooperative agreements, the Secretary shall ensure that recipients make programming widely available with support materials as appropriate to young children, their parents, child care workers, and Head Start providers to increase the effective use of such programming.

[SEC. 3302. EDUCATIONAL PROGRAMMING.

[(a) AWARDS.—The Secretary shall award grants, contracts, or cooperative agreements to eligible entities to—

[(1) facilitate the development directly or through contracts with producers of children and family educational television programming, educational programming for preschool and elementary school children, and accompanying support materials and services that promote the effective use of such programming; and

[(2) enable such entities to contract with entities (such as public telecommunications entities and those funded under the Star Schools Act) so that programs developed under this section are disseminated and distributed to the widest possible audience appropriate to be served by the programming by the most appropriate distribution technologies.

[(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant, contract, or cooperative agreement under subsection (a), an entity shall be—

[(1) a nonprofit entity (including a public telecommunications entity) able to demonstrate a capacity for the development and distribution of educational and instructional television programming of high quality for preschool and elementary school children; and

[(2) able to demonstrate a capacity to contract with the producers of children's television programming for the purpose of developing educational television programming of high quality for preschool and elementary school children.

[(c) CULTURAL EXPERIENCES.—Programming developed under this section shall reflect the recognition of diverse cultural experiences and the needs and experiences of both boys and girls in engaging and preparing young children for schooling.

[SEC. 3303. DUTIES OF SECRETARY.

[The Secretary is auhtorized—

[(1) to establish and administer a Special Projects of National Significance program to award grants, contracts, or cooperative agreements to public and nonprofit private entities, or local public television stations or such public televisions stations that are part of a consortium with one or more State educational agencies, local educational agencies, local schools, in-

stitutions of higher education, or community-based organizations of demonstrated effectiveness, for the purpose of—

[(A) addressing the learning needs of young children in limited English proficient households, and developing appropriate educational and instructional television programming to foster the school readiness of such children;

[(B) developing programming and support materials to increase family literacy skills among parents to assist parents in teaching their children and utilizing educational television programming to promote school readiness; and

[(C) identifying, supporting, and enhancing the effective use and outreach of innovative programs that promote school readiness;

[(2) to establish within the Department a clearinghouse to compile and provide information, referrals and model program materials and programming obtained or developed under this part to parents, child care providers and other appropriate individuals or entities to assist such individuals and entities in accessing programs and projects under this part; and

[(3) to develop and disseminate training materials, including—

[(A) interactive programs and programs adaptable to distance learning technologies that are designed to enhance knowledge of children's social and cognitive skill development and positive adult-child interactions; and

[(B) support materials to promote the effective use of materials developed under paragraph (2);

among parents, Head Start providers, in-home and center based day care providers, early childhood development personnel, and elementary school teachers, public libraries, and after school programs personnel caring for preschool and elementary school children;

[(4) coordinate activities with the Secretary of Health and Human Services in order to—

[(A) maximize the utilization of quality educational programming by preschool and elementary school children, and make such programming widely available to federally funded programs serving such populations; and

[(B) provide information to recipients of funds under Federal programs that have major training components for early childhood development, including Head Start, Even Start, and State training activities funded under the Child Care Development Block Grant Act of 1990 regarding the availability and utilization of materials developed under paragraph (3) to enhance parent and child care provider skills in early childhood development and education.

[SEC. 3304. APPLICATIONS.

[Each eligible entity desiring a grant, contract, or cooperative agreement under section 3301 or 3303 shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[SEC. 3305. REPORTS AND EVALUATION.

[(a) ANNUAL REPORT TO SECRETARY.—An entity receiving funds under section 3301 shall prepare and submit to the Secretary an annual report which contains such information as the Secretary may require. At a minimum, the report shall describe the program activities undertaken with funds received under this section, including—

[(1) the programming that has been developed directly or indirectly by the entity, and the target population of the programs developed;

[(2) the support materials that have been developed to accompany the programming, and the method by which such materials are distributed to consumers and users of the programming;

[(3) the means by which programming developed under this section has been distributed, including the distance learning technologies that have been utilized to make programming available and the geographic distribution achieved through such technologies; and

[(4) the initiatives undertaken by the entity to develop public-private partnerships to secure non-Federal support for the development and distribution and broadcast of educational and instructional programming.

[(b) REPORT TO CONGRESS.—The Secretary shall prepare and submit to the relevant committees of Congress a biannual report which includes—

[(1) a summary of the information made available under section 3302(a); and

[(2) a description of the training materials made available under section 3303(3), the manner in which outreach has been conducted to inform parents and child care providers of the availability of such materials, and the manner in which such materials have been distributed in accordance with such section.

[SEC. 3306. ADMINISTRATIVE COSTS.

[With respect to the implementation of section 3302, entities receiving a grant, contract, or cooperative agreement from the Secretary may use not more than 5 percent of the amounts received under such section for the normal and customary expenses of administering the grant, contract, or cooperative agreement.

[SEC. 3307. DEFINITION.

[For the purposes of this part, the term "distance learning" means the transmission of educational or instructional programming to geographically dispersed individuals and groups via telecommunications.

[SEC. 3308. AUTHORIZATION OF APPROPRIATIONS.

[(a) IN GENERAL.—There are authorized to be appropriated to carry out this part, $30,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years. Not less than 60 percent of the amounts appropriated under this subsection for each fiscal year shall be used to carry out section 3302.

[(b) SPECIAL PROJECTS.—Of the amount appropriated under subsection (b) for each fiscal year, at least 10 percent of such amount shall be used for each such fiscal year for activities under section 3303(1)(C).

[PART D—TELECOMMUNICATIONS DEMONSTRATION PROJECT FOR MATHEMATICS

[SEC. 3401. PROJECT AUTHORIZED.

[The Secretary is authorized to make grants to a nonprofit telecommunications entity, or partnership of such entities, for the purpose of carrying out a national telecommunications-based demonstration project to improve the teaching of mathematics. The demonstration project authorized by this part shall be designed to assist elementary and secondary school teachers in preparing all students for achieving State content standards.

[SEC. 3402. APPLICATION REQUIRED.

[(a) IN GENERAL.—Each nonprofit telecommunications entity, or partnership of such entities, desiring a grant under this part shall submit an application to the Secretary. Each such application shall—

[(1) demonstrate that the applicant will use the existing publicly funded telecommunications infrastructure to deliver video, voice and data in an integrated service to train teachers in the use of new standards-based curricula materials and learning technologies.

[(2) assure that the project for which assistance is sought will be conducted in cooperation with appropriate State educational agencies, local educational agencies, State or local nonprofit public telecommunications entities, and a national mathematics education professional association that has developed content standards;

[(3) assure that a significant portion of the benefits available for elementary and secondary schools from the project for which assistance is sought will be available to schools of local educational agencies which have a high percentage of children counted for the purpose of part A of title I; and

[(4) contain such additional assurances as the Secretary may reasonably require.

[(b) APPROVAL OF APPLICATIONS; NUMBER OF DEMONSTRATION SITES.—In approving applications under this section, the Secretary shall assure that the demonstration project authorized by this part is conducted at elementary and secondary school sites in at least 15 States.

[SEC. 3403. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this part, $5,000,000 for the fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years.

[PART E—ELEMENTARY MATHEMATICS AND SCIENCE EQUIPMENT PROGRAM

[SEC. 3501. SHORT TITLE.

[This part may be cited as the "Elementary Mathematics and Science Equipment Act".

[SEC. 3502. STATEMENT OF PURPOSE.

[It is the purpose of this part to raise the quality of instruction in mathematics and science in the Nation's elementary schools by providing equipment and materials necessary for hands-on instruction through assistance to State and local educational agencies.

[SEC. 3503. PROGRAM AUTHORIZED.

[The Secretary is authorized to make allotments to State educational agencies under section 3504 to enable such agencies to award grants to local educational agencies for the purpose of providing equipment and materials to elementary schools to improve mathematics and science education in such schools.

[SEC. 3504. ALLOTMENTS OF FUNDS.

[(a) IN GENERAL.—From the amount appropriated under section 3509 for any fiscal year, the Secretary shall reserve—

[(1) not more than one-half of 1 percent for allotment among Guam, American Samoa, the Virgin Islands, and the Northern Mariana Islands according to their respective needs for assistance under this part; and

[(2) one-half of 1 percent for programs for Indian students served by schools funded by the Secretary of the Interior which are consistent with the purposes of this part.

[(b) ALLOTMENT.—

[(1) IN GENERAL.—The remainder of the amount so appropriated (after meeting requirements in subsection (a)) shall be allotted among State educational agencies so that—

[(A) one-half of such remainder shall be distributed by allotting to each State educational agency an amount which bears the same ratio to such one-half of such remainder as the number of children aged 5 to 17, inclusive, in the State bears to the number of such children in all States; and

[(B) one-half of such remainder shall be distributed according to each State's share of allocations under part A of title I.

[(2) MINIMUM.—Except as provided in paragraph (3), no State educational agency shall receive an allotment under this subsection for any fiscal year in an amount that is—

[(A) less than one-half of 1 percent of the amount made available under this subsection for such fiscal year; or

[(B) less than the amount allotted to such State for fiscal year 1988 under title II of the Education for Economic Security Act.

[(3) RATABLE REDUCTIONS.—(A) If the sums made available under this part for any fiscal year are insufficient to pay the full amounts that all State educational agencies are eligible to receive under paragraph (2)(B) for such year, the Secretary

shall ratably reduce the allotment to such agencies for such year.

[(B) If additional funds become available for making payments under paragraph (2)(B) for such fiscal year, allotments that were reduced under subparagraph (A) shall be increased on the same basis as such allotments were reduced.

[(c) REALLOTMENT OF UNUSED FUNDS.—The amount of any State educational agency's allotment under subsection (b) for any fiscal year to carry out this part which the Secretary determines will not be required for that fiscal year to carry out this part shall be available for reallotment from time to time, on such dates during that year as the Secretary may determine, to other State educational agencies in proportion to the original allotments to those State educational agencies under subsection (b) for that year but with such proportionate amount for any of those other State educational agencies being reduced to the extent it exceeds the sum the Secretary estimates that the State educational agency needs and will be able to use for that year, and the total of those reductions shall be similarly reallotted among the State educational agencies whose proportionate amounts were not so reduced. Any amounts reallotted to a State educational agency under this subsection during a year shall be deemed a part of the State educational agency's allotment under subsection (b) for that year.

[(d) DEFINITION.—For the purposes of this part the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

[(e) DATA.—The number of children aged 5 to 17, inclusive, in the State and in all States shall be determined by the Secretary on the basis of the most recent satisfactory data available to the Secretary.

[SEC. 3505. STATE APPLICATION.

[(a) APPLICATION.—Each State educational agency desiring to receive an allotment under this part shall file an application with the Secretary which covers a period of 5 fiscal years. Such application shall be filed at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

[(b) CONTENTS OF APPLICATION.—Each application described in subsection (a) shall—

[(1) provide assurances that—

[(A) the State educational agency shall use the allotment provided under this part to award grants to local educational agencies within the State to enable such local educational agencies to provide assistance to schools served by such agency to carry out the purpose of this part;

[(B) the State educational agency will provide such fiscal control and funds accounting as the Secretary may require;

[(C) every public elementary school in the State is eligible to receive assistance under this part once over the 5-year duration of the program assisted under this part;

[(D) funds provided under this part will supplement, not supplant, State and local funds made available for activities authorized under this part;

[(E) during the 5-year period described in the application, the State educational agency will evaluate its standards and programs for teacher preparation and inservice professional development for elementary mathematics and science;

[(F) the State educational agency will take into account the needs for greater access to and participation in mathematics and science by students and teachers from historically underrepresented groups, including females, minorities, individuals with limited English proficiency, the economically disadvantaged, and individuals with disabilities; and

[(G) that the needs of teachers and students in areas with high concentrations of low-income students and sparsely populated areas will be given priority in awarding assistance under this part;

[(2) provide, if appropriate, a description of how funds paid under this part will be coordinated with State and local funds and other Federal resources, particularly with respect to programs for the professional development and inservice training of elementary school teachers in science and mathematics; and

[(3) describe procedures—

[(A) for submitting applications for programs described in section 3506 for distribution of assistance under this part within the State; and

[(B) for approval of applications by the State educational agency, including appropriate procedures to assure that such agency will not disapprove an application without notice and opportunity for a hearing.

[(c) STATE ADMINISTRATION.—Not more than 5 percent of the funds allotted to each State educational agency under this part shall be used for the administrative costs of such agency associated with carrying out the program assisted under this part.

[SEC. 3506. LOCAL APPLICATION.

[(a) APPLICATION.—A local educational agency that desires to receive a grant under this part shall submit an application to the State educational agency. Each such application shall contain assurances that each school served by the local educational agency shall be eligible for assistance under this part only once.

[(b) CONTENTS OF APPLICATION.—Each application described in subsection (a) shall—

[(1) describe how the local educational agency plans to set priorities on the use and distribution among schools of grant funds received under this part to meet the purposes of this part;

[(2) include assurances that the local educational agency has made every effort to match on a dollar-for-dollar basis from private or public sources the funds received under this part, except that no such application shall be penalized or denied assistance under this part based on failure to provide such matching funds;

[(3) describe, if applicable, how funds under this part will be coordinated with State, local, and other Federal resources, especially with respect to programs for the professional development and inservice training of elementary school teachers in science and mathematics; and

[(4) describe the process which will be used to determine different levels of assistance to be awarded to schools with different needs.

[(c) PRIORITY.—In awarding grants under this part, the State educational agency shall give priority to applications that—

[(1) assign highest priority to providing assistance to schools which—

[(A) are most seriously underequipped; or

[(B) serve large numbers or percentages of economically disadvantaged students;

[(2) are attentive to the needs of underrepresented groups in science and mathematics;

[(3) demonstrate how science and mathematics equipment will be part of a comprehensive plan of curriculum planning or implementation and teacher training supporting hands-on laboratory activities; and

[(4) assign priority to providing equipment and materials for students in grades 1 through 6.

[SEC. 3507. PROGRAM REQUIREMENTS.

[(a) COORDINATION.—Each State educational agency receiving an allotment under this part shall—

[(1) disseminate information to school districts and schools, including private nonprofit elementary schools, regarding the program assisted under this part;

[(2) evaluate applications of local educational agencies;

[(3) award grants to local educational agencies based on the priorities described in section 3506(c); and

[(4) evaluate local educational agencies' end-of-year summaries and submit such evaluation to the Secretary.

[(b) LIMITATIONS ON USE OF FUNDS.—

[(1) IN GENERAL.—Except as provided in paragraph (2), grant funds and matching funds under this part only shall be used to purchase science equipment, science materials, or mathematical manipulative materials and shall not be used for computers, computer peripherals, software, textbooks, or staff development costs.

[(2) CAPITAL IMPROVEMENTS.—Grant funds under this part may not be used for capital improvements. Not more than 50 percent of any matching funds provided by the local educational agency may be used for capital improvements of classroom science facilities to support the hands-on instruction that this part is intended to support, such as the installation of electrical outlets, plumbing, lab tables or counters, or ventilation mechanisms.

[SEC. 3508. FEDERAL ADMINISTRATION.

[(a) TECHNICAL ASSISTANCE AND EVALUATION PROCEDURES.—The Secretary shall provide technical assistance and, in consultation with State and local representatives of the program assisted under

this part, shall develop procedures for State and local evaluations of the programs assisted under this part.

[(b) REPORT.—The Secretary shall report to the Congress each year on the program assisted under this part in accordance with section 10701.

[SEC. 3509. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $30,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this part.]

TITLE III—BILINGUAL EDUCATION, LANGUAGE ENHANCEMENT, AND LANGUAGE ACQUISITION PROGRAMS

PART A—BILINGUAL EDUCATION

SEC. 3001. SHORT TITLE.

This part may be cited as the "Bilingual Education Act".

SEC. 3002. PURPOSE.

The purpose of this part is to help ensure that limited English proficient students master English and meet the same rigorous standards for academic performance expected of all children and youth, including meeting challenging State content standards and challenging State student performance standards in academic areas by—

(1) promoting systemic improvement and reform of, and developing accountability systems for, educational programs serving limited English proficient students;

(2) developing bilingual skills and multicultural understanding;

(3) developing the English of such children and youth and, to the extent possible, the native language skills of such children and youth;

(4) providing similar assistance to Native Americans with certain modifications relative to the unique status of Native American languages under Federal law;

(5) developing data collection and dissemination, research, materials development, and technical assistance which is focused on school improvement for limited English proficient students; and

(6) developing programs which strengthen and improve the professional training of educational personnel who work with limited English proficient students.

SEC. 3003. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—For the purpose of carrying out this part, there are authorized to be appropriated $300,000,000 for the fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) DISTRIBUTION.—From the sums appropriated under subsection (a) for any fiscal year, the Secretary shall reserve not less than 25 percent of such funds for such year to carry out subpart 3.

SEC. 3004. NATIVE AMERICAN AND ALASKA NATIVE CHILDREN IN SCHOOL.

(a) ELIGIBLE ENTITIES.—For the purpose of carrying out programs under this part for individuals served by elementary, secondary, and postsecondary schools operated predominately for Native American or Alaska Native children and youth, an Indian tribe, a tribally sanctioned educational authority, a Native Hawaiian or Native American Pacific Islander native language education organization, or an elementary or secondary school that is operated or funded by the Bureau of Indian Affairs shall be considered to be a local educational agency as such term is used in this part, subject to the following qualifications:

(1) INDIAN TRIBE.—The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), that is recognized for the special programs and services provided by the United States to Indians because of their status as Indians.

(2) TRIBALLY SANCTIONED EDUCATIONAL AUTHORITY.—The term "tribally sanctioned educational authority" means—

(A) any department or division of education operating within the administrative structure of the duly constituted governing body of an Indian tribe; and

(B) any nonprofit institution or organization that is—

(i) chartered by the governing body of an Indian tribe to operate any such school or otherwise to oversee the delivery of educational services to members of that tribe; and

(ii) approved by the Secretary for the purpose of this section.

(b) ELIGIBLE ENTITY APPLICATION.—Notwithstanding any other provision of this part, each eligible entity described in subsection (a) shall submit any application for assistance under this part directly to the Secretary along with timely comments on the need for the proposed program.

SEC. 3005. RESIDENTS OF THE TERRITORIES AND FREELY ASSOCIATED NATIONS.

For the purpose of carrying out programs under this part in the outlying areas, the term 'local educational agency' includes public institutions or agencies whose mission is the preservation and maintenance of native languages.

Subpart 1—Bilingual Education Capacity and Demonstration Grants

SEC. 3101. FINANCIAL ASSISTANCE FOR BILINGUAL EDUCATION.

The purpose of this subpart is to assist local educational agencies, institutions of higher education, and community-based organizations, through the grants authorized under sections 3102 and 3103 to—

(1) develop and enhance their capacity to provide high-quality instruction through bilingual education or special alternative instruction programs to children and youth of limited English proficiency; and

(2) to help such children and youth—

(A) develop proficiency in English, and to the extent possible, their native language; and

(B) meet the same challenging State content standards and challenging State student performance standards expected for all children and youth as required by section 1111(b).

SEC. 3102. PROGRAM ENHANCEMENT PROJECTS.

(a) PURPOSE.—The purpose of this section is to—

(1) provide grants to eligible entities to provide innovative, locally designed, high quality instruction to children and youth of limited English proficiency;

(2) help children and youth develop proficiency in the English language by expanding or strengthening instructional programs; and

(3) help children and youth attain the standards established under section 1111(b).

(b) PROGRAM AUTHORIZED.—

(1) AUTHORITY.—

(A) IN GENERAL.—The Secretary is authorized to award grants to eligible entities having applications approved under section 3104 to enable such entities to carry out activities described in paragraph (2).

(B) PERIOD.—Each grant under this section shall be awarded for a period of 3 years.

(2) AUTHORIZED ACTIVITIES.—

(A) REQUIRED ACTIVITIES.—Grants awarded under this section shall be used for—

(i) developing, implementing, expanding, or enhancing comprehensive preschool, elementary, or secondary education programs for limited English proficient children and youth, that are—

(I) aligned with State and local content and student performance standards, and local school reform efforts; and

(II) coordinated with related services for children and youth;

(ii) providing high quality professional development to classroom teachers, administrators, and other school or community-based organization personnel to improve the instruction and assessment of limited English proficient students; and

(iii) annually assessing the English proficiency of all limited English proficient students served by activities carried out under this section.

(B) PERMISSIBLE ACTIVITIES.—Grants awarded under this section may be used for—

(i) implementing programs to upgrade the reading and other academic skills of limited English proficient students;

(ii) developing accountability systems to monitor the academic progress of limited English proficient and formerly limited English proficient students;

(iii) implementing family education programs and parent outreach and training activities designed to assist parents to become active participants in the education of their children;

(iv) improving the instructional programs for limited English proficient students by identifying, acquiring, and applying effective curricula, instructional materials (including materials provided through technology), and assessments that are all aligned with State and local standards;

(v) providing intensified instruction, including tutorials and academic or career counseling, for children and youth who are limited English proficient;

(vi) adapting best practice models for meeting the needs of limited English proficient students;

(vii) assisting limited English proficient students with disabilities;

(viii) implementing applied learning activities such as service learning to enhance and support comprehensive elementary and secondary bilingual education programs; and

(ix) carrying out such other activities, consistent with the purpose of this part, as the Secretary may approve.

(c) ELIGIBLE ENTITY.—For the purpose of this section the term "eligible entity" means—

(1) 1 or more local educational agencies;

(2) 1 or more local educational agencies in collaboration with an institution of higher education, community-based organization or local or State educational agency; or

(3) a community-based organization or an institution of higher education which has an application approved by the local educational agency to enhance early childhood education or family education programs or to conduct an instructional program which supplements the educational services provided by a local educational agency.

(d) PRIORITY.—In awarding grants under this section, the Secretary may give priority to an entity that—

(1) serves a school district—

(A) that has a total district enrollment that is less than 10,000 students; or

(B) with a large percentage or number of limited English proficient students; and

(2) has limited or no experience in serving limited English proficient students.

SEC. 3103. COMPREHENSIVE SCHOOL AND SYSTEMWIDE IMPROVEMENT GRANTS.

(a) PURPOSES.—The purposes of this section are—

(1) to provide financial assistance to schools and local educational agencies for implementing bilingual education programs, in coordination with programs carried out under this title, for children and youth of limited English proficiency;

(2) to assist limited English proficient students to meet the standards established under section 1111(b); and

(3) to improve, reform, and upgrade relevant instructional programs and operations, in schools and local educational agencies, that serve significant percentages of students with limited English proficiency or significant numbers of such students.

(b) AUTHORIZED ACTIVITIES.—

(1) AUTHORITY.—The Secretary may award grants to eligible entities having applications approved under section 3104 to enable such entities to carry out activities described in paragraphs (2) and (3).

(2) MANDATORY ACTIVITIES.—Grants awarded under this section shall be used for—

(A) improving instructional programs for limited English proficient students by acquiring and upgrading curriculum and related instructional materials;

(B) aligning the activities carried out under this section with State and local school reform efforts;

(C) providing training, aligned with State and local standards, to school personnel and participating community-based organization personnel to improve the instruction and assessment of limited English proficient students;

(D) developing and implementing plans, coordinated with plans for programs carried out under title II of the Higher Education Act of 1965 (where applicable), and title II of this Act (where applicable), to recruit teachers trained to serve limited English proficient students;

(E) implementing culturally and linguistically appropriate family education programs, or parent outreach and training activities, that are designed to assist parents to become active participants in the education of their children;

(F) coordinating the activities carried out under this section with other programs, such as programs carried out under this title;

(G) providing services to meet the full range of the educational needs of limited English proficient students;

(H) annually assessing the English proficiency of all limited English proficient students served by the activities carried out under this section; and

(I) developing or improving accountability systems to monitor the academic progress of limited English proficient students.

(3) PERMISSIBLE ACTIVITIES.—Grants awarded under this section may be used for—

(A) implementing programs to upgrade reading and other academic skills of limited English proficient students;

(B) developing and using educational technology to improve learning, assessments, and accountability to meet the needs of limited English proficient students;

(C) implementing scientifically based research programs to meet the needs of limited English proficient students;

(D) providing tutorials and academic or career counseling for limited English proficient children and youth;

(E) developing and implementing State and local content and student performance standards for learning English as a second language, as well as for learning other languages;

(F) developing and implementing programs for limited English proficient students to meet the needs of changing populations of such students;

(G) implementing policies to ensure that limited English proficient students have access to other education programs (other than programs designed to address limited English proficiency), such as gifted and talented, vocational education, and special education programs;

(H) implementing programs to meet the needs of limited English proficient students with disabilities;

(I) developing and implementing programs to help all students become proficient in more than 1 language; and

(J) providing such other activities related to the purpose of this part as the Secretary may approve.

(4) SPECIAL RULE.—A recipient of a grant under this section, before carrying out activities under this section, shall plan, train personnel, develop curricula, and acquire or develop materials, but shall not use funds made available under this section for planning purposes for more than 90 days. The recipient shall commence carrying out activities under this section not later than 90 days after the date of receipt of the grant.

(c) AVAILABILITY OF APPROPRIATIONS.—

(1) RESERVATION OF FUNDS FOR CONTINUED PAYMENTS.—

(A) COVERED GRANT.—In this paragraph, the term "covered grant" means a grant—

(i) that was awarded under section 7114 or 7115 (as such sections were in effect prior to the date of enactment of the Better Education for Students and Teachers Act); and

(ii) for which the grant period has not ended.

(B) RESERVATION.—For any fiscal year that is part of the grant period of a covered grant, the Secretary shall reserve funds for the payments described in subparagraph (C) from the amount appropriated for the fiscal year under section 3003 and made available for carrying out this section.

(C) PAYMENTS.—The Secretary shall continue to make grant payments to each entity that received a covered grant, for the duration of the grant period of the grant, to carry out activities in accordance with the appropriate section described in subparagraph (A)(i).

(2) AVAILABILITY.—Of the amount appropriated for a fiscal year under section 3003 that is made available for carrying out this section, and that remains after the Secretary reserves funds for payments under paragraph (1)—

(A) not less than 1/3 of the remainder shall be used to award grants for activities carried out within an entire school district; and

(B) not less than 2/3 of the remainder shall be used to award grants for activities carried out within individual schools.

(d) ELIGIBLE ENTITIES.—In this section, the term "eligible entity" means—

(1) 1 or more local educational agencies; or

(2) 1 or more local educational agencies, in collaboration with an institution of higher education, community-based organization, local educational agency, or State educational agency.

SEC. 3104. APPLICATIONS.

(a) IN GENERAL.—

(1) SECRETARY.—To receive a grant under this subpart, an eligible entity shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

(2) STATE EDUCATIONAL AGENCY.—An eligible entity, with the exception of schools funded by the Bureau of Indian Affairs, shall submit a copy of its application under this section to the State educational agency.

(b) STATE REVIEW AND COMMENTS.—

(1) DEADLINE.—The State educational agency, not later than 45 days after receipt of an application under this section, shall review the application and transmit the written comments of the agency regarding the application to the Secretary.

(2) COMMENTS.—

(A) SUBMISSION OF COMMENTS.—Regarding any application submitted under this subpart, the State educational agency shall—

(i) submit to the Secretary written comments regarding all such applications; and

(ii) submit to each eligible entity the comments that pertain to such entity.

(B) SUBJECT.—For purposes of this subpart, such comments shall address—

(i) how the activities to be carried out under the grant will further the academic achievement and English proficiency of limited English proficient students served under the grant; and

(ii) how the grant application is consistent with the State plan required under section 1111.

(c) ELIGIBLE ENTITY COMMENTS.—An eligible entity may submit to the Secretary comments that address the comments submitted by the State educational agency.

(d) COMMENT CONSIDERATION.—In making grants under this subpart the Secretary shall take into consideration comments made by a State educational agency.

(e) WAIVER.—Notwithstanding subsection (b), the Secretary is authorized to waive the review requirement of subsection (b) if a State educational agency can demonstrate that such review requirement may impede such agency's ability to fulfill the requirements of participation in the State grant program, particularly such agency's data collection efforts and such agency's ability to provide technical assistance to local educational agencies not receiving funds under this Act.

(f) REQUIRED DOCUMENTATION.—Such application shall include documentation that—

(1) the applicant has the qualified personnel required to develop, administer, and implement the program proposed in the application; and

(2) the leadership personnel of each school participating in the program have been involved in the development and planning of the program in the school.

(g) CONTENTS.—

(1) IN GENERAL.—An application for a grant under this subpart shall contain the following:

(A) A description of the need for the proposed program, including—

(i) data on the number of limited English proficient students in the school or school district to be served;

(ii) the characteristics of such students, including—

(I) the native languages of the students;

(II) the proficiency of the students in English and their native language;

(III) achievement data (current as of the date of submission of the application) for the limited English proficient students in—

(aa) reading or language arts (in English and in the native language, if applicable); and

(bb) mathematics;

(IV) a comparison of that data for the students with that data for the English proficient peers of the students; and

(V) the previous schooling experiences of the students;

(iii) the professional development needs of the instructional personnel who will provide services for the limited English proficient students under the proposed program; and

(iv) how the services provided through the grant will supplement the basic services provided to limited English proficient students.

(B) A description of the program to be implemented and how such program's design—

(i) relates to the linguistic and academic needs of the children and youth of limited English proficiency to be served;

(ii) will ensure that the services provided through the program will supplement the basic services the applicant provides to limited English proficient students;

(iii) is coordinated with other programs under this Act and other Acts, as appropriate, in accordance with section 5506;

(iv) involves the parents of the children and youth of limited English proficiency to be served;

(v) ensures accountability in achieving high academic standards; and

(vi) promotes coordination of services for the children and youth of limited English proficiency to be served and their families.

(C) A description, if appropriate, of the applicant's collaborative activities with institutions of higher education, community-based organizations, local or State educational agencies, private schools, nonprofit organizations, or businesses in carrying out the proposed program.

(D) An assurance that the applicant will not reduce the level of State and local funds that the applicant expends for bilingual education or special alternative instruction programs if the applicant receives an award under this subpart.

(E) An assurance that the applicant will employ teachers in the proposed program who, individually or in combination, are proficient in—

(i) English, including written, as well as oral, communication skills; and

(ii) the native language of the majority of the students that the teachers teach, if instruction in the program is in the native language as well as English.

(F) A budget for grant funds.

(2) ADDITIONAL INFORMATION.—Each application for a grant under section 3103 shall—

(A) describe—

(i) current services the applicant provides to children and youth of limited English proficiency;

(ii) what services children and youth of limited English proficiency will receive under the grant that such children or youth will not otherwise receive;

(iii) how funds received under this subpart will be integrated with all other Federal, State, local, and private resources that may be used to serve children and youth of limited English proficiency;

(iv) specific achievement and school retention goals for the children and youth to be served by the proposed program and how progress toward achieving such goals will be measured; and

(v) current family education programs if applicable; and

(B) provide assurances that—

(i) the program funded will be integrated with the overall educational program; and

(ii) the application has been developed in consultation with an advisory council, the majority of whose members are parents and other representatives of the children and youth to be served in such programs.

(h) APPROVAL OF APPLICATIONS.—An application for a grant under this subpart may be approved only if the Secretary determines that—

(1) the program will use qualified personnel, including personnel who are proficient in the language or languages used for instruction;

(2) in designing the program for which application is made, the needs of children in nonprofit private elementary and secondary schools have been taken into account through consultation with appropriate private school officials and, consistent

with the number of such children enrolled in such schools in the area to be served whose educational needs are of the type and whose language and grade levels are of a similar type to those which the program is intended to address, after consultation with appropriate private school officials, provision has been made for the participation of such children on a basis comparable to that provided for public school children;

(3) student evaluation and assessment procedures in the program are valid, reliable, and fair for limited English proficient students, and that limited English proficient students who are disabled are identified and served in accordance with the requirements of the Individuals with Disabilities Education Act;

(4) Federal funds made available for the project or activity will be used so as to supplement the level of State and local funds that, in the absence of such Federal funds, would have been expended for special programs for children of limited English proficient individuals and in no case to supplant such State and local funds, except that nothing in this paragraph shall be construed to preclude a local educational agency from using funds under this subpart for activities carried out under an order of a court of the United States or of any State respecting services to be provided such children, or to carry out a plan approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 with respect to services to be provided such children;

(5) the assistance provided under the application will contribute toward building the capacity of the applicant to provide a program on a regular basis, similar to that proposed for assistance, which will be of sufficient size, scope, and quality to promise significant improvement in the education of students of limited English proficiency, and that the applicant will have the resources and commitment to continue the program when assistance under this subpart is reduced or no longer available; and

(6) the applicant provides for utilization of the State and national dissemination sources for program design and in dissemination of results and products.

(i) PRIORITIES AND SPECIAL RULES.—

(1) PRIORITY.—In approving applications for grants for programs under this subpart, the Secretary shall give priority to an applicant who—

(A) experiences a dramatic increase in the number or percentage of limited English proficient students enrolled in the applicant's programs and has limited or no experience in serving limited English proficient students;

(B) is a local educational agency that serves a school district that has a total district enrollment that is less than 10,000 students;

(C) demonstrates that the applicant has a proven record of success in helping limited English proficient children and youth learn English and meet high academic standards;

(D) proposes programs that provide for the development of bilingual proficiency both in English and another language for all participating students; or

(E) serves a school district with a large percentage or number of limited English proficient students.

(2) CONSIDERATION.—In approving applications under this subpart, the Secretary shall give consideration to the degree to which the program for which assistance is sought involves the collaborative efforts of institutions of higher education, community-based organizations, the appropriate local and State educational agency, or businesses.

(3) DUE CONSIDERATION.—The Secretary shall give due consideration to applications providing training for personnel participating in or preparing to participate in the program which will assist such personnel in meeting State and local certification requirements and that, to the extent possible, describe how college or university credit will be awarded for such training.

SEC. 3105. CAPACITY BUILDING.

Each recipient of a grant under this subpart shall use the grant in ways that will build such recipient's capacity to continue to offer high-quality bilingual and special alternative education programs and services to children and youth of limited English proficiency once Federal assistance is reduced or eliminated.

SEC. 3106. PROGRAMS FOR NATIVE AMERICANS AND PUERTO RICO.

Programs authorized under this subpart that serve Native American children, Native Pacific Island children, and children in the Commonwealth of Puerto Rico, notwithstanding any other provision of this subpart, may include programs of instruction, teacher training, curriculum development, evaluation, and testing designed for Native American children and youth learning and studying Native American languages and children and youth of limited Spanish proficiency, except that 1 outcome of such programs serving Native American children shall be increased English proficiency among such children.

SEC. 3107. EVALUATIONS.

(a) EVALUATION.—Each recipient of funds under this subpart for a program shall annually conduct an evaluation of the program and submit to the Secretary a report concerning the evaluation, in the form prescribed by the Secretary.

(b) USE OF EVALUATION.—Such evaluation shall be used by the grant recipient—

(1) for program improvement;

(2) to further define the program's goals and objectives; and

(3) to determine program effectiveness.

(c) EVALUATION REPORT COMPONENTS.—In preparing the evaluation reports, the recipient shall—

(1) use the data provided in the application submitted by the recipient under section 3104 as baseline data against which to report academic achievement and gains in English proficiency for students in the program;

(2) disaggregate the results of the evaluation by gender, language groups, and whether the students have disabilities;

(3) include data on the progress of the recipient in achieving the objectives of the program, including data demonstrating the extent to which students served by the program are meeting the State's student performance standards, and including data comparing limited English proficient students with English proficient students with regard to school retention and academic achievement in—

(A) reading and language arts;

(B) English proficiency;

(C) mathematics; and

(D) the native language of the students if the program develops native language proficiency;

(4) include information on the extent that professional development activities carried out through the program have resulted in improved classroom practices and improved student performance;

(5) include a description of how the activities carried out through the program are coordinated and integrated with the other Federal, State, or local programs serving limited English proficient children and youth; and

(6) include such other information as the Secretary may require.

SEC. 3108. CONSTRUCTION.

Nothing in this subpart shall be construed to prohibit a local educational agency from serving limited English proficient children and youth simultaneously with students with similar educational needs, in the same educational settings where appropriate.

Subpart 2—Research, Evaluation, and Dissemination

SEC. 3121. AUTHORITY.

(a) IN GENERAL.—The Secretary is authorized to conduct data collection, dissemination, research, and ongoing program evaluation activities in accordance with the provisions of this subpart for the purpose of improving bilingual education and special alternative instruction programs for children and youth of limited English proficiency.

(b) COMPETITIVE AWARDS.—Research and program evaluation activities carried out under this subpart shall be supported through competitive grants, contracts and cooperative agreements awarded institutions of higher education, nonprofit organizations, and State and local educational agencies.

(c) ADMINISTRATION.—The Secretary shall conduct data collection, dissemination, and ongoing program evaluation activities authorized by this subpart through the Office of Bilingual Education and Minority Language Affairs.

SEC. 3122. RESEARCH.

(a) ADMINISTRATION.—The Secretary shall conduct research activities authorized by this subpart through the Office of Educational Research and Improvement in coordination and collaboration with the Office of Bilingual Education and Minority Language Affairs.

(b) REQUIREMENTS.—Such research activities—

(1) shall have a practical application to teachers, counselors, paraprofessionals, school administrators, parents, and others

involved in improving the education of limited English proficient students and their families;

(2) may include research on effective instructional practices for multilingual classes, and on effective instruction strategies to be used by teachers and other staff who do not know the native language of a limited English proficient child or youth in their classrooms;

(3) may include establishing (through the National Center for Education Statistics in consultation with experts in bilingual education, second language acquisition, and English-as-a-second-language) a common definition of "limited English proficient student" for purposes of national data collection; and

(4) shall be administered by individuals with expertise in bilingual education and the needs of limited English proficient students and their families.

(c) FIELD-INITIATED RESEARCH.—

(1) IN GENERAL.—The Secretary shall reserve not less than 5 percent of the funds made available to carry out this section for field-initiated research conducted by current or recent recipients of grants under chapter 1 or 2 who have received such grants within the previous 5 years. Such research may provide for longitudinal studies of students or teachers in bilingual education, monitoring the education of such students from entry in bilingual education through secondary school completion.

(2) APPLICATIONS.—Applicants for assistance under this subsection may submit an application for such assistance to the Secretary at the same time as applications are submitted under chapter 1 or 2. The Secretary shall complete a review of such applications on a timely basis to allow research and program grants to be coordinated when recipients are awarded 2 or more such grants.

(d) CONSULTATION.—The Secretary shall consult with agencies and organizations that are engaged in bilingual education research and practice, or related research, and bilingual education researchers and practitioners to identify areas of study and activities to be funded under this section.

(e) DATA COLLECTION.—The Secretary shall provide for the continuation of data collection on limited English proficient students as part of the data systems operated by the Department.

SEC. 3123. ACADEMIC EXCELLENCE AWARDS.

(a) AUTHORITY.—The Secretary may make grants to State educational agencies to assist the agencies in recognizing local educational agencies and other public and nonprofit entities whose programs have—

(1) demonstrated significant progress in assisting limited English proficient students to learn English according to age appropriate and developmentally appropriate standards; and

(2) demonstrated significant progress in assisting limited English proficient children and youth to meet, according to age appropriate and developmentally appropriate standards, the same challenging State content standards as all children and youth are expected to meet.

(b) APPLICATIONS.—A State educational agency desiring a grant under this section shall include an application for such grant in the application submitted by the agency under section 3124(e).

SEC. 3124. STATE GRANT PROGRAM.

(a) STATE GRANT PROGRAM.—The Secretary is authorized to make an award to a State educational agency that demonstrates, to the satisfaction of the Secretary, that such agency, through such agency's own programs and other Federal education programs, effectively provides for the education of children and youth of limited English proficiency within the State.

(b) PAYMENTS.—The amount paid to a State educational agency under subsection (a) shall not exceed 5 percent of the total amount awarded to local educational agencies within the State under chapter 1 for the previous fiscal year, except that in no case shall the amount paid by the Secretary to any State educational agency under this subsection for any fiscal year be less than $200,000.

(c) USE OF FUNDS.—

(1) IN GENERAL.—A State educational agency shall use funds awarded under this section to—

(A) assist local educational agencies in the State with activities that—

(i) consist of program design, capacity building, assessment of student performance, program evaluation, and development of data collection and accountability systems for limited English proficient students; and

(ii) are aligned with State reform efforts; and

(B) collect data on the State's limited English proficient populations and document the services available to all such populations.

(2) TRAINING.—The State educational agency may also use funds provided under this section for the training of State educational agency personnel in educational issues affecting limited English proficient children and youth.

(3) SPECIAL RULE.—Recipients of funds under this section shall not restrict the provision of services under this section to federally funded programs.

(d) STATE CONSULTATION.—A State educational agency receiving funds under this section shall consult with recipients of grants under this subpart and other individuals or organizations involved in the development or operation of programs serving limited English proficient children or youth to ensure that such funds are used in a manner consistent with the requirements of this subpart.

(e) APPLICATIONS.—A State educational agency desiring to receive funds under this section shall submit an application to the Secretary in such form, at such time, and containing such information and assurances as the Secretary may require.

(f) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section for any fiscal year shall be used by the State educational agency to supplement and, to the extent practical, to increase to the level of funds that would, in the absence of such funds, be made available by the State for the purposes described in this section, and in no case to supplant such funds.

(g) REPORT TO THE SECRETARY.—State educational agencies receiving awards under this section shall provide for the annual sub-

mission of a summary report to the Secretary describing such State's use of such funds.

SEC. 3125. NATIONAL CLEARINGHOUSE FOR BILINGUAL EDUCATION.

(a) ESTABLISHMENT.—The Secretary shall establish and support the operation of a National Clearinghouse for Bilingual Education, which shall collect, analyze, synthesize, and disseminate information about bilingual education and related programs.

(b) FUNCTIONS.—The National Clearinghouse for Bilingual Education shall—

(1) be administered as an adjunct clearinghouse of the Educational Resources Information Center Clearinghouses system of clearinghouses supported by the Office of Educational Research and Improvement;

(2) coordinate its activities with Federal data and information clearinghouses and dissemination networks and systems;

(3) develop a data base management and monitoring system for improving the operation and effectiveness of federally funded bilingual education programs;

(4) develop, maintain, and disseminate a listing, by geographical area, of education professionals, parents, teachers, administrators, community members and others who are native speakers of languages other than English for use as a resource by local educational agencies and schools in the development and implementation of bilingual education programs; and

(5) publish, on an annual basis, a list of grant recipients under this subpart.

SEC. 3126. INSTRUCTIONAL MATERIALS DEVELOPMENT.

The Secretary may provide grants for the development, publication, and dissemination of high-quality instructional materials in Native American and Native Hawaiian languages and the language of Native Pacific Islanders and natives of the outlying areas for which instructional materials are not readily available, and in other low-incidence languages in the United States for which instructional materials are not readily available. The Secretary shall give priority to the development of instructional materials in languages indigenous to the United States or the outlying areas. The Secretary shall also accord priority to applications for assistance under this section which provide for developing and evaluating materials in collaboration with activities assisted under chapters 1 and 2 and which are consistent with voluntary national content standards and challenging State content standards.

Subpart 3—Professional Development

SEC. 3131. PURPOSE.

The purpose of this subpart is to assist in preparing educators to improve the educational services for limited English proficient children and youth by supporting professional development programs and the dissemination of information on appropriate instructional practices for such children and youth.

SEC. 3132. TRAINING FOR ALL TEACHERS PROGRAM.

(a) PURPOSE.—The purpose of this section is to provide for the incorporation of courses and curricula on appropriate and effective in-

structional and assessment methodologies, strategies and resources specific to limited English proficient students into preservice and inservice professional development programs for teachers, pupil services personnel, administrators and other education personnel in order to prepare such individuals to provide effective services to limited English proficient students.

(b) AUTHORIZATION.—

(1) AUTHORITY.—The Secretary may award grants under this section to—

(A) local educational agencies; or

(B) 1 or more local educational agencies in a consortium with 1 or more State educational agencies, institutions of higher education, or nonprofit organizations.

(2) DURATION.—Each grant awarded under this section shall be awarded for a period of not more than 5 years.

(c) AUTHORIZED ACTIVITIES.—

(1) PROFESSIONAL DEVELOPMENT ACTIVITIES.—Grants awarded under this section shall be used to conduct high-quality, long-term professional development activities relating to meeting the needs of limited English proficient students, which may include—

(A) developing and implementing induction programs for new teachers, including programs that provide mentoring and coaching by trained teachers, and team teaching with experienced teachers;

(B) implementing school-based collaborative efforts among teachers to improve instruction in core academic areas, including reading, for students with limited English proficiency;

(C) coordinating activities with other programs, such as programs carried out under this title, title II, and the Head Start Act;

(D) implementing programs that support effective teacher use of education technologies to improve instruction and assessment;

(E) establishing and maintaining local professional networks;

(F) developing curricular materials and assessments for teachers that are aligned with State and local standards and the needs of the limited English proficient students to be served; and

(G) carrying out such other activities as are consistent with the purpose of this section.

(2) PERMISSIBLE ACTIVITIES.—Activities conducted under this section may include the development of training programs in collaboration with other programs, such as programs authorized under this title, title II, and the Head Start Act.

SEC. 3133. BILINGUAL EDUCATION TEACHERS AND PERSONNEL GRANTS.

(a) PURPOSE.—The purpose of this section is to provide for—

(1) preservice and inservice professional development for bilingual education teachers, administrators, pupil services personnel, and other educational personnel who are either involved in, or preparing to be involved in, the provision of educational

services for children and youth of limited English proficiency; and

(2) national professional development institutes that assist schools or departments of education in institutions of higher education to improve the quality of professional development programs for personnel serving, preparing to serve, or who may serve, children and youth of limited English proficiency.

(b) PRIORITY.—The Secretary shall give priority in awarding grants under this section to institutions of higher education, in consortia with local or State educational agencies, that offer degree programs which prepare new bilingual education teachers in order to increase the availability of educators to provide high-quality education to limited English proficient students.

(c) PROGRAM AUTHORIZED.—

(1) GRANTS TO INSTITUTIONS OF HIGHER EDUCATION.—The Secretary is authorized to award grants for not more than 5 years to institutions of higher education which have entered into consortia arrangements with local or State educational agencies to achieve the purposes of this section.

(2) GRANTS TO STATE AND LOCAL EDUCATIONAL AGENCIES.—The Secretary is authorized to award grants for not more than 5 years to State and local educational agencies for inservice professional development programs.

SEC. 3134. BILINGUAL EDUCATION CAREER LADDER PROGRAM.

(a) PURPOSE.—The purpose of this section is—

(1) to upgrade the qualifications and skills of noncertified educational personnel, especially educational paraprofessionals, to meet high professional standards, including certification and licensure as bilingual education teachers and other educational personnel who serve limited English proficient students, through collaborative training programs operated by institutions of higher education and local and State educational agencies; and

(2) to help recruit and train secondary school students as bilingual education teachers and other educational personnel to serve limited English proficient students.

(b) AUTHORIZATION.—

(1) IN GENERAL.—The Secretary is authorized to award grants for bilingual education career ladder programs to institutions of higher education applying in consortia with local or State educational agencies, which consortia may include community-based organizations or professional education organizations.

(2) DURATION.—Each grant under this section shall be awarded for a period of not more than 5 years.

(c) PERMISSIVE ACTIVITIES.—Grants awarded under this section may be used—

(1) for the development of bilingual education career ladder program curricula appropriate to the needs of the consortium participants;

(2) to provide assistance for stipends and costs related to tuition, fees and books for enrolling in courses required to complete the degree and certification requirements to become bilingual education teachers; and

(3) for programs to introduce secondary school students to careers in bilingual education teaching that are coordinated with other activities assisted under this section.

(d) SPECIAL CONSIDERATION.—The Secretary shall give special consideration to applications under this section which provide for—

(1) participant completion of baccalaureate and master's degree teacher education programs, and certification requirements, which may include effective employment placement activities;

(2) development of teacher proficiency in English as a second language, including demonstrating proficiency in the instructional use of English and, as appropriate, a second language in classroom contexts;

(3) coordination with the Federal TRIO programs under chapter 1 of subpart 2 of part A of title IV of the Higher Education Act of 1965, programs under title I of the National and Community Service Act of 1990, and other programs for the recruitment and retention of bilingual students in secondary and postsecondary programs to train to become bilingual educators; and

(4) the applicant's contribution of additional student financial aid to participating students.

SEC. 3135. GRADUATE FELLOWSHIPS IN BILINGUAL EDUCATION PROGRAM.

(a) AUTHORIZATION.—

(1) IN GENERAL.—The Secretary may award fellowships for masters, doctoral, and post-doctoral study related to instruction of children and youth of limited English proficiency in such areas as teacher training, program administration, research and evaluation, and curriculum development, and for the support of dissertation research related to such study.

(2) INFORMATION.—The Secretary shall include information on the operation and the number of fellowships awarded under the fellowship program in the evaluation required under section 3139.

(b) FELLOWSHIP REQUIREMENTS.—

(1) IN GENERAL.—Any person receiving a fellowship under this section shall agree to—

(A) work in an activity related to the program or in an activity such as an activity authorized under this part, including work as a bilingual education teacher, for a period of time equivalent to the period of time during which such person receives assistance under this section; or

(B) repay such assistance.

(2) REGULATIONS.—The Secretary shall establish in regulations such terms and conditions for such agreement as the Secretary deems reasonable and necessary and may waive the requirement of paragraph (1) in extraordinary circumstances.

(c) PRIORITY.—In awarding fellowships under this section the Secretary may give priority to institutions of higher education that demonstrate experience in assisting fellowship recipients find employment in the field of bilingual education.

SEC. 3136. APPLICATION.

(a) IN GENERAL.—

(1) SECRETARY.—To receive an award under this subpart, an eligible entity shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

(2) CONSULTATION AND ASSESSMENT.—Each such application shall contain a description of how the applicant has consulted with, and assessed the needs of, public and private schools serving children and youth of limited English proficiency to determine such school's need for, and the design of, the program for which funds are sought.

(3) SPECIAL RULE.—

(A) TRAINING PRACTICUM.—An application under subsection (a) from an applicant who proposes to conduct a master's- or doctoral-level program with funds received under this section shall provide an assurance that such program will include, as a part of the program, a training practicum in a local school program serving children and youth of limited English proficiency.

(B) WAIVER.—A recipient of a grant under this subpart may waive the requirement of a training practicum for a degree candidate with significant experience in a local school program serving children and youth of limited English proficiency.

(4) STATE EDUCATIONAL AGENCY.—An eligible entity, with the exception of schools funded by the Bureau of Indian Affairs, shall submit a copy of the application under this subsection to the State educational agency.

(b) STATE REVIEW AND COMMENTS.—

(1) DEADLINE.—The State educational agency, not later than 45 days after receipt of such application copy, shall review the application and transmit such application to the Secretary.

(2) COMMENTS.—

(A) SUBMISSION OF COMMENTS.—Regarding any application submitted under this subpart, the State educational agency shall—

(i) submit to the Secretary written comments regarding all such applications; and

(ii) submit to each eligible entity the comments that pertain to such entity.

(B) SUBJECT.—For purposes of this subpart, comments shall address how the eligible entity—

(i) will further the academic achievement of limited English proficient students served pursuant to a grant received under this subpart; and

(ii) how the grant application is consistent with the State plan submitted under section 1111.

(3) WAIVER.—Notwithstanding paragraphs (1) and (2), the Secretary is authorized to waive the review requirement if a State educational agency can demonstrate that such review requirement may impede such agency's ability to fulfill the requirements of participation in the State grant program, particularly such agency's data collection efforts and such agency's

ability to provide technical assistance to local educational agencies not receiving funds under this Act.

(c) ELIGIBLE ENTITY COMMENTS.—An eligible entity may submit to the Secretary comments that address the comments submitted by the State educational agency.

(d) COMMENT CONSIDERATION.—In making awards under this subpart the Secretary shall take into consideration comments made by a State educational agency.

(e) SPECIAL RULE.—

(1) OUTREACH AND TECHNICAL ASSISTANCE.—The Secretary shall provide for outreach and technical assistance to institutions of higher education eligible for assistance under title III of the Higher Education Act of 1965 and institutions of higher education that are operated or funded by the Bureau of Indian Affairs to facilitate the participation of such institutions in activities under this subpart.

(2) DISTRIBUTION RULE.—In making awards under this subpart, the Secretary, consistent with subsection (d), shall ensure adequate representation of Hispanic-serving institutions that demonstrate competence and experience in the programs and activities authorized under this subpart and are otherwise qualified.

SEC. 3137. STIPENDS.

The Secretary shall provide for the payment of such stipends (including allowances for subsistence and other expenses for such persons and their dependents), as the Secretary determines to be appropriate, to persons participating in training programs under this subpart.

SEC. 3138. PROGRAM EVALUATIONS.

Each recipient of funds under this subpart for a program shall annually conduct an evaluation of the program and submit to the Secretary a report containing the evaluation. Such report shall include information on—

(1) the number of participants served through the program, the number of participants who completed program requirements, and the number of participants who took positions in an instructional setting with limited English proficient students;

(2) the effectiveness of the program in imparting the professional skills necessary for participants to achieve the objectives of the program; and

(3) the teaching effectiveness of graduates of the program or other participants who have completed the program.

SEC. 3139. USE OF FUNDS FOR SECOND LANGUAGE COMPETENCE.

Awards under this subpart may be used to develop a program participant's competence in a second language for use in instructional programs.

Subpart 4—Transition

SEC. 3141. SPECIAL RULE.

Notwithstanding any other provision of law, no recipient of a grant under title VII of this Act (as such title was in effect on the day preceding the date of enactment of the Better Education for Stu-

dents and Teachers Act) shall be eligible for fourth- and fifth-year renewals authorized by section 7021(d)(1)(C) of such title (as such section was in effect on the day preceding the date of enactment of such Act).

PART B—FOREIGN LANGUAGE ASSISTANCE PROGRAM

SEC. 3201. SHORT TITLE.

This part may be cited as the "Foreign Language Assistance Act of 1994".

SEC. 3202. PROGRAM AUTHORIZED.

(a) PROGRAM AUTHORITY.—

(1) IN GENERAL.—The Secretary shall make grants, on a competitive basis, to State educational agencies or local educational agencies to pay the Federal share of the cost of innovative model programs providing for the establishment, improvement or expansion of foreign language study for elementary and secondary school students.

(2) DURATION.—Each grant under paragraph (1) shall be awarded for a period of three years.

(b) REQUIREMENTS.—

(1) GRANTS TO STATE EDUCATIONAL AGENCIES.—In awarding a grant under subsection (a) to a State educational agency, the Secretary shall support programs that promote systemic approaches to improving foreign language learning in the State.

(2) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—In awarding a grant under subsection (a) to a local educational agency, the Secretary shall support programs that—

(A) show the promise of being continued beyond the grant period;

(B) demonstrate approaches that can be disseminated and duplicated in other local educational agencies; and

(C) may include a professional development component.

(c) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share for each fiscal year shall be 50 percent.

(2) WAIVER.—The Secretary may waive the requirement of paragraph (1) for any local educational agency which the Secretary determines does not have adequate resources to pay the non-Federal share of the cost of the activities assisted under this part.

(3) SPECIAL RULE.—Not less than three-fourths of the funds appropriated under section 3206 shall be used for the expansion of foreign language learning in the elementary grades.

(4) RESERVATION.—The Secretary may reserve not more than 5 percent of funds appropriated under section 3206 to evaluate the efficacy of programs under this part.

SEC. 3203. APPLICATIONS.

(a) IN GENERAL.—Any State educational agency or local educational agency desiring a grant under this part shall submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require.

(b) SPECIAL CONSIDERATION.—The Secretary shall give special consideration to applications describing programs that—

(1) include intensive summer foreign language programs for professional development;

(2) link non-native English speakers in the community with the schools in order to promote two-way language learning;

(3) promote the sequential study of a foreign language for students, beginning in elementary schools;

(4) make effective use of technology, such as computer-assisted instruction, language laboratories, or distance learning, to promote foreign language study;

(5) promote innovative activities such as foreign language immersion, partial foreign language immersion, or content-based instruction; and

(6) are carried out through a consortium comprised of the agency receiving the grant and an elementary school or secondary school.

SEC. 3204. ELEMENTARY SCHOOL FOREIGN LANGUAGE INCENTIVE PROGRAM.

(a) INCENTIVE PAYMENTS.—From amounts appropriated under section 3206 the Secretary shall make an incentive payment for each fiscal year to each public elementary school that provides to students attending such school a program designed to lead to communicative competency in a foreign language.

(b) AMOUNT.—The Secretary shall determine the amount of the incentive payment under subsection (a) for each public elementary school for each fiscal year on the basis of the number of students participating in a program described in such subsection at such school for such year compared to the total number of such students at all such schools in the United States for such year.

(c) REQUIREMENT.—The Secretary shall consider a program to be designed to lead to communicative competency in a foreign language if such program is comparable to a program that provides not less than 45 minutes of instruction in a foreign language not less than 4 days per week throughout an academic year.

SEC. 3205. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $35,000,000 for the fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years, to carry out this part, of which not more than $20,000,000 may be used in each fiscal year to carry out section 3204.

PART C—EMERGENCY IMMIGRANT EDUCATION PROGRAM

SEC. 3301. PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the education of our Nation's children and youth is one of the most sacred government responsibilities;

(2) local educational agencies have struggled to fund adequately education services;

(3) in the case of Plyler v. Doe, the Supreme Court held that States have a responsibility under the Equal Protection Clause

of the Constitution to educate all children, regardless of immigration status; and

(4) immigration policy is solely a responsibility of the Federal Government.

(b) PURPOSE.—The purpose of this part is to assist eligible local educational agencies that experience unexpectedly large increases in their student population due to immigration to—

(1) provide high-quality instruction to immigrant children and youth; and

(2) help such children and youth—

(A) with their transition into American society; and

(B) meet the same challenging State performance standards expected of all children and youth.

SEC. 3302. STATE ADMINISTRATIVE COSTS.

For any fiscal year, a State educational agency may reserve not more than 1.5 percent (2 percent if the State educational agency distributes funds received under this part to local educational agencies on a competitive basis) of the amount allocated to such agency under section 3304 to pay the costs of performing such agency's administrative functions under this part.

SEC. 3303. WITHHOLDING.

Whenever the Secretary, after providing reasonable notice and opportunity for a hearing to any State educational agency, finds that there is a failure to meet the requirement of any provision of this part, the Secretary shall notify that agency that further payments will not be made to the agency under this part, or in the discretion of the Secretary, that the State educational agency shall not make further payments under this part to specified local educational agencies whose actions cause or are involved in such failure until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, no further payments shall be made to the State educational agency under this part, or payments by the State educational agency under this part shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

SEC. 3304. STATE ALLOCATIONS.

(a) PAYMENTS.—The Secretary shall, in accordance with the provisions of this section, make payments to State educational agencies for each of the fiscal years 2002 through 2008 for the purpose set forth in section 3301.

(b) ALLOCATIONS.—

(1) IN GENERAL.—Except as provided in subsections (c) and (d), of the amount appropriated for each fiscal year for this part, each State participating in the program assisted under this part shall receive an allocation equal to the proportion of such State's number of immigrant children and youth who are enrolled in public elementary schools or secondary schools under the jurisdiction of each local educational agency described in paragraph (2) within such State, and in nonpublic elementary schools or secondary schools within the district served by each such local educational agency, relative to the total number of immigrant children and youth so enrolled in

all the States participating in the program assisted under this part.

(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—The local educational agencies referred to in paragraph (1) are those local educational agencies in which the sum of the number of immigrant children and youth who are enrolled in public elementary schools or secondary schools under the jurisdiction of such agencies, and in nonpublic elementary schools or secondary schools within the districts served by such agencies, during the fiscal year for which the payments are to be made under this part, is equal to—

(A) at least 500; or

(B) at least 3 percent of the total number of students enrolled in such public or nonpublic schools during such fiscal year,

whichever number is less.

(c) DETERMINATIONS OF NUMBER OF CHILDREN AND YOUTH.—

(1) IN GENERAL.—Determinations by the Secretary under this section for any period with respect to the number of immigrant children and youth shall be made on the basis of data or estimates provided to the Secretary by each State educational agency in accordance with criteria established by the Secretary, unless the Secretary determines, after notice and opportunity for a hearing to the affected State educational agency, that such data or estimates are clearly erroneous.

(2) SPECIAL RULE.—No such determination with respect to the number of immigrant children and youth shall operate because of an underestimate or overestimate to deprive any State educational agency of the allocation under this section that such State would otherwise have received had such determination been made on the basis of accurate data.

(d) REALLOCATION.—Whenever the Secretary determines that any amount of a payment made to a State under this part for a fiscal year will not be used by such State for carrying out the purpose for which the payment was made, the Secretary shall make such amount available for carrying out such purpose to one or more other States to the extent the Secretary determines that such other States will be able to use such additional amount for carrying out such purpose. Any amount made available to a State from any appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this part, be regarded as part of such State's payment (as determined under subsection (b)) for such year, but shall remain available until the end of the succeeding fiscal year.

(e) RESERVATION OF FUNDS.—

(1) IN GENERAL.—Notwithstanding any other provision of this part, if the amount appropriated to carry out this part exceeds $50,000,000 for a fiscal year, a State educational agency may reserve not more than 20 percent of such agency's payment under this part for such year to award grants, on a competitive basis, to local educational agencies within the State as follows:

(A) AGENCIES WITH IMMIGRANT CHILDREN AND YOUTH.—At least one-half of such grants shall be made available to eligible local educational agencies (as described in sub-

section (b)(2)) within the State with the highest numbers and percentages of immigrant children and youth.

(B) AGENCIES WITH A SUDDEN INFLUX OF IMMIGRANT CHILDREN AND YOUTH.—Funds reserved under this paragraph and not made available under subparagraph (A) may be distributed to local educational agencies within the State experiencing a sudden influx of immigrant children and youth which are otherwise not eligible for assistance under this part.

(2) USE OF GRANT FUNDS.—Each local educational agency receiving a grant under paragraph (1) shall use such grant funds to carry out the activities described in section 3307.

(3) INFORMATION.—Local educational agencies with the highest number of immigrant children and youth receiving funds under paragraph (1) may make information available on serving immigrant children and youth to local educational agencies in the State with sparse numbers of such children.

SEC. 3305. STATE APPLICATIONS.

(a) SUBMISSION.—No State educational agency shall receive any payment under this part for any fiscal year unless such agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require. Each such application shall—

(1) provide that the educational programs, services, and activities for which payments under this part are made will be administered by or under the supervision of the agency;

(2) provide assurances that payments under this part will be used for purposes set forth in sections 3301 and 3307, including a description of how local educational agencies receiving funds under this part will use such funds to meet such purposes and will coordinate with other programs assisted under this Act, and other Acts as appropriate;

(3) provide an assurance that local educational agencies receiving funds under this part will coordinate the use of such funds with programs assisted under part A or title I;

(4) provide assurances that such payments, with the exception of payments reserved under section 3304(e), will be distributed among local educational agencies within that State on the basis of the number of immigrant children and youth counted with respect to each such local educational agency under section 3304(b)(1);

(5) provide assurances that the State educational agency will not finally disapprove in whole or in part any application for funds received under this part without first affording the local educational agency submitting an application for such funds reasonable notice and opportunity for a hearing;

(6) provide for making such reports as the Secretary may reasonably require to perform the Secretary's functions under this part;

(7) provide assurances—

(A) that to the extent consistent with the number of immigrant children and youth enrolled in the nonpublic elementary or secondary schools within the district served by a local educational agency, such agency, after consultation

with appropriate officials of such schools, shall provide for the benefit of such children and youth secular, neutral, and nonideological services, materials, and equipment necessary for the education of such children and youth;

(B) that the control of funds provided under this part to any materials, equipment, and property repaired, remodeled, or constructed with those funds shall be in a public agency for the uses and purposes provided in this part, and a public agency shall administer such funds and property; and

(C) that the provision of services pursuant to this paragraph shall be provided by employees of a public agency or through contract by such public agency with a person, association, agency, or corporation who or which, in the provision of such services, is independent of such nonpublic elementary school or secondary school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this paragraph shall not be commingled with State or local funds;

(8) provide that funds reserved under subsection (e) of section 3304 be awarded on a competitive basis based on merit and need in accordance with such subsection; and

(9) provide an assurance that State and local educational agencies receiving funds under this part will comply with the requirements of section 1120(b).

(b) APPLICATION REVIEW.—

(1) IN GENERAL.—The Secretary shall review all applications submitted pursuant to this section by State educational agencies.

(2) APPROVAL.—The Secretary shall approve any application submitted by a State educational agency that meets the requirements of this section.

(3) DISAPPROVAL.—The Secretary shall disapprove any application submitted by a State educational agency which does not meet the requirements of this section, but shall not finally disapprove an application except after providing reasonable notice, technical assistance, and an opportunity for a hearing to the State.

SEC. 3306. ADMINISTRATIVE PROVISIONS.

(a) NOTIFICATION OF AMOUNT.—The Secretary, not later than June 1 of each year, shall notify each State educational agency that has an application approved under section 3305 of the amount of such agency's allocation under section 3304 for the succeeding year.

(b) SERVICES TO CHILDREN ENROLLED IN NONPUBLIC SCHOOLS.—If by reason of any provision of law a local educational agency is prohibited from providing educational services for children enrolled in elementary and secondary nonpublic schools, as required by section 3305(a)(7), or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in such schools, the Secretary may waive such requirement and shall arrange for the provision of services, subject to the requirements of this part, to such children. Such waivers shall be subject to con-

sultation, withholding, notice, and judicial review requirements in accordance with the provisions of title I.

SEC. 3307. USES OF FUNDS.

(a) USE OF FUNDS.—Funds awarded under this part shall be used to pay for enhanced instructional opportunities for immigrant children and youth, which may include—

(1) family literacy, parent outreach, and training activities designed to assist parents to become active participants in the education of their children;

(2) salaries of personnel, including teacher aides who have been specifically trained, or are being trained, to provide services to immigrant children and youth;

(3) tutorials, mentoring, and academic or career counseling for immigrant children and youth;

(4) identification and acquisition of curricular materials, educational software, and technologies to be used in the program;

(5) basic instructional services which are directly attributable to the presence in the school district of immigrant children, including the costs of providing additional classroom supplies, overhead costs, costs of construction, acquisition or rental of space, costs of transportation, or such other costs as are directly attributable to such additional basic instructional services; and

(6) such other activities, related to the purposes of this part, as the Secretary may authorize.

(b) CONSORTIA.—A local educational agency that receives a grant under this part may collaborate or form a consortium with one or more local educational agencies, institutions of higher education, and nonprofit organizations to carry out the program described in an application approved under this part.

(c) SUBGRANTS.—A local educational agency that receives a grant under this part may, with the approval of the Secretary, make a subgrant to, or enter into a contract with, an institution of higher education, a nonprofit organization, or a consortium of such entities to carry out a program described in an application approved under this part, including a program to serve out-of-school youth.

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

SEC. 3308. REPORTS.

(a) BIENNIAL REPORT.—Each State educational agency receiving funds under this part shall submit, once every 2 years, a report to the Secretary concerning the expenditure of funds by local educational agencies under this part. Each local educational agency receiving funds under this part shall submit to the State educational agency such information as may be necessary for such report.

(b) REPORT TO CONGRESS.—The Secretary shall submit, once every 2 years, a report to the appropriate committees of the Congress concerning programs assisted under this part.

SEC. 3309. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this part, there are authorized to be appropriated $200,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

PART D—ADMINISTRATION

SEC. 3401. RELEASE TIME.

The Secretary shall allow professional development programs funded under subpart 1 to use funds provided under subpart 1 for professional release time to enable individuals to participate in programs assisted under subpart 1.

SEC. 3402. EDUCATION TECHNOLOGY.

Funds made available under subpart 1 may be used to provide for the acquisition or development of education technology or instructional materials, including authentic materials in languages other than English, access to and participation in electronic networks for materials, training and communications, and incorporation of such resources in curricula and programs such as those funded under this title.

SEC. 3403. NOTIFICATION.

The State educational agency, and when applicable, the State board for postsecondary education, shall be notified within 3 working days of the date an award under subpart 1 is made to an eligible entity within the State.

SEC. 3404. CONTINUED ELIGIBILITY.

Entities receiving grants under this title shall remain eligible for grants for subsequent activities which extend or expand and do not duplicate those activities supported by a previous grant under this title. In considering applications for grants under this title, the Secretary shall take into consideration the applicant's record of accomplishments under previous grants under this title.

SEC. 3405. COORDINATION AND REPORTING REQUIREMENTS.

(a) COORDINATION WITH RELATED PROGRAMS.—In order to maximize Federal efforts aimed at serving the educational needs of children and youth of limited English proficiency, the Secretary shall coordinate and ensure close cooperation with other programs serving language-minority and limited English proficient students that are administered by the Department and other agencies. The Secretary shall consult with the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Agriculture, the Attorney General and the heads of other relevant agencies to identify and eliminate barriers to appropriate coordination of programs that affect language-minority and limited English proficient students and their families. The Secretary shall provide for continuing consultation and collaboration, between the Office and relevant programs operated by the Department, including programs under this title and other programs under this Act, in planning, contracts, providing joint technical assistance, providing joint field monitoring activities and in other relevant activities to ensure effective program coordination to provide high quality education opportunities to all language-minority and limited English proficient students.

(b) DATA.—The Secretary shall, to the extent feasible, ensure that all data collected by the Department shall include the collection and reporting of data on limited English proficient students.

(c) PUBLICATION OF PROPOSALS.—The Secretary shall publish and disseminate all requests for proposals for programs funded under subpart 1.

(d) REPORT.—The Director shall prepare and, not later than February 1 of every other year, shall submit to the Secretary and to the Committee on Health, Education, Labor, and Pensions of the Senate and to the Committee on Education and the Workforce of the House of Representatives a report on—

(1) the activities carried out under this title and the effectiveness of such activities in improving the education provided to limited English proficient children and youth;

(2) a critical synthesis of data reported by the States pursuant to section 3124;

(3) an estimate of the number of certified bilingual education personnel in the field and an estimate of the number of bilingual education teachers which will be needed for the succeeding 5 fiscal years;

(4) the major findings of research carried out under this title; and

(5) recommendations for further developing the capacity of our Nation's schools to educate effectively limited English proficient students.

PART E—GENERAL PROVISIONS

SEC. 3501. DEFINITIONS; REGULATIONS.

Except as otherwise provided, in this title:

(1) BILINGUAL EDUCATION PROGRAM.—The term "bilingual education program" means an educational program for limited English proficient students that—

(A) makes instructional use of both English and a student's native language;

(B) enables limited English proficient students to achieve English proficiency and academic mastery of subject matter content and higher order skills, including critical thinking, so as to meet age-appropriate grade-promotion and graduation standards;

(C) may also develop the native language skills of limited English proficient students, or ancestral languages of American Indians, Alaska Natives, Native Hawaiians and native residents of the outlying areas; and

(D) may include the participation of English-proficient students if such program is designed to enable all enrolled students to become proficient in English and a second language.

(2) CHILDREN AND YOUTH.—The term "children and youth" means individuals aged 3 through 21.

(3) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organization of demonstrated effectiveness or Indian tribe or tribally sanctioned educational authority which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community. Such term includes Native Hawaiian organizations including Native Hawaiian Educational Organizations as such term is defined in section 4009 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (20 U.S.C. 4901 et seq.), as such Act

was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994.

(4) COMMUNITY COLLEGE.—The term "community college" means an institution of higher education as defined in section 101 of the Higher Education Act of 1965 which provides not less than a two-year program which is acceptable for full credit toward a bachelor's degree, including institutions receiving assistance under the Tribally Controlled College or University Assistance Act of 1978.

(5) DIRECTOR.—The term "Director" means the Director of the Office of Bilingual Education and Minority Languages Affairs established under section 209 of the Department of Education Organization Act.

(6) FAMILY EDUCATION PROGRAM.—

(A) IN GENERAL.—The term "family education program" means a bilingual education or special alternative instructional program that—

(i) is designed—

(I) to help limited English proficient adults and out-of-school youths achieve proficiency in the English language; and

(II) to provide instruction on how parents and family members can facilitate the educational achievement of their children;

(ii) when feasible, uses instructional programs such as the models developed under the Even Start Family Literacy Programs, which promote adult literacy and train parents to support the educational growth of their children, the Parents as Teachers Program and the Home Instruction Program for Preschool Youngsters; and

(iii) gives preference to participation by parents and immediate family members of children attending school.

(B) INSTRUCTION FOR HIGHER EDUCATION AND EMPLOYMENT.—Such term may include programs that provide instruction to facilitate higher education and employment outcomes.

(7) IMMIGRANT CHILDREN AND YOUTH.—The term "immigrant children and youth" means individuals who—

(A) are aged 3 through 21;

(B) were not born in any State; and

(C) have not been attending one or more schools in any one or more States for more than 3 full academic years.

(8) LIMITED ENGLISH PROFICIENCY AND LIMITED ENGLISH PROFICIENT.—The terms "limited English proficiency" and "limited English proficient", when used with reference to an individual, mean an individual—

(A) who—

(i) was not born in the United States or whose native language is a language other than English and comes from an environment where a language other than English is dominant; or

(ii) is a Native American or Alaska Native or who is a native resident of the outlying areas and comes from an environment where a language other than English has had a significant impact on such individual's level of English language proficiency; or

(iii) is migratory and whose native language is other than English and comes from an environment where a language other than English is dominant; and

(B) who has sufficient difficulty speaking, reading, writing, or understanding the English language and whose difficulties may deny such individual the opportunity to learn successfully in classrooms where the language of instruction is English or to participate fully in our society.

(9) NATIVE AMERICAN AND NATIVE AMERICAN LANGUAGE.—The terms "Native American" and "Native American language" shall have the same meaning given such terms in section 103 of the Native American Languages Act.

(10) NATIVE HAWAIIAN OR NATIVE AMERICAN PACIFIC ISLANDER NATIVE LANGUAGE EDUCATIONAL ORGANIZATION.—The term "Native Hawaiian or Native American Pacific Islander native language educational organization" means a nonprofit organization with a majority of its governing board and employees consisting of fluent speakers of the traditional Native American languages used in their educational programs and with not less than 5 years successful experience in providing educational services in traditional Native American languages.

(11) NATIVE LANGUAGE.—The term "native language", when used with reference to an individual of limited English proficiency, means the language normally used by such individual, or in the case of a child or youth, the language normally used by the parents of the child or youth.

(12) OFFICE.—The term "Office" means the Office of Bilingual Education and Minority Languages Affairs.

(13) OTHER PROGRAMS FOR PERSONS OF LIMITED ENGLISH PROFICIENCY.—The term "other programs for persons of limited English proficiency" means any programs administered by the Secretary that serve persons of limited English proficiency.

(14) PARAPROFESSIONAL.—The term "paraprofessional" means an individual who is employed in preschool, elementary school or secondary school under the supervision of a certified or licensed teacher, including individuals employed in bilingual education, special education and migrant education.

(15) SPECIAL ALTERNATIVE INSTRUCTIONAL PROGRAM.—The term "special alternative instructional program" means an educational program for limited English proficient students that—

(A) utilizes specially designed English language curricula and services but does not use the student's native language for instructional purposes;

(B) enables limited English proficient students to achieve English proficiency and academic mastery of subject matter content and higher order skills, including critical thinking so as to meet age-appropriate grade-promotion and graduation standards; and

(C) is particularly appropriate for schools where the diversity of the limited English proficient students' native languages and the small number of students speaking each respective language makes bilingual education impractical and where there is a critical shortage of bilingual education teachers.

SEC. 3502. REGULATIONS AND NOTIFICATION.

(a) REGULATION RULE.—In developing regulations under this title, the Secretary shall consult with State and local educational agencies, organizations representing limited English proficient individuals, and organizations representing teachers and other personnel involved in bilingual education.

(b) PARENTAL NOTIFICATION.—

(1) IN GENERAL.—Parents of children and youth participating in programs assisted under subpart 1 shall be informed of—

(A) a student's level of English proficiency, how such level was assessed, the status of a student's academic achievement and the implications of a student's educational strengths and needs for age and grade appropriate academic attainment, promotion, and graduation;

(B) what programs are available to meet the student's educational strengths and needs and how the programs differ in content and instructional goals, and in the case of a student with a disability, how the program meets the objectives of a student's individualized education program; and

(C) the instructional goals of the bilingual education or special alternative instructional program, and how the program will specifically help the limited English proficient student acquire English and meet age-appropriate standards for grade-promotion and graduation, including—

(i) the benefits, nature, and past academic results of the bilingual educational program and of the instructional alternatives; and

(ii) the reasons for the selection of their child as being in need of bilingual education.

(2) OPTION TO DECLINE.—

(A) IN GENERAL.—Such parents shall also be informed that such parents have the option of declining enrollment of their children and youth in such programs and shall be given an opportunity to so decline if such parents so choose.

(B) CIVIL RIGHTS OBLIGATIONS.—A local educational agency shall not be relieved of any of its obligations under title VI of the Civil Rights Act of 1964 because parents choose not to enroll their children in bilingual education programs.

(3) RECEIPT OF INFORMATION.—Such parents shall receive, in a manner and form understandable to such parents, including, if necessary and to the extent feasible, in the native language of such parents, the information required by this subsection. At a minimum, such parents shall receive—

(A) timely information about projects funded under subpart 1; and

(B) if the parents of participating children so desire, notice of opportunities for regular meetings for the purpose of

formulating and responding to recommendations from such parents.

(4) SPECIAL RULE.—Students shall not be admitted to or excluded from any federally assisted education program merely on the basis of a surname or language-minority status.

[TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

[SEC. 4001. SHORT TITLE.

[This title may be cited as the "Safe and Drug-Free Schools and Communities Act of 1994".

[SEC. 4002. FINDINGS.

[The Congress finds as follows:

[(1) The seventh National Education Goal provides that by the year 2000, all schools in America will be free of drugs and violence and the unauthorized presence of firearms and alcohol, and offer a disciplined environment that is conducive to learning.

[(2) The widespread illegal use of alcohol and other drugs among the Nation's secondary school students, and increasingly by students in elementary schools as well, constitutes a grave threat to such students' physical and mental well-being, and significantly impedes the learning process. For example, data show that students who drink tend to receive lower grades and are more likely to miss school because of illness than students who do not drink.

[(3) Our Nation's schools and communities are increasingly plagued by violence and crime. Approximately 3,000,000 thefts and violent crimes occur in or near our Nation's schools every year, the equivalent of more than 16,000 incidents per school day.

[(4) Violence that is linked to prejudice and intolerance victimizes entire communities leading to more violence and discrimination.

[(5) The tragic consequences of violence and the illegal use of alcohol and drugs by students are felt not only by students and such students' families, but by such students communities and the Nation, which can ill afford to lose such students' skills, talents, and vitality.

[(6) While use of illegal drugs is a serious problem among a minority of teenagers, alcohol use is far more widespread. The proportion of high school students using alcohol, though lower than a decade ago, remains unacceptably high. By the 8th grade, 70 percent of youth report having tried alcohol and by the 12th grade, about 88 percent have used alcohol. Alcohol use by young people can and does have adverse consequences for users, their families, communities, schools, and colleges.

[(7) Alcohol and tobacco are widely used by young people. Such use can, and does, have adverse consequences for young people, their families, communities, schools, and colleges. Drug prevention programs for youth that address only controlled drugs send an erroneous message that alcohol and tobacco do

not present significant problems, or that society is willing to overlook their use. To be credible, messages opposing illegal drug use by youth should address alcohol and tobacco as well.

[(8) Every day approximately 3,000 children start smoking. Thirty percent of all secondary school seniors are smokers. Half of all new smokers begin smoking before the age of 14, 90 percent of such smokers begin before the age of 21, and the average age of the first use of smokless tobacco is under the age of 10. Use of tobacco products has been linked to serious health problems. Drug education and prevention programs that include tobacco have been effective in reducing teenage use of tobacco.

[(9) Drug and violence prevention programs are essential components of a comprehensive strategy to promote school safety and to reduce the demand for and use of drugs throughout the Nation. Schools and local organizations in communities throughout the Nation have a special responsibility to work together to combat the growing epidemic of violence and illegal drug use and should measure the success of their programs against clearly defined goals and objectives.

[(10) Students must take greater responsibility for their own well-being, health, and safety if schools and communities are to achieve the goals of providing a safe, disciplined, and drug-free learning environment.

[SEC. 4003. PURPOSE.

[The purpose of this title is to support programs to meet the seventh National Education Goal by preventing violence in and around schools and by strengthening programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and are coordinated with related Federal, State, and community efforts and resources, through the provision of Federal assistance to—

[(1) States for grants to local educational agencies and educational service agencies and consortia of such agencies to establish, operate, and improve local programs of school drug and violence prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools (including intermediate and junior high schools);

[(2) States for grants to, and contracts with, community-based organizations and other public and private nonprofit agencies and organizations for programs of drug and violence prevention, early intervention, rehabilitation referral, and education;

[(3) States for development, training, technical assistance, and coordination activities;

[(4) public and private nonprofit organizations to conduct training, demonstrations, and evaluation, and to provide supplementary services for the prevention of drug use and violence among students and youth; and

[(5) institutions of higher education to establish, operate, expand, and improve programs of school drug and violence prevention, education, and rehabilitation referral for students enrolled in colleges and universities.

[SEC. 4004. FUNDING.

[There are authorized to be appropriated—

[(1) $630,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, for State grants under subpart 1; and

[(2) $25,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, for national programs under subpart 2.

[PART A—STATE GRANTS FOR DRUG AND VIOLENCE PREVENTION PROGRAMS

[Subpart 1—State Grants for Drug and Violence Prevention Programs

[SEC. 4011. RESERVATIONS AND ALLOTMENTS.

[(a) RESERVATIONS.—From the amount made available under section 4004(a) to carry out this subpart for each fiscal year, the Secretary—

[(1) shall reserve 1 percent of such amount for grants under this subpart to Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with the Secretary's determination of their respective needs;

[(2) shall reserve 1 percent of such amount for the Secretary of the Interior to carry out programs under this part for Indian youth;

[(3) may reserve not more than $1,000,000 for the national impact evaluation required by section 4117(a); and

[(4) shall reserve 0.2 percent of such amount for programs for Native Hawaiians under section 4118.

[(b) STATE ALLOTMENTS.—

[(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall, for each fiscal year, allocate among the States—

[(A) one-half of the remainder not reserved under subsection (a) according to the ratio between the school-aged population of each State and the school-aged population of all the States; and

[(B) one-half of such remainder according to the ratio between the amount each State received under part A of title I for the preceding year (or, for fiscal year 1995 only, sections 1005 and 1006 of this Act as such sections were in existence on the day preceding the date of enactment of the Improving America's Schools Act of 1994) and the sum of such amounts received by all the States.

[(2) MINIMUM.—For any fiscal year, no State shall be allotted under this subsection an amount that is less than one-half of 1 percent of the total amount allotted to all the States under this subsection.

[(3) REALLOTMENT.—The Secretary may reallot any amount of any allotment to a State if the Secretary determines that the State will be unable to use such amount within two years of such allotment. Such reallotments shall be made on the same basis as allotments are made under paragraph (1).

[(4) DEFINITIONS.—For the purpose of this subsection—

[(A) the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico; and

[(B) the term "local educational agency" includes educational service agencies and consortia of such agencies.

[SEC. 4112. STATE APPLICATIONS.

[(a) IN GENERAL.—In order to receive an allotment under section 4111 for any fiscal year, a State shall submit to the Secretary, at such time as the Secretary may require, an application that—

[(1) describes how funds under this subpart will be coordinated with programs under this Act, the Goals 2000: Educate America Act, and other Acts, as appropriate, in accordance with the provisions of section 14306;

[(2) contains the results of the State's needs assessment for drug and violence prevention programs, which shall be based on the results of on-going State evaluation activities, including data on the prevalence of drug use and violence by youth in schools and communities;

[(3) contains assurances that the sections of the application concerning the funds provided to the chief executive officer and the State educational agency were developed separately by such officer or agency, respectively, but in consultation and coordination with appropriate State officials and others, including the chief State school officer, the chief executive officer, the head of the State alcohol and drug abuse agency, the heads of the State health and mental health agencies, the head of the State criminal justice planning agency, the head of the State child welfare agency, the head of the State board of education, or their designees, and representatives of parents, students, and community-based organizations;

[(4) contains an assurance that the State will cooperate with, and assist, the Secretary in conducting a national impact evaluation of programs required by section 4117(a); and

[(5) includes any other information the Secretary may require.

[(b) STATE EDUCATIONAL AGENCY FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 4113(a) by the State educational agency that includes—

[(1) a statement of the State educational agency's measurable goals and objectives for drug and violence prevention and a description of the procedures such agency will use for assessing and publicly reporting progress toward meeting those goals and objectives;

[(2) a plan for monitoring the implementation of, and providing technical assistance regarding, the drug and violence prevention programs conducted by local educational agencies in accordance with section 4116;

[(3) a description of how the State educational agency will use funds under section 4113(b);

[(4) a description of how the State educational agency will coordinate such agency's activities under this subpart with the chief executive officer's drug and violence prevention programs

under this subpart and with the prevention efforts of other State agencies;

[(5) an explanation of the criteria the State educational agency will use to identify which local educational agencies receive supplemental funds under section 4113(d)(2)(A)(ii) and how the supplemental funds will be allocated among such local educational agencies; and

[(6) a description of the procedures the State educational agency will use to review applications from local educational agencies under section 4115.

[(c) GOVERNOR'S FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 4114(a) by the chief executive officer that includes—

[(1) a statement of the chief executive officer's measurable goals and objectives for drug and violence prevention and a description of the procedures to be used for assessing and publicly reporting progress toward meeting such goals and objectives;

[(2) a description of how the chief executive officer will coordinate such officer's activities under this part with the State educational agency and other State agencies and organizations involved with drug and violence prevention efforts;

[(3) a description of how funds reserved under section 4114(a) will be used so as not to duplicate the efforts of the State educational agency and local educational agencies with regard to the provision of school-based prevention efforts and services and how those funds will be used to serve populations not normally served by the State educational agency, such as school dropouts and youth in detention centers;

[(4) a description of how the chief executive officer will award funds under section 4114(a) and a plan for monitoring the performance of, and providing technical assistance to, recipients of such funds;

[(5) a description of the special outreach activities that will be carried out to maximize the participation of community-based organizations of demonstrated effectiveness which provide services in low-income communities; and

[(6) a description of how funds will be used to support community-wide comprehensive drug and violence prevention planning.

[(d) PEER REVIEW.—The Secretary shall use a peer review process in reviewing State applications under this section.

[(e) INTERIM APPLICATION.—Notwithstanding any other provisions of this section, a State may submit for fiscal year 1995 a one-year interim application and plan for the use of funds under this subpart that are consistent with the requirements of this section and contain such information as the Secretary may specify in regulations. The purpose of such interim application and plan shall be to afford the State the opportunity to fully develop and review such State's application and comprehensive plan otherwise required by this section. A State may not receive a grant under this subpart for a fiscal year subsequent to fiscal year 1995 unless the Secretary has approved such State's application and comprehensive plan in accordance with this subpart.

[SEC. 4113. STATE AND LOCAL EDUCATIONAL AGENCY PROGRAMS.

[(a) USE OF FUNDS.—

[(1) IN GENERAL.—Except as provided in paragraph (2), an amount equal to 80 percent of the total amount allocated to a State under section 4111 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section.

[(2) EXCEPTION.—(A) If a State has, on or before January 1, 1994, established an independent State agency for the purpose of administering all of the funds described in section 5121 of this Act (as such section was in effect on the day preceding the date of the enactment of the Improving America's Schools Act of 1994), then—

[(i) an amount equal to 80 percent of the total amount allocated to such State under section 4111 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section; and

[(ii) an amount equal to 20 percent of such total amount shall be used by such independent State agency for drug and violence prevention activities in accordance with this section.

[(B) Not more than 5 percent of the amount reserved under subparagraph (A)(ii) may be used for administrative costs of the independent State agency incurred in carrying out the activities described in such subparagraph.

[(C) For purposes of this paragraph, the term "independent State agency" means an independent agency with a board of directors or a cabinet level agency whose chief executive officer is appointed by the chief executive officer of the State and confirmed with the advice and consent of the senate of such State.

[(b) STATE LEVEL PROGRAMS.—

[(1) IN GENERAL.—A State educational agency shall use not more than 5 percent of the amount available under subsection (a) for activities such as—

[(A) training and technical assistance concerning drug and violence prevention for local educational agencies and educational service agencies, including teachers, administrators, coaches and athletic directors, other staff, parents, students, community leaders, health service providers, local law enforcement officials, and judicial officials;

[(B) the development, identification, dissemination, and evaluation of the most readily available, accurate, and up-to-date curriculum materials (including videotapes, software, and other technology-based learning resources), for consideration by local educational agencies;

[(C) making available to local educational agencies cost effective programs for youth violence and drug abuse prevention;

[(D) demonstration projects in drug and violence prevention;

[(E) training, technical assistance, and demonstration projects to address violence associated with prejudice and intolerance;

[(F) financial assistance to enhance resources available for drug and violence prevention in areas serving large numbers of economically disadvantaged children or sparsely populated areas, or to meet other special needs consistent with the purposes of this subpart; and

[(G) the evaluation of activities carried out within the State under this part.

[(2) SPECIAL RULE.—A State educational agency may carry out activities under this subsection directly, or through grants or contracts.

[(c) STATE ADMINISTRATION.—A State educational agency may use not more than 4 percent of the amount reserved under subsection (a) for the administrative costs of carrying out its responsibilities under this part.

[(d) LOCAL EDUCATIONAL AGENCY PROGRAMS.—

[(1) IN GENERAL.—A State educational agency shall distribute not less than 91 percent of the amount made available under subsection (a) for each fiscal year to local educational agencies in accordance with this subsection.

[(2) DISTRIBUTION.—(A) Of the amount distributed under paragraph (1), a State educational agency shall distribute—

[(i) 70 percent of such amount to local educational agencies, based on the relative enrollments in public and private nonprofit elementary and secondary schools within the boundaries of such agencies; and

[(ii) 30 percent of such amount to local educational agencies that the State educational agency determines have the greatest need for additional funds to carry out drug and violence prevention programs authorized by this subpart.

[(B) Where appropriate and to the extent consistent with the needs assessment conducted by the State, not less than 25 percent of the amount distributed under subparagraph (A)(ii) for a fiscal year shall be distributed to local educational agencies located in rural and urban areas.

[(C)(i) A State educational agency shall distributed funds under subparagraph (A)(ii) to not more than 10 percent of the local educational agencies in the State, or five such agencies, whichever is greater.

[(ii) In determining which local educational agencies have the greatest need for additional funds, the State educational agency shall consider objective data such as—

[(I) high rates of alcohol or drug use among youth;

[(II) high rates of victimization of youth by violence and crime;

[(III) high rates of arrests and convictions of youth for violent or drug- or alcohol-related crime;

[(IV) the extent of illegal gang activity;

[(V) high incidence of violence associated with prejudice and intolerance;

[(VI) high rates of referrals of youths to drug and alcohol abuse treatment and rehabilitation programs;

[(VII) high rates of referrals of youths to juvenile court;

[(VIII) high rates of expulsions and suspensions of students from schools; and

[(IX) high rates of reported cases of child abuse and domestic violence.

[(e) REALLOCATION OF FUNDS.—If a local educational agency chooses not to apply to receive the amount allocated to such agency under subsection (d), or if such agency's application under section 4115 is disapproved by the State educational agency, the State educational agency shall reallocate such amount to one or more of the local educational agencies determined by the State educational agency under subsection (d)(2)(C)(ii) to have the greatest need for additional funds.

[(f) RETURN OF FUNDS TO STATE EDUCATIONAL AGENCY; REALLOCATION.—

[(1) RETURN.—Except as provided in paragraph (2), upon the expiration of the 1-year period beginning on the date that a local educational agency or educational service agency under this title receives its allocation under this title—

[(A) such agency shall return to the State educational agency any funds from such allocation that remain unobligated; and

[(B) the State educational agency shall reallocate any such amount to local educational agencies or educational service agencies that have plans for using such amount for programs or activities on a timely basis.

[(2) REALLOCATION.—In any fiscal year, a local educational agency, may retain for obligation in the succeeding fiscal year—

[(A) an amount equal to not more than 25 percent of the allocation it receives under this title for such fiscal year; or

[(B) upon a demonstration of good cause by such agency or consortium, a greater amount approved by the State educational agency.

[SEC. 4114. GOVERNOR'S PROGRAMS.

[(a) USE OF FUNDS.—

[(1) IN GENERAL.—An amount equal to 20 percent of the total amount allocated to a State under section 4111(1) for each fiscal year shall be used by the chief executive officer of such State for drug and violence prevention programs and activities in accordance with this section.

[(2) LAW ENFORCEMENT EDUCATION PARTNERSHIPS.—A chief executive officer shall use not less than 10 percent of the 20 percent of the total amount described in paragraph (1) for each fiscal year for law enforcement education partnerships in accordance with subsection (d).

[(3) ADMINISTRATIVE COSTS.—A chief executive officer may use not more than 5 percent of the 20 percent of the total amount described in paragraph (1) for the administrative costs incurred in carrying out the duties of such officer under this section.

[(b) PROGRAMS AUTHORIZED.—

[(1) IN GENERAL.—A chief executive officer shall use funds made available under subsection (a)(1) for grants to or contracts with parent groups, community action and job training agencies, community-based organizations, and other public entities and private nonprofit organizations and consortia thereof. In making such grants and contracts, a chief executive officer shall give priority to programs and activities described in subsection (c) for—

[(A) children and youth who are not normally served by State or local educational agencies; or

[(B) populations that need special services or additional resources (such as preschoolers, youth in juvenile detention facilities, runaway or homeless children and youth, pregnant and parenting teenagers, and school dropouts).

[(2) PEER REVIEW.—Grants or contracts awarded under this subsection shall be subject to a peer review process.

[(c) AUTHORIZED ACTIVITIES.—Grants and contracts under subsection (b) shall be used for programs and activities such as—

[(1) disseminating information about drug and violence prevention;

[(2) training parents, law enforcement officials, judicial officials, social service providers, health service providers and community leaders about drug and violence prevention, comprehensive health education, early intervention, pupil services, or rehabilitation referral;

[(3) developing and implementing comprehensive, community-based drug and violence prevention programs that link community resources with schools and integrate services involving education, vocational and job skills training and placement, law enforcement, health, mental health, community service, mentoring, and other appropriate services;

[(4) planning and implementing drug and violence prevention activities that coordinate the efforts of State agencies with efforts of the State educational agency and its local educational agencies;

[(5) activities to protect students traveling to and from school;

[(6) before-and-after school recreational, instructional, cultural, and artistic programs that encourage drug- and violence-free lifestyles;

[(7) activities that promote the awareness of and sensitivity to alternatives to violence through courses of study that include related issues of intolerance and hatred in history;

[(8) developing and implementing activities to prevent and reduce violence associated with prejudice and intolerance;

[(9) developing and implementing strategies to prevent illegal gang activity;

[(10) coordinating and conducting community-wide violence and safety assessments and surveys;

[(11) service-learning projects that encourage drug- and violence-free lifestyles; and

[(12) evaluating programs and activities assisted under this section.

[(d) LAW ENFORCEMENT EDUCATION PARTNERSHIPS.—A chief executive officer shall use funds under subsection (a)(2) to award grants to State, county or local law enforcement agencies (including district attorneys) in consortium with local educational agencies or community-based agencies for the purposes of carrying out drug abuse and violence prevention activities, such as—

[(1) Project Drug Abuse Resistance Education and other programs which provide classroom instruction by uniformed law enforcement officials that is designed to teach students to recognize and resist pressures to experiment that influence such children to use controlled substances or alcohol;

[(2) Project Legal Lives and other programs in which district attorneys provide classroom instruction in the law and legal system which emphasizes interactive learning techniques, such as mock trial competitions;

[(3) partnerships between law enforcement and child guidance professionals; and

[(4) before- and after-school activities.

[SEC. 4115. LOCAL APPLICATIONS.

[(a) APPLICATION REQUIRED.—

[(1) IN GENERAL.—In order to be eligible to receive a distribution under section 4113(d) for any fiscal year, a local educational agency shall submit, at such time as the State educational agency requires, an application to the State educational agency for approval. Such an application shall be amended, as necessary, to reflect changes in the local educational agency's program.

[(2) DEVELOPMENT.—(A) A local educational agency shall develop its application under subsection (a)(1) in consultation with a local or substate regional advisory council that includes, to the extent possible, representatives of local government, business, parents, students, teachers, pupil services personnel, appropriate State agencies, private schools, the medical profession, law enforcement, community-based organizations, and other groups with interest and expertise in drug and violence prevention.

[(B) In addition to assisting the local educational agency to develop an application under this section, the advisory council established or designated under subparagraph (A) shall, on an ongoing basis—

[(i) disseminate information about drug and violence prevention programs, projects, and activities conducted within the boundaries of the local educational agency;

[(ii) advise the local educational agency regarding—

[(I) how best to coordinate such agency's activities under this subpart with other related programs, projects, and activities; and

[(II) the agencies that administer such programs, projects, and activities; and

[(iii) review program evaluations and other relevant material and make recommendations to the local educational agency on how to improve such agency's drug and violence prevention programs.

[(b) CONTENTS OF APPLICATIONS.—An application under this section shall contain—

[(1) an objective analysis of the current use (and consequences of such use) of alcohol, tobacco, and controlled, illegal, addictive or harmful substances as well as the violence, safety, and discipline problems among students who attend the schools of the applicant (including private school students who participate in the applicant's drug and violence prevention program) that is based on ongoing local assessment or evaluation activities;

[(2) a detailed explanation of the local educational agency's comprehensive plan for drug and violence prevention, which shall include a description of—

[(A) how the plan will be coordinated with programs under this Act, the Goals 2000: Educate America Act, and other Acts, as appropriate, in accordance with the provisions of section 14306;

[(B) the local educational agency's measurable goals for drug and violence prevention, and a description of how such agency will assess and publicly report progress toward attaining these goals;

[(C) how the local educational agency will use its distribution under this subpart;

[(D) how the local educational agency will coordinate such agency's programs and projects with community-wide efforts to achieve such agency's goals for drug and violence prevention; and

[(E) how the local educational agency will coordinate such agency's programs and projects with other Federal, State, and local programs for drug-abuse prevention, including health programs; and

[(3) such other information and assurances as the State educational agency may reasonably require.

[(c) REVIEW OF APPLICATION.—

[(1) IN GENERAL.—In reviewing local applications under this section, a State educational agency shall use a peer review process or other methods of assuring the quality of such applications.

[(2) CONSIDERATIONS.—(A) In determining whether to approve the application of a local educational agency under this section, a State educational agency shall consider the quality of the local educational agency's comprehensive plan under subsection (b)(2) and the extent to which such plan is coordinated with programs under this Act, the Goals 2000: Educate America Act, in accordance with the provisions of section 14306.

[(B) A State educational agency may disapprove a local educational agency application under this section in whole or in part and may withhold, limit, or place restrictions on the use of funds allotted to such a local educational agency in a manner the State educational agency determines will best promote the purposes of this part, except that a local educational agency shall be afforded an opportunity to appeal any such disapproval.

[SEC. 4116. LOCAL DRUG AND VIOLENCE PREVENTION PROGRAMS.

[(a) PROGRAM REQUIREMENTS.—A local educational agency shall use funds received under this subpart to adopt and carry out a comprehensive drug and violence prevention program which shall—

[(1) be designed, for all students and employees, to—

[(A) prevent the use, possession, and distribution of tobacco, alcohol, and illegal drugs by students and to prevent the illegal use, possession, and distribution of such substances by employees;

[(B) prevent violence and promote school safety; and

[(C) create a disciplined environment conducive to learning; and

[(2) include activities to promote the involvement of parents and coordination with community groups and agencies, including the distribution of information about the local educational agency's needs, goals, and programs under this subpart.

[(b) AUTHORIZED ACTIVITIES.—A comprehensive drug and violence prevention program carried out under this subpart may include—

[(1) age-appropriate, developmentally based drug prevention and education programs for all students, from the pre-school level through grade 12, that address the legal, social, personal and health consequences of the use of illegal drugs, promote a sense of individual responsibility, and provide information about effective techniques for resisting peer pressure to use illegal drugs;

[(2) programs of drug prevention, comprehensive health education, early intervention, pupil services, mentoring, or rehabilitation referral, which emphasize students' sense of individual responsibility and which may include—

[(A) the dissemination of information about drug prevention;

[(B) the professional development of school personnel, parents, students, law enforcement officials, judicial officials, health service providers and community leaders in prevention, education, early intervention, pupil services or rehabilitation referral; and

[(C) the implementation of strategies, including strategies to integrate the delivery of services from a variety of providers, to combat illegal alcohol, tobacco and drug use, such as—

[(i) family counseling;

[(ii) early intervention activities that prevent family dysfunction, enhance school performance, and boost attachment to school and family; and

[(iii) activities, such as community service and service-learning projects, that are designed to increase students' sense of community;

[(3) age-appropriate, developmentally based violence prevention and education programs for all students, from the preschool level through grade 12, that address the legal, health, personal, and social consequences of violent and disruptive behavior, including sexual harassment and abuse, and victimization associated with prejudice and intolerance, and that in-

clude activities designed to help students develop a sense of individual responsibility and respect for the rights of others, and to resolve conflicts without violence;

[(4) violence prevention programs for school-aged youth, which emphasize students' sense of individual responsibility and may include—

[(A) the dissemination of information about school safety and discipline;

[(B) the professional development of school personnel, parents, students, law enforcement officials, judicial officials, and community leaders in designing and implementing strategies to prevent school violence;

[(C) the implementation of strategies, such as conflict resolution and peer mediation, student outreach efforts against violence, anti-crime youth councils (which work with school and community-based organizations to discuss and develop crime prevention strategies), and the use of mentoring programs to combat school violence and other forms of disruptive behavior, such as sexual harassment and abuse; and

[(D) the development and implementation of character education programs, as a component of a comprehensive drug or violence prevention program, that are tailored by communities, parents and schools; and

[(E) comprehensive, community-wide strategies to prevent or reduce illegal gang activities;

[(5) supporting "safe zones of passage" for students between home and school through such measures as Drug- and Weapon-Free School Zones, enhanced law enforcement, and neighborhood patrols;

[(6) acquiring and installing metal detectors and hiring security personnel;

[(7) professional development for teachers and other staff and curricula that promote the awareness of and sensitivity to alternatives to violence through courses of study that include related issues of intolerance and hatred in history;

[(8) the promotion of before-and-after school recreational, instructional, cultural, and artistic programs in supervised community settings;

[(9) drug abuse resistance education programs, designed to teach students to recognize and resist pressures to use alcohol or other drugs, which may include activities such as classroom instruction by uniformed law enforcement officers, resistance techniques, resistance to peer pressure and gang pressure, and provision for parental involvement; and

[(10) the evaluation of any of the activities authorized under this subsection.

[(c) LIMITATIONS.—

[(1) IN GENERAL.—Not more than 20 percent of the funds made available to a local educational agency under this subpart may be used to carry out the activities described in paragraphs (5) and (6) of subsection (b).

[(2) SPECIAL RULE.—A local educational agency shall only be able to use funds received under this subpart for activities de-

scribed in paragraphs (5) and (6) of subsection (b) if funding for such activities is not received from other Federal agencies.

[(d) ADMINISTRATIVE PROVISIONS.—Notwithstanding any other provisions of law, any funds expended prior to July 1, 1995, under part B of the Drug-Free Schools and Communities Act of 1986 (as in effect prior to enactment of the Improving America's Schools Act) for the support of a comprehensive school health program shall be deemed to have been authorized by part B of such Act.

[SEC. 4117. EVALUATION AND REPORTING.

[(a) NATIONAL IMPACT EVALUATION.—

[(1) BIENNIAL EVALUATION.—The Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, shall conduct an independent biennial evaluation of the national impact of programs assisted under this subpart and of other recent and new initiatives to combat violence in schools and submit a report of the findings of such evaluation to the President and the Congress.

[(2) DATA COLLECTION.—(A) The National Center for Education Statistics shall collect data to determine the frequency, seriousness, and incidence of violence in elementary and secondary schools in the States. The Secretary shall collect the data using, wherever appropriate, data submitted by the States pursuant to subsection (b)(2)(B).

[(B) Not later than January 1, 1998, the Secretary shall submit to the Congress a report on the data collected under this subsection, together with such recommendations as the Secretary determines appropriate, including estimated costs for implementing any recommendation.

[(b) STATE REPORT.—

[(1) IN GENERAL.—By October 1, 1997, and every third year thereafter, the chief executives officer of the State, in cooperation with the State educational agency, shall submit to the Secretary a report—

[(A) on the implementation and outcomes of State programs under section 4114 and section 4113(b) and local educational agency programs under section 4113(d), as well as an assessment of their effectiveness; and

[(B) on the State's progress toward attaining its goals for drug and violence prevention under subsections (b)(1) and (c)(1) of section 4112.

[(2) SPECIAL RULE.—The report required by this subsection shall be—

[(A) in the form specified by the Secretary;

[(B) based on the State's ongoing evaluation activities, and shall include data on the prevalence of drug use and violence by youth in schools and communities; and

[(C) made readily available to the public.

[(c) LOCAL EDUCATIONAL AGENCY REPORT.—Each local educational agency receiving funds under this subpart shall submit to the State educational agency such information, and at such intervals, that the State requires to complete the State report required by subsection (b), including information on the prevalence of drug

use and violence by youth in the schools and the community. Such information shall be made readily available to the public.

[SEC. 4118 PROGRAMS FOR NATIVE HAWAIIANS.

[(a) GENERAL AUTHORITY.—From the funds made available pursuant to section 4111(a)(4) to carry out this section, the Secretary shall make grants to or enter into cooperative agreements or contracts with organizations primarily serving and representing Native Hawaiians which are recognized by the Governor of the State of Hawaii to plan, conduct, and administer programs, or portions thereof, which are authorized by and consistent with the provisions of this title for the benefit of Native Hawaiians.

[(b) DEFINITION OF NATIVE HAWAIIAN.—For the purposes of this section, the term "Native Hawaiian" means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

[Subpart 2—National Programs

[SEC. 4121 FEDERAL ACTIVITIES.

[(a) PROGRAM AUTHORIZED.—From funds made available to carry out this subpart under section 4004(2), the Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, the Chair of the Ounce of Prevention Council, and the Attorney General, shall carry out programs to prevent the illegal use of drugs and violence among, and promote safety and discipline for, students at all educational levels from preschool through the postsecondary level. The Secretary shall carry out such programs directly, or through grants, contracts, or cooperative agreements with public and private nonprofit organizations and individuals, or through agreements with other Federal agencies, and shall coordinate such programs with other appropriate Federal activities. Such programs may include—

[(1) the development and demonstration of innovative strategies for training school personnel, parents, and members of the community, including the demonstration of model preservice training programs for prospective school personnel;

[(2) demonstrations and rigorous evaluations of innovative approaches to drug and violence prevention;

[(3) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the clearinghouse for alcohol and drug abuse information established under section 501(d)(16) of the Public Health Service Act;

[(4) the development of curricula related to child abuse prevention and education and the training of personnel to teach child abuse education and prevention to elementary and secondary schoolchildren;

[(5) program evaluations in accordance with section 14701 that address issues not addressed under section 4117(a);

[(6) direct services to schools and school systems afflicted with especially severe drug and violence problems;

[(7) activities in communities designated as empowerment zones or enterprise communities that will connect schools to community-wide efforts to reduce drug and violence problems;

[(8) developing and disseminating drug and violence prevention materials, including video-based projects and model curricula;

[(9) developing and implementing a comprehensive violence prevention strategy for schools and communities, that may include conflict resolution, peer mediation, the teaching of law and legal concepts, and other activities designed to stop violence;

[(10) the implementation of innovative activities, such as community service projects, designed to rebuild safe and healthy neighborhoods and increase students' sense of individual responsibility;

[(11) grants to noncommercial telecommunications entities for the production and distribution of national video-based projects that provide young people with models for conflict resolution and responsible decisionmaking;

[(12) the development of education and training programs, curricula, instructional materials, and professional training and development for preventing and reducing the incidence of crimes and conflicts motivated by hate in localities most directly affected by hate crimes; and

[(13) other activities that meet unmet national needs related to the purposes of this title.

[(b) PEER REVIEW.—The Secretary shall use a peer review process in reviewing applications for funds under this section.

[SEC. 4123. HATE CRIME PREVENTION.

[(a) GRANT AUTHORIZATION.—From funds made available to carry out this subpart under section 4004(1) the Secretary may make grants to local educational agencies and communuity-based organizations for the purpose of providing assistance to localities most directly affected by hate crimes.

[(b) USE OF FUNDS.—

[(1) PROGRAM DEVELOPMENT.—Grants under this section may be used to improve elementary and secondary educational efforts, including—

[(A) development of education and training programs designed to prevent and to reduce the incidence of crimes and conflicts motivated by hate;

[(B) development of curricula for the purpose of improving conflict or dispute resolution skills of students, teachers, and administrators;

[(C) development and acquisition of equipment and instructional materials to meet the needs of, or otherwise be part of, hate crime or conflict programs; and

[(D) professional training and development for teachers and administrators on the causes, effects, and resolutions of hate crimes or hate-based conflicts.

[(2) IN GENERAL.—In order to be eligible to receive a grant under this section for any fiscal year, a local educational agency, or a local educational agency in conjunction with a community-based organization, shall submit an application to the Sec-

retary in such form and containing such information as the office may reasonably require.

[(3) REQUIREMENTS.—Each application under paragraph (2) shall include—

[(A) a request for funds for the purposes described in this section;

[(B) a description of the schools and communities to be served by the grants; and

[(C) assurances that Federal funds received under this section shall be used to supplement, not supplant, non-Federal funds.

[(4) COMPREHENSIVE PLAN.—Each application shall include a comprehensive plan that contains—

[(A) a description of the hate crime or conflict problems within the schools or the community targeted for assistance;

[(B) a description of the program to be developed or augmented by such Federal and matching funds;

[(C) assurances that such program or activity shall be administered by or under the supervision of the applicant;

[(D) proper and efficient administration of such program; and

[(E) fiscal control and fund accounting procedures as may be necessary to ensure prudent use, proper disbursement, and accurate accounting of funds received under this section.

[(c) AWARD OF GRANTS.—

[(1) SELECTION OF RECIPIENTS.—The Secretary shall consider the incidence of crimes and conflicts motivated by bias in the targeted schools and communities in awarding grants under this section.

[(2) GEOGRAPHIC DISTRIBUTION.—The Secretary shall attempt to the extent practicable, to achieve an equitable geographic distribution of grant awards.

[(3) DISSEMINATION OF INFORMATION.—The Secretary shall attempt, to the extent practicable, to make available information regarding successful hate crime prevention programs, including programs established or expanded with grants under this section.

[(d) REPORTS.—the Secretary shall submit to the Congress a report every two years which shall contain a detailed statement regarding grants and awards, activities of grant recipients, and an evaluation of programs established under this section.

[Subpart 3—General Provisions

[SEC. 4131. DEFINITIONS.

[For the purpose of this part:

[(1) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organization which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community.

[(2) DRUG AND VIOLENCE PREVENTION.—The term "drug and violence prevention" means—

[(A) with respect to drugs, prevention, early intervention, rehabilitation referral, or education related to the illegal use of alcohol and the use of controlled, illegal, addictive, or harmful substances, including inhalants and anabolic steroids;

[(B) prevention, early intervention, smoking cessation activities, or education, related to the use of tobacco by children and youth eligible for services under this title; and

[(C) with respect to violence, the promotion of school safety, such that students and school personnel are free from violent and disruptive acts, including sexual harassment and abuse, and victimization associated with prejudice and intolerance, on school premises, going to and from school, and at school-sponsored activities, through the creation and maintenance of a school environment that is free of weapons and fosters individual responsibility and respect for the rights of others.

[(3) HATE CRIME.—The term "hate crime" means a crime as described in section 1(b) of the Hate Crime Statistics Act of 1990.

[(4) NONPROFIT.—The term "nonprofit", as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

[(5) SCHOOL-AGED POPULATION.—The term "school-aged population" means the population aged five through 17, as determined by the Secretary on the basis of the most recent satisfactory data available from the Department of Commerce.

[(6) SCHOOL PERSONNEL.—The term "school personnel" includes teachers, administrators, guidance counselors, social workers, psychologists, nurses, librarians, and other support staff who are employed by a school or who perform services for the school on a contractual basis.

[SEC. 4132. MATERIALS.

[(a) "WRONG AND HARMFUL" MESSAGE.—Drug prevention programs supported under this part shall convey a clear and consistent message that the illegal use of alcohol and other drugs is wrong and harmful.

[(b) CURRICULUM.—The Secretary shall not prescribe the use of specific curricula for programs supported under this part, but may evaluate the effectiveness of such curricula and other strategies in drug and violence prevention.

[SEC. 4133. PROHIBITED USES OF FUNDS.

[No funds under this part may be used for—

[(1) construction (except for minor remodeling needed to accomplish the purposes of this part); and

[(2) medical services, drug treatment or rehabilitation, except for pupil services or referral to treatment for students who are victims of or witnesses to crime or who use alcohol, tobacco, or drugs.

[SEC. 4134. QUALITY RATING.

[(a) IN GENERAL.—The chief executive officer of each State, or in the case of a State in which the constitution or law of such State designates another individual, entity, or agency in the State to be responsible for education activities, such individual, entity, or agency, is authorized and encouraged—

[(1) to establish a standard of quality for drug, alcohol, and tobacco prevention programs implemented in public elementary schools and secondary schools in the State in accordance with subsection (b); and

[(2) to identify and designate, upon application by a public elementary school or secondary school, any such school that achieves such standard as a quality program school.

[(b) CRITERIA.—The standard referred to in subsection (a) shall address, at a minimum—

[(1) a comparison of the rate of illegal use of drugs, alcohol, and tobacco by students enrolled in the school for a period of time to be determined by the chief executive officer of the State;

[(2) the rate of suspensions or expulsions of students enrolled in the school for drug, alcohol, or tobacco-related offenses;

[(3) the effectiveness of the drug, alcohol, or tobacco prevention program as proven by research;

[(4) the involvement of parents and community members in the design of the drug, alcohol, and tobacco prevention program; and

[(5) the extent of review of existing community drug, alcohol, and tobacco prevention programs before implementation of the public school program.

[(c) REQUEST FOR QUALITY PROGRAM SCHOOL DESIGNATION.—A school that wishes to receive a quality program school designation shall submit a request and documentation of compliance with this section to the chief executive officer of the State or the individual, entity, or agency described in subsection (a), as the case may be.

[(d) PUBLIC NOTIFICATION.—Not less than once a year, the chief executive officer of each State or the individual, entity, or agency described in subsection (a), as the case may be, shall make available to the public a list of the names of each public school in the State that has received a quality program school designation in accordance with this section.

TITLE IV—SAFE AND DRUG–FREE SCHOOLS AND COMMUNITIES

PART A—STATE GRANTS

SEC. 4001. SHORT TITLE.

This part may be cited as the "Safe and Drug-Free Schools and Communities Act of 1994".

SEC. 4002. FINDINGS.

Congress makes the following findings:

(1) Every student should attend a school in a drug- and violence-free learning environment.

(2) The widespread illegal use of alcohol and drugs among the Nation's secondary school students, and increasingly by students in elementary schools as well, constitutes a grave threat to such students' physical and mental well-being, and significantly impedes the learning process. For example, data show that students who drink tend to receive lower grades and are more likely to miss school because of illness than students who do not drink.

(3) Drug and violence prevention programs are essential components of a comprehensive strategy to promote school safety, youth development, positive school outcomes, and to reduce the demand for and illegal use of alcohol, tobacco and drugs throughout the Nation. Schools, local organizations, parents, students, and communities throughout the Nation have a special responsibility to work together to combat the continuing epidemic of violence and illegal drug use and should measure the success of their programs against clearly defined goals and objectives.

(4) Drug and violence prevention programs are most effective when implemented within a scientifically based research, drug and violence prevention framework of proven effectiveness.

(5) Research clearly shows that community contexts contribute to substance abuse and violence.

(6) Substance abuse and violence are intricately related and must be dealt with in a holistic manner.

(7) Research has documented that parental behavior and environment directly influence a child's inclination to use alcohol, tobacco or drugs.

SEC. 4003. PURPOSE.

The purpose of this part is to support programs that prevent violence in and around schools and prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and are coordinated with related Federal, State, school, and community efforts and resources, through the provision of Federal assistance to—

(1) States for grants to local educational agencies and educational service agencies and consortia of such agencies to establish, operate, and improve local programs of school drug and violence prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools for the development and implementation of policies that set clear and appropriate standards regarding the illegal use of alcohol, tobacco and drugs, and for violent behavior (including intermediate and junior high schools);

(2) States for grants to, and contracts with, community-based organizations and other public and private nonprofit agencies and organizations for programs of drug and violence prevention including community mobilization, early intervention, rehabilitation referral, and education;

(3) States for development, training, technical assistance, and coordination activities; and

(4) public and private nonprofit organizations to provide technical assistance, conduct training, demonstrations, and evaluation, and to provide supplementary services and community mo-

bilization activities for the prevention of drug use and violence among students and youth.

SEC. 4004. FUNDING.

There are authorized to be appropriated—

(1) $700,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years, for State grants under subpart 1;

(2) $150,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years, for national programs under subpart 2;

(3) $75,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years, for the National Coordinator Initiative under section 4122; and

(4) $5,000,000 for each of fiscal years 2002 through 2004 to carry out section 4125.

Subpart 1—State Grants for Drug and Violence Prevention Programs

SEC. 4111. RESERVATIONS AND ALLOTMENTS.

(a) RESERVATIONS.—From the amount made available under section 4004(1) to carry out this subpart for each fiscal year, the Secretary—

(1) shall reserve 1 percent of such amount for grants under this subpart to Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with the Secretary's determination of their respective needs;

(2) shall reserve 1 percent of such amount for the Secretary of the Interior to carry out programs under this part for Indian youth;

(3) may reserve not more than $2,000,000 for the national impact evaluation required by section 4117(a); and

(4) shall reserve 0.2 percent of such amount for programs for Native Hawaiians under section 4118.

(b) STATE ALLOTMENTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall, for each fiscal year, allocate among the States—

(A) one-half of the remainder not reserved under subsection (a) according to the ratio between the school-aged population of each State and the school-aged population of all the States; and

(B) one-half of such remainder according to the ratio between the amount each State received under section 1124A for the preceding year and the sum of such amounts received by all the States.

(2) MINIMUM.—For any fiscal year, no State shall be allotted under this subsection an amount that is less than one-half of 1 percent of the total amount allotted to all the States under this subsection.

(3) REALLOTMENT.—The Secretary may reallot any amount of any allotment to a State if the Secretary determines that the State will be unable to use such amount within 2 years of such

allotment. Such reallotments shall be made on the same basis as allotments are made under paragraph (1).

(4) DEFINITIONS.—In this subsection:

(A) STATE.—The term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(B) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' includes educational service agencies and consortia of such agencies.

(c) LIMITATION.—Amounts appropriated under section 4004(2) for a fiscal year may not be increased above the amounts appropriated under such section for the previous fiscal year unless the amounts appropriated under section 4004(1) for the fiscal year involved are at least 10 percent greater that the amounts appropriated under such section 4004(1) for the previous fiscal year.

SEC. 4112. STATE APPLICATIONS.

(a) IN GENERAL.—In order to receive an allotment under section 4111 for any fiscal year, a State shall submit to the Secretary, at such time as the Secretary may require, an application that—

(1) contains a comprehensive plan for the use of funds by the State educational agency and the chief executive officer to provide safe, orderly, and drug-free schools and communities;

(2) contains the results of the State's needs assessment for drug and violence prevention programs, which shall be based on the results of on-going State evaluation activities, including data on the incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use and violence by youth in schools and communities and the prevalence of risk or protective factors, buffers or assets or other scientifically based research variables in the school and community;

(3) contains assurances that the sections of the application concerning the funds provided to the chief executive officer and the State educational agency were developed together, with each such officer or State representative, in consultation and coordination with appropriate State officials and others, including the chief State school officer, the chief executive officer, the head of the State alcohol and drug abuse agency, the heads of the State health and mental health agencies, the head of the State criminal justice planning agency, the head of the State child welfare agency, the head of the State board of education, or their designees, and representatives of parents, students, and community-based organizations;

(4) contains an assurance that the State will cooperate with, and assist, the Secretary in conducting a national impact evaluation of programs required by section 4117(a);

(5) contains assurances that the State education agency and the Governor will develop their respective applications in consultation with an advisory council that includes, to the extent practicable, representatives from school districts, businesses, parents, youth, teachers, administrators, pupil services personnel, private schools, appropriate State agencies, community-based organizations, the medical profession, law enforcement,

the faith-based community and other groups with interest and expertise in alcohol, tobacco, drug, and violence prevention;

(6) contains assurances that the State education agency and the Governor involve the representatives described in paragraph (5), on an ongoing basis, to review program evaluations and other relevant material and make recommendations to the State education agency and the Governor on how to improve their respective alcohol, tobacco, drug, and violence prevention programs;

(7) contains a list of the State's results-based performance measures for drug and violence prevention, that shall—

(A) be focused on student behavior and attitudes and be derived from the needs assessment;

(B) include targets and due dates for the attainment of such performance measures; and

(C) include a description of the procedures that the State will use to inform local educational agencies of such performance measures for assessing and publicly reporting progress toward meeting such measures or revising them as needed; and

(8) includes any other information the Secretary may require.

(b) STATE EDUCATIONAL AGENCY FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 4113(a) by the State educational agency that includes—

(1) a plan for monitoring the implementation of, and providing technical assistance regarding, the drug and violence prevention programs conducted by local educational agencies in accordance with section 4116;

(2) a description of how the State educational agency will use funds under section 4113(b), including how the agency will receive input from parents regarding the use of such funds;

(3) a description of how the State educational agency will coordinate such agency's activities under this subpart with the chief executive officer's drug and violence prevention programs under this subpart and with the prevention efforts of other State agencies; and

(4) a description of the procedures the State educational agency will use to review applications from and allocate funding to local educational agencies under section 4115 and how such review will receive input from parents.

(c) GOVERNOR'S FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 4114(a) by the chief executive officer that includes, with respect to each activity to be carried out by the State—

(1) a description of how the chief executive officer will coordinate such officer's activities under this part with the State educational agency and other State agencies and organizations involved with drug and violence prevention efforts;

(2) a description of how funds reserved under section 4114(a) will be used so as not to duplicate the efforts of the State educational agency and local educational agencies with regard to the provision of school-based prevention efforts and services and how those funds will be used to serve populations not normally

served by the State educational agency, such as school dropouts and youth in detention centers;

(3) a description of how the chief executive officer will award funds under section 4114(a) and a plan for monitoring the performance of, and providing technical assistance to, recipients of such funds;

(4) a description of the special outreach activities that will be carried out to maximize the participation of community-based nonprofit organizations of demonstrated effectiveness which provide services in low-income communities;

(5) a description of how funds will be used to support community-wide comprehensive drug and violence prevention planning and community mobilization activities; and

(6) a specific description of how input from parents will be sought regarding the use of funds under section 4114(a).

(d) PEER REVIEW.—The Secretary shall use a peer review process in reviewing State applications under this section.

(e) INTERIM APPLICATION.—Notwithstanding any other provisions of this section, a State may submit for fiscal year 2002 a 1-year interim application and plan for the use of funds under this subpart that are consistent with the requirements of this section and contain such information as the Secretary may specify in regulations. The purpose of such interim application and plan shall be to afford the State the opportunity to fully develop and review such State's application and comprehensive plan otherwise required by this section. A State may not receive a grant under this subpart for a fiscal year subsequent to fiscal year 2002 unless the Secretary has approved such State's application and comprehensive plan in accordance with this subpart.

SEC. 4113. STATE AND LOCAL EDUCATIONAL AGENCY PROGRAMS.

(a) USE OF FUNDS.—An amount equal to 80 percent of the total amount allocated to a State under section 4111 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section.

(b) STATE LEVEL PROGRAMS.—

(1) IN GENERAL.—A State educational agency shall use not more than 5 percent of the amount available under subsection (a) for activities such as—

(A) voluntary training and technical assistance concerning drug and violence prevention for local educational agencies and educational service agencies, including teachers, administrators, coaches and athletic directors, other staff, parents, students, community leaders, health service providers, local law enforcement officials, and judicial officials;

(B) the development, identification, dissemination, and evaluation of the most readily available, accurate, and up-to-date drug and violence prevention curriculum materials (including videotapes, software, and other technology-based learning resources), for consideration by local educational agencies;

(C) making available to local educational agencies cost effective scientifically based research programs for youth violence and drug abuse prevention;

(D) demonstration projects in drug and violence prevention, including service-learning projects;

(E) training, technical assistance, and demonstration projects to address violence associated with prejudice and intolerance;

(F) training, technical assistance and demonstration projects to address the impact of family violence on school violence and substance abuse;

(G) financial assistance to enhance resources available for drug and violence prevention in areas serving large numbers of economically disadvantaged children or sparsely populated areas, or to meet other special needs consistent with the purposes of this subpart; and

(H) the evaluation of activities carried out within the State under this part.

(2) SPECIAL RULE.—A State educational agency may carry out activities under this subsection directly, or through grants or contracts.

(c) STATE ADMINISTRATION.—

(1) IN GENERAL.—A State educational agency may use not more than 5 percent of the amount reserved under subsection (a) for the administrative costs of carrying out its responsibilities under this part.

(2) UNIFORM MANAGEMENT INFORMATION AND REPORTING SYSTEM.—In carrying out its responsibilities under this part, a State shall implement a uniform management information and reporting system that includes information on the types of curricula, programs and services provided by the State, Governor, local education agencies, and other recipients of funds under this title.

(d) LOCAL EDUCATIONAL AGENCY PROGRAMS.—

(1) IN GENERAL.—A State educational agency shall distribute not less than 91 percent of the amount made available under subsection (a) for each fiscal year to local educational agencies in accordance with this subsection.

(2) DISTRIBUTION.—A State educational agency shall distribute amounts under paragraph (1) in accordance with any one of the following subparagraphs:

(A) ENROLLMENT AND COMBINATION APPROACH.—Of the amount distributed under paragraph (1), a State educational agency shall distribute—

(i) at least 70 percent of such amount to local educational agencies, based on the relative enrollments in public and private nonprofit elementary and secondary schools within the boundaries of such agencies; and

(ii) not to exceed 30 percent of any amounts remaining after amounts are distributed under clause (i)—

(I) to each local educational agency in an amount determined appropriate by the State educational agency; or

(II) to local educational agencies that the State education agency determines have the greatest need for additional funds to carry out drug and violence prevention programs authorized by this subpart.

(B) COMPETITIVE AND NEED APPROACH.—Of the amount distributed under paragraph (1), a State educational agency shall distribute—

(i) not to exceed 70 percent of such amount to local educational agencies that the State agency determines, through a competitive process, have the greatest need for funds to carry out drug and violence prevention programs based on criteria established by the State agency and authorized under this subpart; and

(ii) at least 30 percent of any amounts remaining after amounts are distributed under clause (i) to local educational agencies that the State agency determines have a need for additional funds to carry out the program authorized under this subpart.

(3) CONSIDERATION OF OBJECTIVE DATA.—For purposes of paragraph (2), in determining which local educational agencies have the greatest need for funds, the State educational agency shall consider objective data which may include—

(A) high or increasing rates of alcohol or drug use among youth;

(B) high or increasing rates of victimization of youth by violence and crime;

(C) high or increasing rates of arrests and convictions of youth for violent or drug- or alcohol-related crime;

(D) the extent of illegal gang activity;

(E) high or increasing incidence of violence associated with prejudice and intolerance;

(F) high or increasing rates of referrals of youths to drug and alcohol abuse treatment and rehabilitation programs;

(G) high or increasing rates of referrals of youths to juvenile court;

(H) high or increasing rates of expulsions and suspensions of students from schools;

(I) high or increasing rates of reported cases of child abuse and domestic violence; and

(J) high or increasing rates of drug related emergencies or deaths.

(e) REALLOCATION OF FUNDS.—If a local educational agency chooses not to apply to receive the amount allocated to such agency under subsection (d), or if such agency's application under section 4115 is disapproved by the State educational agency, the State educational agency shall reallocate such amount to one or more of its other local educational agencies.

(f) RETURN OF FUNDS TO STATE EDUCATIONAL AGENCY; REALLOCATION.—

(1) RETURN.—Except as provided in paragraph (2), upon the expiration of the 1-year period beginning on the date that a local educational agency or educational service agency under this title receives its allocation under this title—

(A) such agency shall return to the State educational agency any funds from such allocation that remain unobligated; and

(B) the State educational agency shall reallocate any such amount to local educational agencies or educational service agencies that have plans for using such amount for programs or activities on a timely basis.

(2) REALLOCATION.—In any fiscal year, a local educational agency, may retain for obligation in the succeeding fiscal year—

(A) an amount equal to not more than 25 percent of the allocation it receives under this title for such fiscal year; or

(B) upon a demonstration of good cause by such agency or consortium, a greater amount approved by the State educational agency.

SEC. 4114. GOVERNOR'S PROGRAMS.

(a) USE OF FUNDS.—

(1) IN GENERAL.—An amount equal to 20 percent of the total amount allocated to a State under section 4111(b)(1) for each fiscal year shall be used by the chief executive officer of such State for drug and violence prevention programs and activities in accordance with this section.

(2) ADMINISTRATIVE COSTS.—A chief executive officer may use not more than 5 percent of the 20 percent described in paragraph (1) for the administrative costs incurred in carrying out the duties of such officer under this section. The chief executive officer of a State may use amounts under this paragraph to award grants to State, county, or local law enforcement agencies, including district attorneys, in consultation with local education agencies or community-based agencies, for the purposes of carrying out drug abuse and violence prevention activities.

(b) STATE PLAN.—Amounts shall be used under this section in accordance with a State plan submitted by the chief executive office of the State. Such State plan shall contain—

(1) an objective analysis of the current use (and consequences of such use) of alcohol, tobacco, and controlled, illegal, addictive or harmful substances as well as the violence, safety, and discipline problems among students who attend schools in the State (including private school students who participate in the States's drug and violence prevention programs) that is based on ongoing local assessment or evaluation activities;

(2) an analysis, based on data reasonably available at the time, of the prevalence of risk factors, including high or increasing rates of reported cases of child abuse and domestic violence, or protective factors, buffers or assets or other scientifically based research variables in schools and communities in the State;

(3) a description of the scientifically based research strategies and programs, which shall be used to prevent or reduce drug use, violence, or disruptive behavior, which shall include—

(A) a specification of the objectively measurable goals, objectives, and activities for the program;

(B) a specification for how risk factors, if any, which have been identified will be targeted through scientifically based research programs; and

(C) a specification for how protective factors, buffers, or assets, if any, will be targeted through scientifically based research programs;

(4) a specification for the method or methods by which measurements of program goals will be achieved; and

(5) a specification for how the evaluation of the effectiveness of the prevention program will be assessed and how the results will be used to refine, improve, and strengthen the program.

(c) PROGRAMS AUTHORIZED.—

(1) IN GENERAL.—A chief executive officer shall use funds made available under subsection (a)(1) directly for grants to or contracts with parent groups, schools, community action and job training agencies, community-based organizations, community anti-drug coalitions, law enforcement education partnerships, and other public entities and private nonprofit organizations and consortia thereof. In making such grants and contracts, a chief executive officer shall give priority to programs and activities described in subsection (d) for—

(A) children and youth who are not normally served by State or local educational agencies; or

(B) populations that need special services or additional resources (such as preschoolers, youth in juvenile detention facilities, runaway or homeless children and youth, pregnant and parenting teenagers, and school dropouts).

(2) PEER REVIEW.—Grants or contracts awarded under this subsection shall be subject to a peer review process.

(d) AUTHORIZED ACTIVITIES.—Grants and contracts under subsection (c) shall be used to carry out the comprehensive State plan as required under section 4112(a)(1) through programs and activities such as—

(1) disseminating information about drug and violence prevention;

(2) the voluntary training of parents, law enforcement officials, judicial officials, social service providers, health service providers and community leaders about drug and violence prevention, health education (as it relates to drug and violence prevention), domestic violence and child abuse education (as it relates to drug and violence prevention), early intervention, pupil services, or rehabilitation referral;

(3) developing and implementing comprehensive, community-based drug and violence prevention programs that link community resources with schools and integrate services involving education, vocational and job skills training and placement, law enforcement, health, mental health, family violence prevention, community service, service-learning, mentoring, and other appropriate services;

(4) planning and implementing drug and violence prevention activities that coordinate the efforts of State agencies with efforts of the State educational agency and its local educational agencies;

(5) activities to protect students traveling to and from school;

(6) before-and-after school recreational, instructional, cultural, and artistic programs that encourage drug- and violence-free lifestyles;

(7) activities that promote the awareness of and sensitivity to alternatives to violence through courses of study that include related issues of intolerance and hatred in history;

(8) developing and implementing activities to prevent and reduce violence associated with prejudice and intolerance;

(9) developing and implementing activities to prevent and reduce dating violence;

(10) developing and implementing strategies to prevent illegal gang activity;

(11) coordinating and conducting school and community-wide violence and safety and drug abuse assessments and surveys;

(12) service-learning projects that encourage drug- and violence-free lifestyles;

(13) evaluating programs and activities assisted under this section;

(14) developing and implementing community mobilization activities to undertake environmental change strategies related to substance abuse and violence; and

(15) partnerships between local law enforcement agencies, including district attorneys, and local education agencies or community-based agencies.

SEC. 4115. LOCAL APPLICATIONS.

(a) APPLICATION REQUIRED.—

(1) IN GENERAL.—In order to be eligible to receive a distribution under section 4113(d) for any fiscal year, a local educational agency shall submit, at such time as the State educational agency requires, an application to the State educational agency for approval. Such an application shall be amended, as necessary, to reflect changes in the local educational agency's program.

(2) DEVELOPMENT.—

(A) CONSULTATION.—A local educational agency shall develop its application under subsection (a)(1) in consultation with a local or substate regional advisory council that includes, to the extent possible, representatives of local government, business, parents, students, teachers, pupil services personnel, appropriate State agencies, private schools, the medical profession, law enforcement, community-based organizations, and other groups with interest and expertise in drug and violence prevention.

(B) DUTIES OF ADVISORY COUNCIL.—In addition to assisting the local educational agency to develop an application under this section, the advisory council established or designated under subparagraph (A) shall, on an ongoing basis—

(i) disseminate information about scientifically based research drug and violence prevention programs, projects, and activities conducted within the boundaries of the local educational agency;

(ii) advise the local educational agency regarding how best to coordinate such agency's activities under this subpart with other related programs, projects, and activities;

(iii) ensure that a mechanism is in place to enable local educational agencies to have access to up-to-date information concerning the agencies that administer related programs, projects, and activities and any changes in the law that alter the duties of the local educational agencies with respect to activities conducted under this subpart; and

(iv) review program evaluations and other relevant material and make recommendations on an active and ongoing basis to the local educational agency on how to improve such agency's drug and violence prevention programs.

(b) CONTENTS OF APPLICATIONS.—An application under this section shall contain—

(1) an objective analysis of the current use (and consequences of such use) of alcohol, tobacco, and controlled, illegal, addictive or harmful substances as well as the violence, safety, and discipline problems among students who attend the schools of the applicant (including private school students who participate in the applicant's drug and violence prevention program) that is based on ongoing local assessment or evaluation activities;

(2) an analysis, based on data reasonably available at the time, of the prevalence of risk factors, including high or increasing rates of reported cases of child abuse and domestic violence, or protective factors, buffers or assets or other scientifically based research variables in the school and community;

(3) a description of the scientifically based research strategies and programs, which shall be used to prevent or reduce drug use, violence, or disruptive behavior, which shall include—

(A) a specification of the objectively measurable goals, objectives, and activities for the program, which shall include—

(i) reductions in the use of alcohol, tobacco, and illicit drugs and violence by youth;

(ii) specific reductions in the prevalence of identified risk factors;

(iii) specific increases in the prevalence of protective factors, buffers, or assets if any have been identified; or

(iv) other scientifically based research goals, objectives, and activities that are identified as part of the application that are not otherwise covered under clauses (i) through (iii);

(B) a specification for how risk factors, if any, which have been identified will be targeted through scientifically based research programs; and

(C) a specification for how protective factors, buffers, or assets, if any, will be targeted through scientifically based research programs;

(4) a specification for the method or methods by which measurements of program goals will be achieved;

(5) a specification for how the evaluation of the effectiveness of the prevention program will be assessed and how the results will be used to refine, improve, and strengthen the program;

(6) an assurance that the applicant has, or the schools to be served have, a plan for keeping schools safe and drug-free that includes—

(A) appropriate and effective discipline policies that prohibit disorderly conduct, the possession of firearms and other weapons, and the illegal use, possession, distribution, and sale of tobacco, alcohol, and other drugs by students;

(B) security procedures at school and while students are on the way to and from school;

(C) prevention activities that are designed to create and maintain safe, disciplined, and drug-free environments; and

(D) a crisis management plan for responding to violent or traumatic incidents on school grounds; and

(7) such other information and assurances as the State educational agency may reasonably require.

(c) REVIEW OF APPLICATION.—

(1) IN GENERAL.—In reviewing local applications under this section, a State educational agency shall use a peer review process or other methods of assuring the quality of such applications.

(2) CONSIDERATIONS.—

(A) IN GENERAL.—In determining whether to approve the application of a local educational agency under this section, a State educational agency shall consider the quality of the local educational agency's comprehensive plan under subsection (b)(6) and the extent to which the proposed plan provides a thorough assessment of the substance abuse and violence problem, uses objective data and the knowledge of a wide range of community members, develops measurable goals and objectives, and implements scientifically based research programs that have been shown to be effective and meet identified needs.

(B) DISAPPROVAL.—A State educational agency may disapprove a local educational agency application under this section in whole or in part and may withhold, limit, or place restrictions on the use of funds allotted to such a local educational agency in a manner the State educational agency determines will best promote the purposes of this part, except that a local educational agency shall be afforded an opportunity to appeal any such disapproval.

SEC. 4116. LOCAL DRUG AND VIOLENCE PREVENTION PROGRAMS.

(a) PROGRAM REQUIREMENTS.—A local educational agency shall use funds received under this subpart to adopt and carry out a comprehensive drug and violence prevention program which shall—

(1) be designed, for all students and school employees, to—

(A) prevent the use, possession, and distribution of tobacco, alcohol, and illegal drugs by students and to prevent the illegal use, possession, and distribution of such substances by school employees;

(B) prevent violence and promote school safety; and

(C) create a disciplined environment conducive to learning;

(2) include activities to promote the involvement of parents and coordination with community groups and agencies, including the distribution of information about the local educational agency's needs, goals, and programs under this subpart;

(3) implement activities which shall include—

(A) a thorough assessment of the substance abuse violence problem, using objective data and the knowledge of a wide range of community members;

(B) the development of measurable goals and objectives;

(C) the implementation of scientifically based research programs that have been shown to be effective and meet identified goals; and

(D) an evaluation of program activities; and

(4) implement prevention programming activities within the context of a scientifically based research prevention framework.

(b) USE OF FUNDS.—A comprehensive, age-appropriate, developmentally-, and scientifically based research drug and violence prevention program carried out under this subpart may include—

(1) drug or violence prevention and education programs for all students, from the preschool level through grade 12, that address the legal, social, personal and health consequences of the use of illegal drugs or violence, promote a sense of individual responsibility, and provide information about effective techniques for resisting peer pressure to use illegal drugs;

(2) programs of drug or violence prevention, health education (as it relates to drug and violence prevention), domestic violence and child abuse education (as it relates to drug and violence prevention), early intervention, pupil services, mentoring, or rehabilitation referral, which emphasize students' sense of individual responsibility and which may include—

(A) the dissemination of information about drug or violence prevention;

(B) the professional development or voluntary training of school personnel, parents, students, law enforcement officials, judicial officials, health service providers and community leaders in prevention, education, early intervention, pupil services or rehabilitation referral; and

(C) the implementation of strategies, including strategies to integrate the delivery of services from a variety of providers, to combat illegal alcohol, tobacco and drug use, such as—

(i) family counseling; and

(ii) activities, such as community service and service-learning projects, that are designed to increase students' sense of community;

(3) age-appropriate, developmentally based violence prevention and education programs for all students, from the preschool level through grade 12, that address the legal, health, personal, and social consequences of violent and disruptive behavior, including sexual harassment and abuse, domestic violence and child abuse, and victimization associated with prejudice and intolerance, and that include activities designed to help students develop a sense of individual responsibility and respect for the rights of others, and to resolve conflicts without

violence, or otherwise decrease the prevalence of risk factors or increase the prevalence of protective factors, buffers, or assets in the community;

(4) violence prevention programs for school-aged youth, which emphasize students' sense of individual responsibility and may include—

(A) the dissemination of information about school safety and discipline;

(B) the professional development or voluntary training of school personnel, parents, students, law enforcement officials, judicial officials, and community leaders in designing and implementing strategies to prevent school violence;

(C) the implementation of strategies, such as conflict resolution and peer mediation, student outreach efforts against violence, anti-crime youth councils (which work with school and community-based organizations to discuss and develop crime prevention strategies), and the use of mentoring programs, to combat school violence and other forms of disruptive behavior, such as sexual harassment and abuse; and

(D) the development and implementation of character education programs, as a component of a comprehensive drug or violence prevention program, that are tailored by communities, parents and schools; and

(E) comprehensive, community-wide strategies to prevent or reduce illegal gang activities and drug use;

(5) supporting 'safe zones of passage' for students between home and school through such measures as Drug- and Weapon-Free School Zones, enhanced law enforcement, and neighborhood patrols;

(6) the acquisition or hiring of school security equipment, technologies, personnel, or services such as—

(A) metal detectors;

(B) electronic locks;

(C) surveillance cameras; and

(D) other drug and violence prevention-related equipment and technologies;

(7) professional development for teachers and other staff and curricula that promote the awareness of and sensitivity to alternatives to violence through courses of study that include related issues of intolerance and hatred in history;

(8) the promotion of before-and-after school recreational, instructional, cultural, and artistic programs in supervised community settings;

(9) other scientifically based research prevention programming that is—

(A) effective in reducing the prevalence of alcohol, tobacco or drug use, and violence in youth;

(B) effective in reducing the prevalence of risk factors predictive of increased alcohol, tobacco or drug use, and violence; or

(C) effective in increasing the prevalence of protective factors, buffers, and assets predictive of decreased alcohol, tobacco or drug use and violence among youth;

(10) the collection of objective data used to assess program needs, program implementation, or program success in achieving program goals and objectives;

(11) community involvement activities including community mobilization;

(12) voluntary parental involvement and training;

(13) the evaluation of any of the activities authorized under this subsection;

(14) the provision of mental health counseling (by qualified counselors) to students for drug or violence related problems;

(15) consistent with the fourth amendment to the Constitution of the United States, the testing of a student for illegal drug use or inspecting a student's locker for guns, explosives, other weapons, or illegal drugs, including at the request of or with the consent of a parent or legal guardian of the student, if the local educational agency elects to so test or inspect; and

(16) the conduct of a nationwide background check of each local educational agency employee (regardless of when hired) and prospective employees for the purpose of determining whether the employee or prospective employee has been convicted of a crime that bears upon the employee's or prospective employee's fitness—

(A) to have responsibility for the safety or well-being of children;

(B) to serve in the particular capacity in which the employee or prospective employee is or will be employed; or

(C) to otherwise be employed at all by the local educational agency.

(c) LIMITATIONS.—

(1) IN GENERAL.—Not more than 20 percent of the funds made available to a local educational agency under this subpart may be used to carry out the activities described in paragraphs (5) and (6) of subsection (b).

(2) SPECIAL RULE.—A local educational agency shall only use funds received under this subpart for activities described in paragraphs (5) and (6) of subsection (b) if funding for such activities is not received from other Federal agencies.

(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit the use of funds under this part by any local educational agency or school for the establishment or implementation of a school uniform policy so long as such policy is part of the overall comprehensive drug and violence prevention plan of the State involved and is supported by the State's needs assessment and other scientifically based research information.

SEC. 4117. EVALUATION AND REPORTING.

(a) IMPACT EVALUATION.—

(1) BIENNIAL EVALUATION.—The Secretary, in consultation with the National Advisory Committee, shall conduct an independent biennial evaluation of the impact of programs assisted under this subpart and of other recent and new initiatives to combat violence in schools. The evaluation shall report on—

(A) whether funded community and local education agency programs—

(i) provided a thorough assessment of the substance abuse and violence problem;

(ii) used objective data and the knowledge of a wide range of community members;

(iii) developed measurable goals and objectives;

(iv) implemented scientifically based research programs that have been shown to be effective and meet identified needs; and

(v) conducted periodic program evaluations to assess progress made towards achieving program goals and objectives and whether they used evaluations to improve program goals, objectives and activities;

(B) whether funded community and local education agency programs have been designed and implemented in a manner that specifically targets, if relevant to the program—

(i) scientifically based research variables that are predictive of drug use or violence;

(ii) risk factors that are predictive of an increased likelihood that young people will use drugs, alcohol or tobacco or engage in violence or drop out of school; or

(iii) protective factors, buffers, or assets that are known to protect children and youth from exposure to risk, either by reducing the exposure to risk factors or by changing the way the young person responds to risk, and to increase the likelihood of positive youth development;

(C) whether funded community and local education agency programs have appreciably reduced the level of drug, alcohol and tobacco use and school violence and the presence of firearms at schools; and

(D) whether funded community and local educational agency programs have conducted effective parent involvement and voluntary training programs.

(2) DATA COLLECTION.—The National Center for Education Statistics shall collect data to determine the incidence and prevalence of social disapproval of drug use and violence in elementary and secondary schools in the States.

(3) BIENNIAL REPORT.—Not later than January 1, 2003, and every 2 years thereafter, the Secretary shall submit to the President and Congress a report on the findings of the evaluation conducted under paragraph (1) together with the data collected under paragraph (2) and data available from other sources on the incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use in elementary and secondary schools in the States. The Secretary shall include data submitted by the States pursuant to subsection (b)(2)(B).

(b) STATE REPORT.—

(1) IN GENERAL.—By December 1, 2002, and every 2 years thereafter, the chief executive officer of the State, in cooperation with the State educational agency, shall submit to the Secretary a report—

(A) on the implementation and outcomes of State programs under section 4114 and section 4113(b) and local educational agency programs under section 4113(d), as well as an assessment of their effectiveness;

(B) on the State's progress toward attaining its goals for drug and violence prevention under subsections (b)(1) and (c)(1) of section 4112; and

(C) on the State's efforts to inform parents of, and include parents in, violence and drug prevention efforts.

(2) SPECIAL RULE.—The report required by this subsection shall be—

(A) in the form specified by the Secretary;

(B) based on the State's ongoing evaluation activities, and shall include data on the incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use and violence by youth in schools and communities; and

(C) made readily available to the public.

(c) LOCAL EDUCATIONAL AGENCY REPORT.—

(1) IN GENERAL.—Each local educational agency receiving funds under this subpart shall submit to the State educational agency such information that the State requires to complete the State report required by subsection (b), including a description of how parents were informed of, and participated in, violence and drug prevention efforts.

(2) AVAILABILITY.—Information under paragraph (1) shall be made readily available to the public.

(3) PROVISION OF DOCUMENTATION.—Not later than January 1 of each year that a State is required to report under subsection (b), the Secretary shall provide to the State education agency all of the necessary documentation required for compliance with this section.

SEC. 4118. PROGRAMS FOR NATIVE HAWAIIANS.

(a) GENERAL AUTHORITY.—From the funds made available pursuant to section 4111(a)(4) to carry out this section, the Secretary shall make grants to or enter into cooperative agreements or contracts with organizations primarily serving and representing Native Hawaiians which are recognized by the Governor of the State of Hawaii to plan, conduct, and administer programs, or portions thereof, which are authorized by and consistent with the provisions of this title for the benefit of Native Hawaiians.

(b) DEFINITION OF NATIVE HAWAIIAN.—For the purposes of this section, the term 'Native Hawaiian' means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

Subpart 2—National Programs

SEC. 4121. FEDERAL ACTIVITIES.

(a) PROGRAM AUTHORIZED.—From funds made available to carry out this subpart under section 4004(2), the Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, shall carry out programs to prevent the illegal use of drugs

and violence among, and promote safety and discipline for, students at all educational levels from preschool through the post-secondary level. The Secretary shall carry out such programs directly, or through grants, contracts, or cooperative agreements with public and private nonprofit organizations and individuals, or through agreements with other Federal agencies, and shall coordinate such programs with other appropriate Federal activities. Such programs may include—

(1) the development and demonstration of innovative strategies for the voluntary training of school personnel, parents, and members of the community, including the demonstration of model preservice training programs for prospective school personnel;

(2) demonstrations and rigorous evaluations of innovative approaches to drug and violence prevention;

(3) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the clearinghouse for alcohol and drug abuse information established under section 501(d)(16) of the Public Health Service Act;

(4) the development of curricula related to child abuse prevention and education and the training of personnel to teach child abuse education and prevention to elementary and secondary schoolchildren;

(5) program evaluations that address issues not addressed under section 4117(a);

(6) direct services to schools and school systems afflicted with especially severe drug and violence problems or to support crisis situations and appropriate response efforts;

(7) activities in communities designated as empowerment zones or enterprise communities that will connect schools to community-wide efforts to reduce drug and violence problems;

(8) developing and disseminating drug and violence prevention materials, including video-based projects and model curricula;

(9) developing and implementing a comprehensive violence prevention strategy for schools and communities, that may include conflict resolution, peer mediation, the teaching of law and legal concepts, and other activities designed to stop violence;

(10) the implementation of innovative activities, such as community service and service-learning projects, designed to rebuild safe and healthy neighborhoods and increase students' sense of individual responsibility;

(11) grants to noncommercial telecommunications entities for the production and distribution of national video-based projects that provide young people with models for conflict resolution and responsible decisionmaking;

(12) the development of education and training programs, curricula, instructional materials, and professional training and development for preventing and reducing the incidence of crimes and conflicts motivated by hate in localities most directly affected by hate crimes; and

(13) other activities that meet unmet national needs related to the purposes of this title.

(b) PEER REVIEW.—The Secretary shall use a peer review process in reviewing applications for funds under this section.

SEC. 4122. NATIONAL COORDINATOR PROGRAM.

(a) IN GENERAL.—From amounts available to carry out this section under section 4004(3), the Secretary shall provide for the establishment of a National Coordinator Program under which the Secretary shall award grants to local educational agencies for the hiring of drug prevention and school safety program coordinators.

(b) USE OF FUNDS.—Amounts received under a grant under subsection (a) shall be used by local educational agencies to recruit, hire, and train individuals to serve as drug prevention and school safety program coordinators in schools with significant drug and school safety problems. Such coordinators shall be responsible for developing, conducting, and analyzing assessments of drug and crime problems at their schools, and administering the safe and drug free grant program at such schools.

SEC. 4123. SAFE AND DRUG FREE SCHOOLS AND COMMUNITIES ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is hereby established an advisory committee to be known as the 'Safe and Drug Free Schools and Communities Advisory Committee' (referred to in this section as the 'Advisory Committee') to—

(A) consult with the Secretary under subsection (b);

(B) coordinate Federal school- and community-based substance abuse and violence prevention programs and reduce duplicative research or services;

(C) develop core data sets and evaluation protocols for safe and drug free school- and community-based programs;

(D) provide technical assistance and training for safe and drug free school- and community-based programs;

(E) provide for the diffusion of scientifically based research safe and drug free school- and community-based programs; and

(F) review other regulations and standards developed under this title.

(2) COMPOSITION.—The Advisory Committee shall be composed of representatives from—

(A) the Department of Education;

(B) the Centers for Disease Control and Prevention;

(C) the National Institute on Drug Abuse;

(D) the National Institute on Alcoholism and Alcohol Abuse;

(E) the Center for Substance Abuse Prevention;

(F) the Center for Mental Health Services;

(G) the Office of Juvenile Justice and Delinquency Prevention;

(H) the Office of National Drug Control Policy; and

(I) State and local governments, including education agencies.

(3) CONSULTATION.—In carrying out its duties under this section, the Advisory Committee shall annually consult with interested State and local coordinators of school- and community-based substance abuse and violence prevention programs and other interested groups.

(b) PROGRAMS.—

(1) IN GENERAL.—From amounts made available under section 4004(2) to carry out this subpart, the Secretary, in consultation with the Advisory Committee, shall carry out scientifically based research programs to strengthen the accountability and effectiveness of the State, Governor's, and national programs under this title.

(2) GRANTS, CONTRACTS OR COOPERATIVE AGREEMENTS.—The Secretary shall carry out paragraph (1) directly or through grants, contracts, or cooperative agreements with public and nonprofit private organizations and individuals or through agreements with other Federal agencies.

(3) COORDINATION.—The Secretary shall coordinate programs under this section with other appropriate Federal activities.

(4) ACTIVITIES.—Activities that may be carried out under programs funded under this section may include—

(A) the provision of technical assistance and training, in collaboration with other Federal agencies utilizing their expertise and national and regional training systems, for Governors, State educational agencies and local educational agencies to support high quality, effective programs that—

(i) provide a thorough assessment of the substance abuse and violence problem;

(ii) utilize objective data and the knowledge of a wide range of community members;

(iii) develop measurable goals and objectives; and

(iv) implement scientifically based research activities that have been shown to be effective and that meet identified needs;

(B) the provision of technical assistance and training to foster program accountability;

(C) the diffusion and dissemination of best practices and programs;

(D) the development of core data sets and evaluation tools;

(E) program evaluations;

(F) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the Clearinghouse for Alcohol and Drug Abuse Information established under section 501(d)(16) of the Public Health Service Act; and

(G) other activities that meet unmet needs related to the purposes of this title and that are undertaken in consultation with the Advisory Committee.

SEC. 4124. HATE CRIME PREVENTION.

(a) GRANT AUTHORIZATION.—From funds made available to carry out this subpart under section 4004(2) the Secretary may make grants to local educational agencies and community-based organiza-

tions for the purpose of providing assistance to localities most directly affected by hate crimes.

(b) USE OF FUNDS.—

(1) PROGRAM DEVELOPMENT.—Grants under this section may be used to improve elementary and secondary educational efforts, including—

(A) development of education and training programs designed to prevent and to reduce the incidence of crimes and conflicts motivated by hate;

(B) development of curricula for the purpose of improving conflict or dispute resolution skills of students, teachers, and administrators;

(C) development and acquisition of equipment and instructional materials to meet the needs of, or otherwise be part of, hate crime or conflict programs; and

(D) professional training and development for teachers and administrators on the causes, effects, and resolutions of hate crimes or hate-based conflicts.

(2) IN GENERAL.—In order to be eligible to receive a grant under this section for any fiscal year, a local educational agency, or a local educational agency in conjunction with a community-based organization, shall submit an application to the Secretary in such form and containing such information as the Secretary may reasonably require.

(3) REQUIREMENTS.—Each application under paragraph (2) shall include—

(A) a request for funds for the purposes described in this section;

(B) a description of the schools and communities to be served by the grants; and

(C) assurances that Federal funds received under this section shall be used to supplement, not supplant, non-Federal funds.

(4) COMPREHENSIVE PLAN.—Each application shall include a comprehensive plan that contains—

(A) a description of the hate crime or conflict problems within the schools or the community targeted for assistance;

(B) a description of the program to be developed or augmented by such Federal and matching funds;

(C) assurances that such program or activity shall be administered by or under the supervision of the applicant;

(D) proper and efficient administration of such program; and

(E) fiscal control and fund accounting procedures as may be necessary to ensure prudent use, proper disbursement, and accurate accounting of funds received under this section.

(c) AWARD OF GRANTS.—

(1) SELECTION OF RECIPIENTS.—The Secretary shall consider the incidence of crimes and conflicts motivated by bias in the targeted schools and communities in awarding grants under this section.

(2) GEOGRAPHIC DISTRIBUTION.—The Secretary shall attempt, to the extent practicable, to achieve an equitable geographic distribution of grant awards.

(3) DISSEMINATION OF INFORMATION.—The Secretary shall attempt, to the extent practicable, to make available information regarding successful hate crime prevention programs, including programs established or expanded with grants under this section.

(d) REPORTS.—The Secretary shall submit to the Congress a report every two years which shall contain a detailed statement regarding grants and awards, activities of grant recipients, and an evaluation of programs established under this section.

SEC. 4125. GRANTS TO COMBAT THE IMPACT OF EXPERIENCING OR WITNESSING DOMESTIC VIOLENCE ON ELEMENTARY AND SECONDARY SCHOOL CHILDREN.

(a) GRANTS AUTHORIZED.—

(1) AUTHORITY.—The Secretary is authorized to award grants and contracts to elementary schools and secondary schools that work with experts to enable the elementary schools and secondary schools—

(A) to provide training to school administrators, faculty, and staff, with respect to issues concerning children experiencing domestic violence in dating relationships and witnessing domestic violence, and the impact of the violence described in this subparagraph on children;

(B) to provide educational programming to students regarding domestic violence and the impact of experiencing or witnessing domestic violence on children;

(C) to provide support services for students and school personnel for the purpose of developing and strengthening effective prevention and intervention strategies with respect to issues concerning children experiencing domestic violence in dating relationships and witnessing domestic violence, and the impact of the violence described in this subparagraph on children; and

(D) to develop and implement school system policies regarding appropriate, safe responses identification and referral procedures for students who are experiencing or witnessing domestic violence.

(2) AWARD BASIS.—The Secretary shall award grants and contracts under this section—

(A) on a competitive basis; and

(B) in a manner that ensures that such grants and contracts are equitably distributed throughout a State among elementary schools and secondary schools located in rural, urban, and suburban areas in the State.

(3) POLICY DISSEMINATION.—The Secretary shall disseminate to elementary schools and secondary schools any Department of Education policy guidance regarding the prevention of domestic violence and the impact of experiencing or witnessing domestic violence on children.

(b) USES OF FUNDS.—Funds provided under this section may be used for the following purposes:

(1) To provide training for elementary school and secondary school administrators, faculty, and staff that addresses issues concerning elementary school and secondary school students who experience domestic violence in dating relationships or witness or experience family violence, and the impact of such violence on the students.

(2) To provide education programs for elementary school and secondary school students that are developmentally appropriate for the students' grade levels and are designed to meet any unique cultural and language needs of the particular student populations.

(3) To develop and implement elementary school and secondary school system policies regarding appropriate, safe responses, identification and referral procedures for students who are experiencing or witnessing domestic violence and to develop and implement policies on reporting and referral procedures for these students.

(4) To provide the necessary human resources to respond to the needs of elementary school and secondary school students and personnel who are faced with the issue of domestic violence, such as a resource person who is either on-site or on-call, and who is an expert.

(5) To provide media center materials and educational materials to elementary schools and secondary schools that address issues concerning children who experience domestic violence in dating relationships and witness domestic violence, and the impact of the violence described in this paragraph on the children.

(6) To conduct evaluations to assess the impact of programs and policies assisted under this section in order to enhance the development of the programs.

(c) CONFIDENTIALITY.—Policies, programs, training materials, and evaluations developed and implemented under subsection (b) shall address issues of safety and confidentiality for the victim and the victim's family in a manner consistent with applicable Federal and State laws.

(d) APPLICATION.—

(1) IN GENERAL.—To be eligible to be awarded a grant or contract under this section for any fiscal year, an elementary school or secondary school, in consultation with an expert, shall submit an application to the Secretary at such time and in such manner as the Secretary shall prescribe.

(2) CONTENTS.—Each application submitted under paragraph (1) shall—

(A) describe the need for funds provided under the grant or contract and the plan for implementation of any of the activities described in subsection (b);

(B) describe how the experts shall work in consultation and collaboration with the elementary school or secondary school;

(C) provide measurable goals for and expected results from the use of the funds provided under the grant or contract; and

(D) incorporate appropriate remuneration for collaborating partners.

(e) APPLICABILITY.—The provisions of this part (other than this section) shall not apply to this section.

(f) DEFINITIONS.—In this section:

(1) DOMESTIC VIOLENCE.—The term "domestic violence" has the meaning given that term in section 2003 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg–2)).

(2) EXPERTS.—The term "experts" means—

(A) experts on domestic violence, sexual assault, and child abuse from the educational, legal, youth, mental health, substance abuse, and victim advocacy fields; and

(B) State and local domestic violence coalitions and community-based youth organizations.

(3) WITNESS DOMESTIC VIOLENCE.—

(A) IN GENERAL.—The term "witness domestic violence" means to witness—

(i) an act of domestic violence that constitutes actual or attempted physical assault; or

(ii) a threat or other action that places the victim in fear of domestic violence.

(B) WITNESS.—In subparagraph (A), the term "witness" means to—

(i) directly observe an act, threat, or action described in subparagraph (A), or the aftermath of that act, threat, or action; or

(ii) be within earshot of an act, threat, or action described in subparagraph (A), or the aftermath of that act, threat, or action.

Subpart 3—General Provisions

SEC. 4131. DEFINITIONS.

In this part:

(1) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organization which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community.

(2) DRUG AND VIOLENCE PREVENTION.—The term "drug and violence prevention" means—

(A) with respect to drugs, prevention, early intervention, rehabilitation referral, or education related to the illegal use of alcohol and the use of controlled, illegal, addictive, or harmful substances, including inhalants and anabolic steroids;

(B) prevention, early intervention, smoking cessation activities, or education, related to the use of tobacco by children and youth eligible for services under this title; and

(C) with respect to violence, the promotion of school safety, such that students and school personnel are free from violent and disruptive acts, including sexual harassment and abuse, and victimization associated with prejudice and intolerance, on school premises, going to and from school, and at school-sponsored activities, through the creation and maintenance of a school environment that is free of weap-

ons and fosters individual responsibility and respect for the rights of others.

(3) HATE CRIME.—The term "hate crime" means a crime as described in section 1(b) of the Hate Crime Statistics Act of 1990.

(4) NONPROFIT.—The term "nonprofit", as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(5) OBJECTIVELY MEASURABLE GOALS.—The term "objectively measurable goals" means prevention programming goals defined through use of quantitative epidemiological data measuring the prevalence of alcohol, tobacco, and other drug use, violence, and the prevalence of risk and protective factors predictive of these behaviors, collected through a variety of methods and sources known to provide high quality data.

(6) PROTECTIVE FACTOR, BUFFER, OR ASSET.—The terms "protective factor", "buffer", and "asset" mean any one of a number of the community, school, family, or peer-individual domains that are known, through prospective, longitudinal research efforts, or which are grounded in a well-established theoretical model of prevention, and have been shown to prevent alcohol, tobacco, or illicit drug use, as well as violent behavior, by youth in the community, and which promote positive youth development.

(7) RISK FACTOR.—The term "risk factor" means any one of a number of characteristics of the community, school, family, or peer-individual domains that are known, through prospective, longitudinal research efforts, to be predictive of alcohol, tobacco, and illicit drug use, as well as violent behavior, by youth in the school and community.

(8) SCHOOL-AGED POPULATION.—The term "school-aged population" means the population aged five through 17, as determined by the Secretary on the basis of the most recent satisfactory data available from the Department of Commerce.

(9) SCHOOL PERSONNEL.—The term "school personnel" includes teachers, administrators, counselors, social workers, psychologists, nurses, librarians, and other support staff who are employed by a school or who perform services for the school on a contractual basis.

SEC. 4132. MATERIALS.

(a) "ILLEGAL AND HARMFUL" MESSAGE.—Drug prevention programs supported under this part shall convey a clear and consistent message that the illegal use of alcohol and other drugs is illegal and harmful.

(b) CURRICULUM.—The Secretary shall not prescribe the use of specific curricula for programs supported under this part, but may evaluate the effectiveness of such curricula and other strategies in drug and violence prevention.

SEC. 4133. PROHIBITED USES OF FUNDS.

No funds under this part may be used for—

(1) construction (except for minor remodeling needed to accomplish the purposes of this part); and

(2) medical services, drug treatment or rehabilitation, except for pupil services or referral to treatment for students who are victims of or witnesses to crime or who use alcohol, tobacco, or drugs.

SEC. 4134. QUALITY RATING.

(a) IN GENERAL.—The chief executive officer of each State, or in the case of a State in which the constitution or law of such State designates another individual, entity, or agency in the State to be responsible for education activities, such individual, entity, or agency, is authorized and encouraged—

(1) to establish a standard of quality for drug, alcohol, and tobacco prevention programs implemented in public elementary schools and secondary schools in the State in accordance with subsection (b); and

(2) to identify and designate, upon application by a public elementary school or secondary school, any such school that achieves such standard as a quality program school.

(b) CRITERIA.—The standard referred to in subsection (a) shall address, at a minimum—

(1) a comparison of the rate of illegal use of drugs, alcohol, and tobacco by students enrolled in the school for a period of time to be determined by the chief executive officer of the State;

(2) the rate of suspensions or expulsions of students enrolled in the school for drug, alcohol, or tobacco-related offenses;

(3) the effectiveness of the drug, alcohol, or tobacco prevention program as proven by research;

(4) the involvement of parents and community members in the design of the drug, alcohol, and tobacco prevention program; and

(5) the extent of review of existing community drug, alcohol, and tobacco prevention programs before implementation of the public school program.

(c) REQUEST FOR QUALITY PROGRAM SCHOOL DESIGNATION.—A school that wishes to receive a quality program school designation shall submit a request and documentation of compliance with this section to the chief executive officer of the State or the individual, entity, or agency described in subsection (a), as the case may be.

(d) PUBLIC NOTIFICATION.—Not less than once a year, the chief executive officer of each State or the individual, entity, or agency described in subsection (a), as the case may be, shall make available to the public a list of the names of each public school in the State that has received a quality program school designation in accordance with this section.

PART B—GUN POSSESSION

SEC. 4201. GUN-FREE REQUIREMENTS.

(a) SHORT TITLE.—This part may be cited as the "Gun-Free Schools Act of 1994".

(b) REQUIREMENTS.—

(1) IN GENERAL.—Each State receiving Federal funds under this Act shall have in effect a State law requiring local edu-

cational agencies to expel from school for a period of not less than one year a student who is determined to have brought a weapon to a school under the jurisdiction of local educational agencies in that State, except that such State law shall allow the chief administering officer of a local educational agency to modify such expulsion requirement for a student on a case-by-case basis.

(2) CONSTRUCTION.—Nothing in this part shall be construed to prevent a State from allowing a local educational agency that has expelled a student from such a student's regular school setting from providing educational services to such student in an alternative setting.

(3) DEFINITION.—For the purpose of this section, the term "weapon" means a firearm as such term is defined in section 921(a) of title 18, United States Code.

(c) SPECIAL RULE.—The provisions of this section shall be construed in a manner consistent with the Individuals with Disabilities Education Act.

(d) REPORT TO STATE.—Each local educational agency requesting assistance from the State educational agency that is to be provided from funds made available to the State under this Act shall provide to the State, in the application requesting such assistance—

(1) an assurance that such local educational agency is in compliance with the State law required by subsection (b); and

(2) a description of the circumstances surrounding any expulsions imposed under the State law required by subsection (b), including—

(A) the name of the school concerned;

(B) the number of students expelled from such school; and

(C) the type of weapons concerned.

(e) REPORTING.—Each State shall report the information described in subsection (d) to the Secretary on an annual basis.

SEC. 4202. POLICY REGARDING CRIMINAL JUSTICE SYSTEM REFERRAL.

(a) IN GENERAL.—No funds shall be made available under this Act to any local educational agency unless such agency has a policy requiring referral to the criminal justice or juvenile delinquency system of any student who brings a firearm or weapon to a school served by such agency.

(b) DEFINITIONS.—For the purpose of this section, the terms "firearm" and "school" have the meanings given the terms in section 921(a) of title 18, United States Code.

PART C—SCHOOL SAFETY AND VIOLENCE PREVENTION

SEC. 4301. SCHOOL SAFETY AND VIOLENCE PREVENTION.

Subject to this title, and subpart 4 of part B of title V, funds made available under this title and such subpart may be used for—

(1) training, including in-service training, for school personnel (including custodians and bus drivers), with respect to—

(A) the identification of potential threats, such as illegal weapons and explosive devices;

(B) crisis preparedness and intervention procedures; and

(C) emergency response;

(2) training for parents, teachers, school personnel and other interested members of the community regarding the identification and responses to early warning signs of troubled and violent youth;

(3) innovative scientifically based research delinquency and violence prevention programs, including—

(A) school antiviolence programs; and

(B) mentoring programs;

(4) comprehensive security assessments;

(5) in accordance with section 4116(c), the purchase of school security equipment and technologies such as—

(A) metal detectors;

(B) electronic locks; and

(C) surveillance cameras;

(6) collaborative efforts with community-based organizations, including faith-based organizations, statewide consortia, and law enforcement agencies, that have demonstrated expertise in providing effective, scientifically based research violence prevention and intervention programs for school-aged children;

(7) providing assistance to States, local education agencies, or schools to establish school uniform policies;

(8) school resource officers, including community policing officers; and

(9) other innovative, local responses that are consistent with reducing incidents of school violence and improving the educational atmosphere of the classroom.

SEC. 4302. SCHOOL UNIFORMS.

(a) CONSTRUCTION.—Nothing in this part shall be construed to prohibit any State, local education agency, or school from establishing a school uniform policy.

(b) FUNDING.—Subject to this title and subpart 4 of part B of title V, funds provided under this title and such subpart may be used for establishing a uniform policy.

SEC. 4303. TRANSFER OF SCHOOL DISCIPLINARY RECORDS.

(a) NONAPPLICATION OF PROVISIONS.—This section shall not apply to any disciplinary records with respect to a suspension or expulsion that are transferred from a private, parochial or other nonpublic school, person, institution, or other entity, that provides education below the college level.

(b) DISCIPLINARY RECORDS.—In accordance with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g), not later than 2 years after the date of enactment of this part, each State receiving Federal funds under this Act shall provide an assurance to the Secretary that the State has a procedure in place to facilitate the transfer of disciplinary records, with respect to a suspension or expulsion, by local educational agencies to any private or public elementary school or secondary school for any student who is enrolled or seeks, intends, or is instructed to enroll, on a full- or part-time basis, in the school.

PART D—ENVIRONMENTAL TOBACCO SMOKE

SEC. 4401. SHORT TITLE.

This part may be cited as the "Pro-Children Act of 2000".

SEC. 4402. DEFINITIONS.

As used in this part:

(1) CHILDREN.—The term "children" means individuals who have not attained the age of 18.

(2) CHILDREN'S SERVICES.—The term "children's services" means the provision on a routine or regular basis of health, day care, education, or library services—

(A) that are funded, after the date of the enactment of the Educational Opportunities Act, directly by the Federal Government or through State or local governments, by Federal grant, loan, loan guarantee, or contract programs—

(i) administered by either the Secretary of Health and Human Services or the Secretary of Education (other than services provided and funded solely under titles XVIII and XIX of the Social Security Act); or

(ii) administered by the Secretary of Agriculture in the case of a clinic (as defined in part 246.2 of title 7, Code of Federal Regulations (or any corresponding similar regulation or ruling)) under section 17(b)(6) of the Child Nutrition Act of 1966; or

(B) that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds, as determined by the appropriate head of a Federal agency in any enforcement action carried out under this part,

except that nothing in clause (ii) of subparagraph (A) is intended to include facilities (other than clinics) where coupons are redeemed under the Child Nutrition Act of 1966.

(3) INDOOR FACILITY.—The term "indoor facility" means a building that is enclosed.

(4) PERSON.—The term "person" means any State or local subdivision of a State, agency of such State or subdivision, corporation, or partnership that owns or operates or otherwise controls and provides children's services or any individual who owns or operates or otherwise controls and provides such services.

(5) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

SEC. 4403. NONSMOKING POLICY FOR CHILDREN'S SERVICES.

(a) PROHIBITION.—After the date of the enactment of the Educational Opportunities Act, no person shall permit smoking within any indoor facility owned or leased or contracted for, and utilized, by such person for provision of routine or regular kindergarten, elementary, or secondary education or library services to children.

(b) ADDITIONAL PROHIBITION.—

(1) IN GENERAL.—After the date of the enactment of the Educational Opportunities Act, no person shall permit smoking within any indoor facility (or portion of such a facility) owned or leased or contracted for, and utilized by, such person for the

provision of regular or routine health care or day care or early childhood development (Head Start) services.

(2) EXCEPTION.—Paragraph (1) shall not apply to—

(A) any portion of such facility that is used for inpatient hospital treatment of individuals dependent on, or addicted to, drugs or alcohol; and

(B) any private residence.

(c) FEDERAL AGENCIES.—

(1) KINDERGARTEN, ELEMENTARY, OR SECONDARY EDUCATION OR LIBRARY SERVICES.—After the date of enactment of the Educational Opportunities Act, no Federal agency shall permit smoking within any indoor facility in the United States operated by such agency, directly or by contract, to provide routine or regular kindergarten, elementary, or secondary education or library services to children.

(2) HEALTH OR DAY CARE OR EARLY CHILDHOOD DEVELOPMENT SERVICES.—

(A) IN GENERAL.—After the date of enactment of the Educational Opportunities Act, no Federal agency shall permit smoking within any indoor facility (or portion of such facility) operated by such agency, directly or by contract, to provide routine or regular health or day care or early childhood development (Head Start) services to children.

(B) EXCEPTION.—Subparagraph (A) shall not apply to—

(i) any portion of such facility that is used for inpatient hospital treatment of individuals dependent on, or addicted to, drugs or alcohol; and

(ii) any private residence.

(3) APPLICATION OF PROVISIONS.—The provisions of paragraph (2) shall also apply to the provision of such routine or regular kindergarten, elementary or secondary education or library services in the facilities described in paragraph (2) not subject to paragraph (1).

(d) NOTICE.—The prohibitions in subsections (a) through (c) shall be published in a notice in the Federal Register by the Secretary (in consultation with the heads of other affected agencies) and by such agency heads in funding arrangements involving the provision of children's services administered by such heads. Such prohibitions shall be effective 90 days after such notice is published, or 270 days after the date of the enactment of the Educational Opportunities Act, whichever occurs first.

(e) CIVIL PENALTIES.—

(1) IN GENERAL.—Any failure to comply with a prohibition in this section shall be considered to be a violation of this section and any person subject to such prohibition who commits such violation may be liable to the United States for a civil penalty in an amount not to exceed $1,000 for each violation, or may be subject to an administrative compliance order, or both, as determined by the Secretary. Each day a violation continues shall constitute a separate violation. In the case of any civil penalty assessed under this section, the total amount shall not exceed the amount of Federal funds received by such person for the fiscal year in which the continuing violation occurred. For the purpose of the prohibition in subsection (c), the term "per-

son", as used in this paragraph, shall mean the head of the applicable Federal agency or the contractor of such agency providing the services to children.

(2) ADMINISTRATIVE PROCEEDING.—A civil penalty may be assessed in a written notice, or an administrative compliance order may be issued under paragraph (1), by the Secretary only after an opportunity for a hearing in accordance with section 554 of title 5, United States Code. Before making such assessment or issuing such order, or both, the Secretary shall give written notice of the assessment or order to such person by certified mail with return receipt and provide information in the notice of an opportunity to request in writing, not later than 30 days after the date of receipt of such notice, such hearing. The notice shall reasonably describe the violation and be accompanied with the procedures for such hearing and a simple form that may be used to request such hearing if such person desires to use such form. If a hearing is requested, the Secretary shall establish by such certified notice the time and place for such hearing, which shall be located, to the greatest extent possible, at a location convenient to such person. The Secretary (or the Secretary's designee) and such person may consult to arrange a suitable date and location where appropriate.

(3) CIRCUMSTANCES AFFECTING PENALTY OR ORDER.—In determining the amount of the civil penalty or the nature of the administrative compliance order, the Secretary shall take into account, as appropriate—

(A) the nature, circumstances, extent, and gravity of the violation;

(B) with respect to the violator, any good faith efforts to comply, the importance of achieving early and permanent compliance, the ability to pay or comply, the effect of the penalty or order on the ability to continue operation, any prior history of the same kind of violation, the degree of culpability, and any demonstration of willingness to comply with the prohibitions of this section in a timely manner; and

(C) such other matters as justice may require.

(4) MODIFICATION.—The Secretary may, as appropriate, compromise, modify, or remit, with or without conditions, any civil penalty or administrative compliance order. In the case of a civil penalty, the amount, as finally determined by the Secretary or agreed upon in compromise, may be deducted from any sums that the United States or the agencies or instrumentalities of the United States owe to the person against whom the penalty is assessed.

(5) PETITION FOR REVIEW.—Any person aggrieved by a penalty assessed or an order issued, or both, by the Secretary under this section may file a petition for judicial review of the order with the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which the person resides or transacts business. Such person shall provide a copy of the petition to the Secretary or the Secretary's designee. The petition shall be filed within 30 days after the Secretary's assessment or order, or both, are final and have been provided to

such person by certified mail. The Secretary shall promptly provide to the court a certified copy of the transcript of any hearing held under this section and a copy of the notice or order.

(6) FAILURE TO COMPLY.—If a person fails to pay an assessment of a civil penalty or comply with an order, after the assessment or order, or both, are final under this section, or after a court has entered a final judgment under paragraph (5) in favor of the Secretary, the Attorney General, at the request of the Secretary, shall recover the amount of the civil penalty (plus interest at prevailing rates from the day the assessment or order, or both, are final) or enforce the order in an action brought in the appropriate district court of the United States. In such action, the validity and appropriateness of the penalty or order or the amount of the penalty shall not be subject to review.

SEC. 4404. PREEMPTION.

Nothing in this part is intended to preempt any provision of law of a State or political subdivision of a State that is more restrictive than a provision of this part.

[TITLE V—PROMOTING EQUITY

[PART A—MAGNET SCHOOLS ASSISTANCE

[SEC. 5101. FINDINGS.

[The Congress finds that—

[(1) magnet schools are a significant part of our Nation's effort to achieve voluntary desegregation in our Nation's schools;

[(2) the use of magnet schools has increased dramatically since the date of enactment of the Magnet Schools Assistance program, with approximately 1,400,000 students nationwide now attending such schools, of which more than 60 percent of the students are nonwhite;

[(3) magnet schools offer a wide range of distinctive programs that have served as models for school improvement efforts;

[(4) in administering the Magnet Schools Assistance program, the Federal Government has learned that—

[(A) where magnet programs are implemented for only a portion of a school's student body, special efforts must be made to discourage the isolation of—

[(i) magnet school students from other students in the school; and

[(ii) students by racial characteristics;

[(B) local educational agencies can maximize their effectiveness in achieving the purposes of the Magnet Schools Assistance program if such agencies have more flexibility in the administration of such program in order to serve students attending a school who are not enrolled in the magnet school program;

[(C) local educational agencies must be creative in designing magnet schools for students at all academic levels,

so that school districts do not skim off only the highest achieving students to attend the magnet schools;

[(D) consistent with desegregation guidelines, local educational agencies must seek to enable participation in magnet school programs by students who reside in the neighborhoods where the programs operate; and

[(E) in order to ensure that magnet schools are sustained after Federal funding ends, the Federal Government must assist school districts to improve their capacity to continue to operate magnet schools at a high level of performance; and

[(5) it is in the best interest of the Federal Government to—

[(A) continue the Federal Government's support of school districts implementing court-ordered desegregation plans and school districts seeking to foster meaningful interaction among students of different racial and ethnic backgrounds, beginning at the earliest stage of such students' education;

[(B) ensure that all students have equitable access to quality education that will prepare such students to function well in a culturally diverse, technologically oriented, and highly competitive, global community; and

[(C) maximize the ability of local educational agencies to plan, develop, implement and continue effective and innovative magnet schools that contribute to State and local systemic reform.

[SEC. 5102. STATEMENT OF PURPOSE.

[The purpose of this part is to assist in the desegregation of schools served by local educational agencies by providing financial assistance to eligible local educational agencies for—

[(1) The elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority students;

[(2) the development and implementation of magnet school projects that will assist local educational agencies in achieving systemic reforms and providing all students the opportunity to meet challenging State content standards and challenging State student performance standards;

[(3) the development and design of innovative educational methods and practices; and

[(4) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational skills of students attending such schools.

[SEC. 5103. PROGRAM AUTHORIZED.

[The Secretary, in accordance with this part, is authorized to make grants to eligible local educational agencies, and consortia of such agencies where appropriate, to carry out the purpose of this part for magnet schools that are—

[(1) part of an approved desegregation plan; and

[(2) designed to bring students from different social, economic, ethnic, and racial backgrounds together.

[SEC. 5104. DEFINITION.

[For the purpose of this part, the term "magnet school" means a public elementary or secondary school or public elementary or secondary education center that offers a special curriculum capable of attracting substantial numbers of students of different racial background.

[SEC. 5105. ELIGIBILITY.

[A local educational agency, or consortium of such agencies where appropriate, is eligible to receive assistance under this part to carry out the purposes of this part if such agency or consortium—

[(1) is implementing a plan undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, that requires the desegregation of minority-group-segregated children or faculty in the elementary and secondary schools of such agency; or

[(2) without having been required to do so, has adopted and is implementing, or will, if assistance is made available to such local educational agency or consortium of such agencies under this part, adopt and implement a plan that has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority-group-segregated children or faculty in such schools.

[SEC. 5106. APPLICATIONS AND REQUIREMENTS.

[(a) APPLICATIONS.—An eligible local educational agency or consortium of such agencies desiring to receive assistance under this part shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may reasonably require.

[(b) INFORMATION AND ASSURANCES.—Each such application shall include—

[(1) a description of—

[(A) how assistance made available under this part will be used to promote desegregation, including how the proposed magnet school project will increase interaction among students of different social, economic, ethnic, and racial backgrounds;

[(B) the manner and extent to which the magnet school project will increase student achievement in the instructional area or areas offered by the school;

[(C) how an applicant will continue the magnet school project after assistance under this part is no longer available, including, if applicable, an explanation of why magnet schools established or supported by the applicant with funds under this part cannot be continued without the use of funds under this part;

[(D) how funds under this part will be used to implement services and activities that are consistent with other programs under this Act, the Goals 2000: Educate America Act, and other Acts, as appropriate, in accordance with the provisions of section 14306; and

[(E) the criteria to be used in selecting students to attend the proposed magnet school projects; and

[(2) assurances that the applicant will—

[(A) use funds under this part for the purposes specified in section 5102;

[(B) employ State certified or licensed teachers in the courses of instruction assisted under this part to teach or supervise others who are teaching the subject matter of the courses of instruction;

[(C) not engage in discrimination based on race, religion, color, national origin, sex, or disability in—

[(i) the hiring, promotion, or assignment of employees of the agency or other personnel for whom the agency has any administrative responsibility;

[(ii) the assignment of students to schools, or to courses of instruction within the school, of such agency, except to carry out the approved plan; and

[(iii) designing or operating extracurricular activities for students;

[(D) carry out a high-quality education program that will encourage greater parental decisionmaking and involvement; and

[(E) give students residing in the local attendance area of the proposed magnet school projects equitable consideration for placement in those projects.

[(c) SPECIAL RULE.—No application may be approved under this section unless the Assistant Secretary of Education for Civil Rights determines that the assurances described in subsection (b)(2)(C) will be met.

[SEC. 5107. PRIORITY.

[In approving applications under this part, the Secretary shall give priority to applicants that—

[(1) demonstrate the greatest need for assistance, based on the expense or difficulty of effectively carrying out an approved desegregation plan and the projects for which assistance is sought;

[(2) propose to carry out new magnet school projects, or significantly revise existing magnet school projects;

[(3) propose to select students to attend magnet school projects by methods such as lottery, rather than through academic examination;

[(4) propose to implement innovative educational approaches that are consistent with the State's and local educational agency's approved systemic reform plans, if any, under title III of the Goals 2000: Educate America Act; and

[(5) propose to draw on comprehensive community involvement plans.

[SEC. 5108. USE OF FUNDS

[(a) IN GENERAL.—Grant funds made available under this part may be used by an eligible local educational agency or consortium of such agencies—

[(1) for planning and promotional activities directly related to the development, expansion, continuation, or enhancement of academic programs and services offered at magnet schools;

[(2) for the acquisition of books, materials, and equipment, including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools;

[(3) for the payment, or subsidization of the compensation, of elementary and secondary school teachers who are certified or licensed by the State, and instructional staff where applicable, who are necessary for the conduct of programs in magnet schools; and

[(4) with respect to a magnet school program offered to less than the entire student population of a school, for instructional activities that—

[(A) are designed to make available the special curriculum that is offered by the magnet school project to students who are enrolled in the school but who are not enrolled in the magnet school program; and

[(B) further the purposes of this part.

[(b) SPECIAL RULE.—Grant funds under this part may be used in accordance with paragraphs (2) and (3) of subsection (a) only if the activities described in such paragraphs are directly related to improving the students' reading skills or knowledge of mathematics, science, history, geography, English, foreign languages, art, or music, or to improving vocational skills.

[SEC. 5109. PROHIBITIONS.

[(a) TRANSPORATION.—Grants under this part may not be used for transportation or any activity that does not augment academic improvement.

[(b) PLANNING.—A local educational agency shall not expend funds under this part after the third year that such agency receives funds under this part for such project.

[SEC. 5110. LIMITATIONS.

[(a) DURATION OF AWARDS.—A grant under this part shall be awarded for a period that shall not exceed three fiscal years.

[(b) LIMITATION ON PLANNING FUNDS.—A local educational agency may expend for planning not more than 50 percent of the funds received under this part for the first year of the project, 15 percent of such funds for the second such year, and 10 percent of such funds for the third such year.

[(c) AMOUNT.—No local educational agency or consortium awarded a grant under this part shall receive more than $4,000,000 under this part in any one fiscal year.

[(d) TIMING.—To the extent practicable, the Secretary shall award grants for any fiscal year under this part not later than June 1 of the applicable fiscal year.

[SEC. 5111. INNOVATIVE PROGRAMS.

[(a) IN GENERAL.—From amounts reserved under subsection (d) for each fiscal year, the Secretary shall award grants to local educational agencies or consortia of such agencies described in section 5105 to enable such agencies or consortia to conduct innovative programs that—

[(1) carry out the purpose of this part; and

[(2) involve strategies other than magnet schools, such as neighborhood or community model schools—

[(A) organized around a special emphasis, theme or concept; and

[(B) involving extensive parent and community involvement.

[(b) APPLICABILITY.—Sections 5103, 5106, 5107, and 5108, shall not apply to grants awarded under subsection (a).

[(c) APPLICATIONS.—Each local educational agency or consortia of such agencies desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may reasonably require.

[(d) INNOVATIVE PROGRAMS.—The Secretary shall reserve not more than 5 percent of the funds appropriated under section 5113(a) for each fiscal year to award grants under this section.

[SEC. 5112. EVALUATIONS.

[(a) RESERVATION.—The Secretary may reserve not more than two percent of the funds appropriated under section 5113(a) for any fiscal year to carry out evaluations of projects assisted under this part.

[(b) CONTENTS.—Each evaluation described in subsection (a), at a minimum, shall address—

[(1) how and the extent to which magnet school programs lead to educational quality and improvement;

[(2) the extent to which magnet school programs enhance student access to quality education;

[(3) the extent to which magnet school programs lead to the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority students; and

[(4) the extent to which magnet school programs differ from other school programs in terms of the organizational characteristics and resource allocations of such magnet school programs.

[SEC. 5113. AUTHORIZATION OF APPROPRIATIONS; RESERVATION.

[(a) AUTHORIZATION.—For the purpose of carrying out this part, there are authorized to be appropriated $120,000,000 for fiscal year 1995 and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(b) AVAILABILITY OF FUNDS FOR GRANTS TO AGENCIES NOT PREVIOUSLY ASSISTED.—In any fiscal year for which the amount appropriated pursuant to subsection (a) exceeds $75,000,000, the Secretary shall give priority to using such amounts in excess of $75,000,000 to award grants to local educational agencies or consortia of such agencies that did not receive a grant under this part in the preceding fiscal year.

[PART B—WOMEN'S EDUCATIONAL EQUITY

[SEC. 5201. SHORT TITLE; FINDINGS.

[(a) SHORT TITLE.—This part may be cited as the "Women's Educational Equity Act of 1994".

[(b) FINDINGS.—The Congress finds that—

[(1) since the enactment of title IX of the Education Amendments of 1972, women and girls have made strides in educational achievement and in their ability to avail themselves of educational opportunities;

[(2) because of funding provided under the Women's Educational Equity Act, more curricula, training, and other educational materials concerning educational equity for women and girls are available for national dissemination;

[(3) teaching and learning practices in the United States are frequently inequitable as such practices relate to women and girls, for example—

[(A) sexual harassment, particularly that experienced by girls, undermines the ability of schools to provide a safe and equitable learning or workplace environment;

[(B) classroom textbooks and other educational materials do not sufficiently reflect the experiences, achievements, or concerns of women and, in most cases, are not written by women or persons of color;

[(C) girls do not take as many mathematics and science courses as boys, girls lose confidence in their mathematics and science ability as girls move through adolescence, and there are few women role models in the sciences; and

[(D) pregnant and parenting teenagers are at high risk for dropping out of school and existing dropout prevention programs do not adequately address the needs of such teenagers;

[(4) efforts to improve the quality of public education also must include efforts to ensure equal access to quality education programs for all women and girls;

[(5) Federal support should address not only research and development of innovative model curricula and teaching and learning strategies to promote gender equity, but should also assist schools and local communities implement gender equitable practices;

[(6) Federal assistance for gender equity must be tied to systemic reform, involve collaborative efforts to implement effective gender practices at the local level, and encourage parental participation; and

[(7) excellence in education, high educational achievements and standards, and the full participation of women and girls in American society, cannot be achieved without educational equity for women and girls.

[SEC. 5202. STATEMENT OF PURPOSES.

[It is the purpose of this part—

[(1) to promote gender equity in education in the United States;

[(2) to provide financial assistance to enable educational agencies and institutions to meet the requirements of title IX of the Educational Amendments of 1972; and

[(3) to promote equity in education for women and girls who suffer from multiple forms of discrimination based on sex, race, ethnic origin, limited-English proficiency, disability, or age.

[SEC. 5203. PROGRAMS AUTHORIZED.

[(a) IN GENERAL.—The Secretary is authorized—

[(1) to promote, coordinate, and evaluate gender equity policies, programs, activities and initiatives in all Federal education programs and offices;

[(2) to develop, maintain, and disseminate materials, resources, analyses, and research relating to education equity for women and girls;

[(3) to provide information and technical assistance to assure the effective implementation of gender equity programs;

[(4) to coordinate gender equity programs and activities with other Federal agencies with jurisdiction over education and related programs;

[(5) to assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities related to education equity for women and girls; and

[(6) to perform any other activities consistent with achieving the purposes of this part.

[(b) GRANTS AUTHORIZED—

[(1) IN GENERAL.—The Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with, public agencies, private nonprofit agencies, organizations, institutions, student groups, community groups, and individuals, for a period not to exceed four years, to—

[(A) provide grants to develop model equity programs; and

[(B) provide funds for the implementation of equity programs in schools throughout the Nation.

[(2) SUPPORT AND TECHNICAL ASSISTANCE.—To achieve the purposes of this part, the Secretary is authorized to provide support and technical assistance—

[(A) to implement effective gender-equity policies and programs at all educational levels, including—

[(i) assisting educational agencies and institutions to implement policies and practices to comply with title IX of the Education Amendments of 1972;

[(ii) training for teachers, counselors, administrators, and other school personnel, especially preschool and elementary school personnel, in gender equitable teaching and learning practices;

[(iii) leadership training for women and girls to develop professional and marketable skills to compete in the global marketplace, improve self-esteem, and benefit from exposure to positive role models;

[(iv) school-to-work transition programs, guidance and counseling activities, and other programs to increase opportunities for women and girls to enter a technologically demanding workplace and, in particular, to enter highly skilled, high paying careers in which women and girls have been underrepresented;

[(v) enhancing educational and career opportunities for those women and girls who suffer multiple forms of discrimination, based on sex and on race, ethnic ori-

gin, limited-English proficiency, disability, socio-economic status, or age;

[(vi) assisting pregnant students and students rearing children to remain in or to return to secondary school, graduate, and prepare their preschool children to start school;

[(vii) evaluating exemplary model programs to assess the ability of such programs to advance educational equity for women and girls;

[(viii) introduction into the classroom of textbooks, curricula, and other materials designed to achieve equity for women and girls;

[(ix) programs and policies to address sexual harassment and violence against women and girls and to ensure that educational institutions are free from threats to the safety of students and personnel;

[(x) nondiscriminatory tests of aptitude and achievement and of alternative assessments that eliminate biased assessment instruments from use;

[(xi) programs to increase educational opportunities including higher education, vocational training, and other educational programs for low-income women, including underemployed and unemployed women, and women receiving assistance under a State program funded under part A of title IV of the Social Security Act;

[(xii) programs to improve representation of women in educational administration at all levels; and

[(xiii) planning, development and initial implementation of—

[(I) comprehensive institution- or districtwide evaluation to assess the presence or absence of gender equity in educational settings;

[(II) comprehensive plans for implementation of equity programs in State and local educational agencies and institutions of higher education; including community colleges; and

[(III) innovative approaches to school-community partnerships for educational equity.

[(B) for research and development, which shall be coordinated with each of the research institutes of the Office of Educational Research and Improvement to avoid duplication of research efforts, designed to advance gender equity nationwide and to help make policies and practices in educational agencies and institutions, and local communities, gender equitable, including—

[(i) research and development of innovative strategies and model training programs for teachers and other education personnel;

[(ii) the development of high quality and challenging assessment instruments that are nondiscriminatory;

[(iii) the development and evaluation of model curricula, textbooks, software, and other educational ma-

terials to ensure the absence of gender stereotyping and bias;

[(iv) the development of instruments and procedures that employ new and innovative strategies to assess whether diverse educational settings are gender equitable;

[(v) the development of instruments and strategies for evaluation, dissemination, and replication of promising or exemplary programs designed to assist local educational agencies in integrating gender equity in their educational policies and practices;

[(vi) updating high quality educational materials previously developed through awards made under this part;

[(vii) the development of policies and programs to address and prevent sexual harassment and violence to ensure that educational institutions are free from threats to safety of students and personnel;

[(viii) the development and improvement of programs and activities to increase opportunity for women, including continuing educational activities, vocational education, and programs for low-income women, including underemployed and unemployed women, and women receiving assistance under the State program funded under part A of title IV of the Social Security Act; and

[(ix) the development of guidance and counseling activities, including career education programs, designed to ensure gender equity.

[SEC. 5204. APPLICATIONS.

[An application under this part shall—

[(1) set forth policies and procedures that will ensure a comprehensive evaluation of the activities assisted under this part, including an evaluation of the practices, policies, and materials used by the applicant and an evaluation or estimate of the continued significance of the work of the project following completion of the award period;

[(2) where appropriate, demonstrate how funds received under this part will be used to promote the attainment of one or more of the National Education Goals;

[(3) demonstrate how the applicant will address perceptions of gender roles based on cultural differences or stereotypes;

[(4) where appropriate, describe how funds under this part will be used in a manner that is consistent with programs under the School-to-Work Opportunities Act of 1994;

[(5) for applications for assistance under section 5203(b)(1), demonstrate how the applicant will foster partnerships and, where applicable, share resources with State educational agencies, local educational agencies, institutions of higher education, community-based organizations (including organizations serving women), parent, teacher, and student groups, businesses or other recipients of Federal educational funding which may include State literacy resource centers;

[(6) for applications for assistance under section 5203(b)(1), demonstrate how parental involvement in the project will be encouraged; and

[(7) for applications for assistance under section 5203(b)(1), describe plans for continuation of the activities assisted under this part with local support following completion of the grant period and termination of Federal support under this part.

[SEC. 5205. CRITERIA AND PRIORITIES.

[(a) CRITERIA AND PRIORITIES.—

[(1) IN GENERAL.—The Secretary shall establish separate criteria and priorities for awards under paragraphs (1) and (2) of section 5203(b) to ensure that funds under this part are used for programs that most effectively will achieve the purposes of this part.

[(2) CRITERIA.—The criteria described in subsection (a) may include the extent to which the activities assisted under this part—

[(A) address the needs of women and girls of color and women and girls with disabilities;

[(B) meet locally defined and documented educational equity needs and priorities, including compliance with title IX of the Education Amendments of 1972;

[(C) are a significant component of a comprehensive plan for educational equity and compliance with title IX of the Education Amendments of 1972 in the particular school district, institution of higher education, vocational-technical institution, or other educational agency or institution; and

[(D) implement an institutional change strategy with long-term impact that will continue as a central activity of the applicant after the grant under this part has terminated.

[(b) PRIORITIES.—In approving applications under this part, the Secretary may give special consideration to applications—

[(1) submitted by applicants that have not received assistance under this part or under part C of title IX of this Act (as such part was in effect on October 1, 1988);

[(2) for projects that will contribute significantly to directly improving teaching and learning practices in the local community; and

[(3) for projects that will—

[(A) provide for a comprehensive approach to enhancing gender equity in educational institutions and agencies;

[(B) draw on a variety of resources, including the resources of local educational agencies, community-based organizations, institutions of higher education, and private organizations;

[(C) implement a strategy with long-term impact that will continue as a central activity of the applicant after the grant under this part has terminated;

[(D) address issues of national significance that can be duplicated; and

[(E) address the educational needs of women and girls who suffer multiple or compound discrimination based on sex and on race, ethnic origin, disability, or age.

[(c) SPECIAL RULE.—To the extent feasible, the Secretary shall ensure that grants awarded under this part for each fiscal year address—

[(1) all levels of education, including preschool, elementary and secondary education, higher education, vocational education, and adult education;

[(2) all regions of the United States; and

[(3) urban, rural, and suburban educational institutions.

[(d) COORDINATION.—Research activities supported under this part—

[(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

[(2) may include collaborative research activities which are jointly funded and carried out with the Office of Educational Research and Improvement.

[(e) LIMITATION.—Nothing in this part shall be construed as prohibiting men and boys from participating in any programs or activities assisted with funds under this part.

[SEC. 5206. REPORT.

[The Secretary, not later than January 1, 1999, shall submit to the President and the Congress a report on the status of educational equity for girls and women in the Nation.

[SEC. 5207. ADMINISTRATION.

[(a) EVALUATION AND DISSEMINATION.—The Secretary shall evaluate in accordance with section 14701, and disseminate, materials and programs developed under this part and shall report to the Congress regarding such evaluation materials and programs not later than January 1, 1998.

[(b) PROGRAM OPERATIONS.—The Secretary shall ensure that the activities assisted under this part are administered within the Department by a person who has recognized professional qualifications and experience in the field of gender equity education.

[SEC. 5208. AUTHORIZATION OF APPROPRIATIONS.

[For the purpose of carrying out this part, there are authorized to be appropriated $5,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years, of which not less than two-thirds of the amount appropriated under this section for each fiscal year shall be available to carry out the activities described in section 5203(b)(1).

[PART C—ASSISTANCE TO ADDRESS SCHOOL DROPOUT PROBLEMS

[SEC. 5301. SHORT TITLE.

[This part may be cited as the "School Dropout Assistance Act".

[SEC. 5302. PURPOSE.

[The purpose of this part is to reduce the number of children who do not complete their elementary and secondary education by providing grants to local educational agencies to establish—

[(1) effective programs to identify potential student dropouts, including pregnant and parenting teenagers, and prevent such students from dropping out of school;

[(2) effective programs to identify and encourage children who have already dropped out to reenter school and complete their elementary and secondary education;

[(3) effective early intervention programs designed to identify at-risk students in elementary and secondary schools; and

[(4) model systems for collecting and reporting information to local school officials on the number, ages, sex, race or ethnicity, and grade levels of the children not completing their elementary and secondary education and the reasons why such children have dropped out of school.

[SEC 5303. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

[(a) ALLOTMENT TO CATEGORIES OF LOCAL EDUCATIONAL AGENCIES.—From the amount appropriated under section 5308 for any fiscal year, the Secretary shall first reserve not more than $2,000,000 for the purposes of evaluating programs carried out with assistance under this part in accordance with section 14701. From the remaining amount, the Secretary shall allot the following percentages to each of the following categories of local educational agencies:

[(1) Local educational agencies administering schools with a total enrollment of 100,000 or more elementary and secondary school students shall be allotted 25 percent of such remaining amount.

[(2) Local educational agencies administering schools with a total enrollment of at least 20,000 but less than 100,000 elementary and secondary school students shall be allotted 40 percent of such remaining amount.

[(3) Local educational agencies administering schools with a total enrollment of less than 20,000 elementary and secondary school students shall be allotted 30 percent of such remaining amount. Grants may be made under this paragraph to educational service agencies and consortia of not more than 5 local educational agencies in any case in which the total enrollment of the largest such local educational agency is less than 20,000 elementary and secondary students. Such agencies and consortia may also apply for assistance under this part in conjunction with the State educational agency. Not less than 20 percent of funds available under this paragraph shall be awarded to local educational agencies administering schools with a total enrollment of less than 2,000 elementary and secondary school students.

[(4) Community-based organizations shall be allotted 5 percent of such remaining amount. Grants under this paragraph shall be made after consultation between the community-based organization and the local educational agency that is to benefit from such a grant.

[(b) SPECIAL CONSIDERATION.—

[(1) IN GENERAL.—The Secretary shall give special consideration to awarding funds available for each category described in paragraphs (1), (2), and (3) of subsection (a) to local educational agencies participating in an educational partnership.

[(2) EDUCATIONAL PARTNERSHIPS.—For the purpose of this part the term "educational partnerships" means a partnership between—

[(A) a local educational agency; and

[(B) a business concern or business organization, community-based organization, nonprofit private organization, institution of higher education, State educational agency, State or local public agency, private industry council (established under the Job Training Partnership Act), museum, library, or educational television or broadcasting station.

[(c) AWARD OF GRANT.—

[(1) IN GENERAL.—From the amount allotted for any fiscal year to a category of local educational agencies under subsection (a), the Secretary shall award as many grants as practicable within each such category to local educational agencies and educational partnerships whose applications have been approved by the Secretary for such fiscal year under section 5304 and whose applications propose a program of sufficient size, scope, and quality to be effective.

[(2) ADDITIONAL FUNDS.—Any local educational agency or educational partnership that has received a grant under this part shall be eligible for additional funds as provided under subsection (d).

[(3) TERMS AND CONDITIONS.—Grants under this part shall be made under such terms and conditions as the Secretary shall prescribe.

[(d) USE OF FUNDS WHEN NOT FULLY ALLOTTED TO CATEGORIES UNDER SUBSECTION (a).—

[(1) IN GENERAL.—Whenever the Secretary determines that the full amount of the sums allotted under any category set forth under subsection (a) will not be required for applications of the local educational agencies in the case of categories described in paragraphs (1), (2), or (3) of subsection (a), the Secretary shall make the amount not so required available to another category under subsection (a). In carrying out the provisions of this subsection, the Secretary shall assure that the transfer of amounts from one category to another is made to a category in which there is the greatest need for funds.

[(2) PEER REVIEW.—In order to transfer funds under this subsection, the Secretary shall use a peer review process to determine that such excess funds are not needed to fund projects in particular categories and shall prepare a list of the categories in which funds were not fully expended and the reasons therefor, and make such list available to local educational agencies and educational partnerships upon request. The Secretary may use the peer review process to determine grant recipients of funds transferred in accordance with this subsection.

[(e) FEDERAL SHARE.—

[(1) FEDERAL SHARE.—The Federal share of a grant under this part may not exceed—

[(A) 90 percent of the total cost of a project for the first year for which the project receives assistance under this part; and

[(B) 75 percent of such cost in each such succeeding fiscal year.

[(2) REMAINING COST.—The remaining cost of a project that receives assistance under this part may be paid from any source other than funds made available under this part, except that not more than 10 percent of the remaining cost in any fiscal year may be provided for Federal sources other than this part.

[(3) NON-FEDERAL SHARE.—The share of payments from sources other than funds made available under this part may be in cash or in kind fairly evaluated, including plant, equipment or services.

[SEC. 5404. APPLICATION.

[(a) APPLICATION REQUIRED.—

[(1) IN GENERAL.—A grant under this part may be made only to a local educational agency or an educational partnership which submits an application to the Secretary containing such information as may be required by the Secretary by regulation.

[(2) DURATION.—Each such application shall be for a three-year period.

[(b) CONTENTS.—Each such application shall—

[(1) provide documentation of—

[(A) the number of children who were enrolled in the schools to be served by the applicant for the five academic years prior to the date application is made who have not completed their elementary or secondary education and who are classified as school dropouts; and

[(B) the percentage that such number of children is of the total school-age population in the applicant's schools;

[(2) include a plan for the development and implementation of a school dropout information collection and reporting system for documenting the extent and nature of the dropout problem, which system shall collect and cross tabulate data, where feasible, by sex according to race or ethnicity and socioeconomic status;

[(3) include a plan for coordinated activities involving not less than one secondary school and its feeder junior high or middle schools and elementary schools for local educational agencies that have feeder systems;

[(4) when applicable, describe how programs assisted under this part will be coordinated with, and not duplicate, programs assisted under title I;

[(5) include a description of how the program assisted under this part is consistent with the second National Education Goal, relating to school completion, and other Federal programs as appropriate; and

[(6) contain such other information as the Secretary considers necessary to determine the nature of the local needs, the

quality of the proposed project, and the capability of the applicant to carry out the project.

[(c) PRIORITY.—The Secretary shall, in approving applications under this section, give priority to applications which—

[(1) demonstrate the replication of successful programs conducted in other local educational agencies or the expansion of successful programs within a local educational agency; and

[(2) reflect very high numbers or very high percentages of school dropouts in the schools of the applicant in each category described in section 5303(a).

[(d) SPECIAL CONSIDERATION.—The Secretary shall give additional special consideration to applications that include—

[(1) provisions which emphasize early intervention services designed to identify at-risk students in elementary or early secondary schools; and

[(2) provisions for significant parental involvement.

[(e) GRANTS FOR NEW GRANTEES.—In awarding grants under this part the Secretary shall use only the priorities and special considerations described in subsections (c) and (d).

[(f) CONTINUATION OF ASSISTANCE.—For the two fiscal years beginning after the date of enactment of the Improving America's Schools Act of 1994, the Secretary shall approve an application under this section for a local educational agency which received funding in fiscal year 1994 under the School Dropout Demonstration Assistance Act of 1988 (20 U.S.C. 3241 et seq.) and which—

[(1) satisfies the requirements of this section;

[(2) qualifies for special consideration or priority under—

[(A) section 5303(b); and

[(B) subsections (c) and (d) of this section; and

[(3) provides evidence that the program for which such agency is seeking assistance is effective in—

[(A) providing early intervention services to at-risk students in elementary and secondary schools;

[(B) identifying potential student dropouts; and

[(C) preventing students from dropping out of school.

[SEC. 5305. AUTHORIZED ACTIVITIES.

[Grants under this part shall be used to carry out activities and services described in applications approved under section 5304. In addition, grants may be used for educational, occupational, and basic skills testing services and activities, including—

[(1) the establishment of systemwide or school-level policies, procedures, and plans for dropout prevention and school reentry;

[(2) the development and implementation of activities, including extended day or summer programs, designed to address poor achievement, basic skills deficiencies, language deficiencies, or course failures, in order to assist students at risk of dropping out of school and students reentering school, including youth returning to school from a correctional or other facility operated for delinquent youth;

[(3) the establishment or expansion of work-study, apprentice, or internship programs;

[(4) the use of resources of the community, including contracting with public or private entities or community-based or-

ganizations of demonstrated performance, to provide services to the grant recipient or the target population;

[(5) the evaluation and revision of program placement of students at risk;

[(6) the evaluation of program effectiveness of dropout programs;

[(7) the development and implementation of programs for traditionally underserved groups of students;

[(8) the implementation of activities which will improve student motivation and the school learning environment;

[(9) the provision of training for school personnel on strategies and techniques designed to—

[(A) identify children at risk of dropping out of school;

[(B) intervene in the instructional program for such children with support and remedial services;

[(C) develop realistic expectations for student performance; and

[(D) improve student-staff interactions;

[(10) the study of the relationship between drugs and school dropouts and between youth gangs and school dropouts, and the coordination of dropout prevention and reentry programs with appropriate drug prevention and community organizations for the prevention of youth gangs;

[(11) the study of the relationship between disabling conditions and student dropouts;

[(12) the study of the relationship between the dropout rate for gifted and talented students compared to the dropout rate for the general student enrollment;

[(13) the use of educational telecommunications and broadcasting technologies and educational materials designed to extend, motivate, and reinforce school, community, and home dropout prevention and reentry activities;

[(14) the development and implementation of efforts to identify and address factors in a student's decision to drop out of school that are related to gender and family roles, including activities and services designed to meet the needs of pregnant and parenting teenagers;

[(15) the provision of other educational, occupational and testing services and activities which directly relate to the purpose of this part;

[(16) activities which offer jobs and college admissions for successful completion of the program for which assistance is sought;

[(17) summer employment programs;

[(18) occupational training programs;

[(19) career opportunity and skills counseling;

[(20) job placement services;

[(21) the development of skill employment competency testing programs;

[(22) special school staff training projects; and

[(23) mentoring programs.

[SEC. 5306. DISTRIBUTION OF ASSISTANCE; LIMITATION ON COSTS.

[(a) DISTRIBUTION OF ASSISTANCE.—The Secretary shall ensure that, to the extent practicable, in approving grant applications under this part—

[(1) grants are equitably distributed on a geographic basis within each category set forth in section 5303(a);

[(2) the amount of a grant to a local educational agency or an educational partnership for a fiscal year is proportionate to the extent and severity of the local school dropout problem;

[(3) not less than 30 percent of the amount available for grants in each fiscal year is used for activities relating to school dropout prevention; and

[(4) not less than 30 percent of the amount available for grants in each fiscal year is used for activities relating to persuading school dropouts to return to school and assisting former school dropouts with specialized services once school dropouts return to school.

[(b) ADMINISTRATIVE COSTS.—Not more than five percent of any grant made under this part may be used for administrative costs.

[SEC. 5307. REPORTS.

[(a) ANNUAL REPORTS.—The Secretary shall submit to the Congress a report by January 1 of each year, beginning on January 1, 1995, which sets forth the progress of the Commissioner of Education Statistics, established under section 403(b) of the National Education Statistics Act of 1994, to implement a definition and data collection process for school dropouts in elementary and secondary schools, including statistical information for the number and percentage of elementary and secondary school students by gender, race, and ethnic origin who drop out of school each year, including dropouts—

[(1) throughout the Nation by rural and urban location as defined by the Secretary; and

[(2) in each of the individual States and the District of Columbia.

[(b) RECOMMENDATIONS.—The report under subsection (a) shall also contain recommendations on ways in which the Federal Government, States and localities can further support the implementation of an effective methodology to accurately measure school dropout and retention rates on the national, State, and local levels.

[SEC. 5308. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $50,000,000 for fiscal year 1995, and such sums as may be necessary for each of the 4 succeeding fiscal years, to carry out this part.

[TITLE VI—INNOVATIVE EDUCATION PROGRAM STRATEGIES

[SEC. 6001. FINDINGS AND STATEMENT OF PURPOSE.

[(a) FINDINGS.—The Congress finds that chapter 2 of title I of this Act (as such chapter was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) has been successful in achieving the goals of increasing local flexibility, reducing administrative burden, providing services for private school students, encouraging innovation, and contributing to

the improvement of elementary and secondary educational programs.

[(b) STATEMENT OF PURPOSE.—It is the purpose of programs under this title—

[(1) to support local education reform efforts which are consistent with and support statewide reform efforts under Goals 2000; Educate America Act;

[(2) to support State and local efforts to accomplish the National Education Goals;

[(3) to provide funding to enable State and local educational agencies to implement promising education reform programs;

[(4) to provide a continuing source of innovation, and educational improvement, including support for library services and instructional and media materials; and

[(5) to meet the special educational needs of at risk and high cost students.

[(c) STATE AND LOCAL RESPONSIBILITY.—The basic responsibility for the administration of funds made available under this title is within the State educational agencies, but it is the intent of Congress that the responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under this title will be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because such agencies and individuals have the most direct contact with students and are most likely to be able to design programs to meet the educational needs of students in their own school districts.

[SEC. 6002. AUTHORIZATION OF APPROPRIATIONS; DURATION OF ASSISTANCE.

[(a) AUTHORIZATION.—To carry out the purposes of this title, there are authorized to be appropriated $370,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(b) DURATION OF ASSISTANCE.—During the period beginning October 1, 1994, and ending September 30, 1999, the Secretary shall, in accordance with the provisions of this title, make payments to State educational agencies for the purpose of this title.

[SEC. 6003. DEFINITION.

[For the purposes of this title the term "effective schools programs" means school-based programs that may encompass preschool through secondary school levels and that have the objectives of (1) promoting school-level planning, instructional improvement, and staff development, (2) increasing the academic achievement levels of all children and particularly educationally disadvantaged children, and (3) achieving as ongoing conditions in the school the following factors identified through effective schools research as distinguishing effective from ineffective schools:

[(A) Strong and effective administrative and instructional leadership that creates consensus on instructional goals and organizational capacity for instructional problem solving.

[(B) Emphasis on the acquisition of basic and higher order skills.

[(C) A safe and orderly school environment that allows teachers and pupils to focus their energies on academic achievement.

[(D) A climate of expectation that virtually all children can learn under appropriate conditions.

[(E) Continuous assessment of students and programs to evaluate the effects of instruction.

[PART A—STATE AND LOCAL PROGRAMS

[SEC. 6101. ALLOTMENT TO STATES.

[(a) RESERVATIONS.—From the sums appropriated to carry out this title in any fiscal year, the Secretary shall reserve not to exceed one percent for payments to outlying areas to be allotted in accordance with their respective needs.

[(b) ALLOTMENT.—From the remainder of such sums, the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to one-half of one percent of such remainder.

[(c) DEFINITIONS.—For purposes of this part:

[(1) The term "school-age population" means the population aged 5 through 17.

[(2) The term "States" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

[SEC. 6102. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

[(a) DISTRIBUTION RULE.—From the sums made available each year to carry out this title, the State educational agency shall distribute not less than 85 percent to local educational agencies within such State according to the relative enrollments in public and private, nonprofit schools within the school districts of such agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies which have the greatest numbers of percentages of children whose education imposes a higher than average cost per child, such as—

[(1) children living in areas with high concentrations of low-income families;

[(2) children from low-income families; and

[(3) children living in sparsely populated areas.

[(b) CALCULATION OF ENROLLMENTS.—

[(1) IN GENERAL.—The calculation of relative enrollments under subsection (a) shall be on the basis of the total of—

[(A) the number of children enrolled in public school; and

[(B) the number of children enrolled in private non-profit schools that desire that their children participate in programs or projects assisted under this title, for the fiscal year preceding the fiscal year for which the determination is made.

[(2) CONSTRUCTION.—Nothing in this subsection shall diminish the responsibility of local education agencies to contact, on an annual basis, appropriate officials from private non-profit

schools within the areas served by such agencies in order to determine whether such schools desire that their children participate in programs assisted under this part.

[(3) ADJUSTMENTS.—(A) Relative enrollments under sub-section (a) shall be adjusted, in accordance with criteria approved by the Secretary under subparagraph (B), to provide higher per pupil allocations only to local educational agencies which serve the greatest numbers or percentages of—

[(i) children living in areas with high concentrations of low-income families;

[(ii) children from low-income families; or

[(iii) children living in sparsely populated areas.

[(B) The Secretary shall review criteria submitted by a State educational agency for adjusting allocations under paragraph (1) and shall approve such criteria only if the Secretary determines that such criteria are reasonably calculated to produce an adjusted allocation that reflects the relative needs within the State's local educational agencies based on the factors set forth in subparagraph (A).

[(c) PAYMENT OF ALLOCATIONS.—

[(1) DISTRUBUTION.—From the funds paid to a State educational agency pursuant to section 6002 for a fiscal year, a State educational agency shall distribute to each eligible local educational agency which has submitted an application as required in section 6202 the amount of such local educational agency allocation as determined under subsection (a).

[(2) ADDITIONAL FUNDS.—(A) Additional funds resulting from higher per pupil allocations provided to a local educational agency on the basis of adjusted enrollments of children described in subsection (a), may, at the discretion of the local educational agency, be allocated for expenditures to provide services for children enrolled in public and private nonprofit schools in direct proportion to the number of children described in subsection (a) and enrolled in such schools within the local educational agency.

[(B) In any fiscal year, any local educational agency that elects to allocate such additional funds in the manner described in subparagraph (A) shall allocate all additional funds to schools within the local educational agency in such manner.

[(C) The provisions of subparagraphs (A) and (B) may not be construed to require any school to limit the use of such additional funds to the provision of services to specific students or categories of students.

[PART B—STATE PROGRAMS

[SEC. 6201. STATE USES OF FUNDS.

[(a) AUTHORIZED ACTIVITIES.—A State educational agency may use funds made available for State use under this title only for—

[(1) State administration of programs under this title including—

[(A) supervision of the allocation of funds to local educational agencies;

[(B) planning, supervision, and processing of State funds; and

[(C) monitoring and evaluation of programs and activities under this title;

[(2) support for planning, designing, and initial implementation of charter schools as described in part C of title X; and

[(3) technical assistance and direct grants to local educational agencies and statewide education reform activities including effective schools programs which assist local educational agencies to provide targeted assistance.

[(b) LIMITATIONS AND REQUIREMENTS.—Not more than 25 percent of funds available for State programs under this title in any fiscal year may be used for State administration under subsection (a)(1).

[SEC. 6202. STATE APPLICATIONS.

[(a) APPLICATION REQUIREMENTS.—Any State which desires to receive assistance under this part shall submit to the Secretary an application which—

[(1) designates the State educational agency as the State agency responsible for administration and supervision of programs assisted under this title;

[(2)(A) provides for a biennial submission of data on the use of funds, the types of services furnished, and the students served under this title; and

[(B) in fiscal year 1998 provides for an evaluation of the effectiveness of programs assisted under this title;

[(3) sets forth the allocation of such funds required to implement section 6402;

[(4) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this section);

[(5) provides assurance that, apart from technical and advisory assistance and monitoring compliance with this title, the State educational agency has not exercised and will not exercise any influence in the decisionmaking processes of local educational agencies as to the expenditure made pursuant to an application under section 6303;

[(6) contains assurances that there is compliance with the specific requirements of this title; and

[(7) provides for timely public notice and public dissemination of the information provided pursuant to paragraph (2).

[(b) PERIOD OF APPLICATION.—An application filed by the State under subsection (a) shall be for a period not to exceed three years, and may be amended annually as may be necessary to reflect changes without filing a new application.

[(c) AUDIT RULE.—Local educational agencies receiving less than an average of $5,000 each under this title shall not be audited more frequently than once every five years.

[PART C—LOCAL INNOVATIVE EDUCATION PROGRAMS

[SEC. 6301. TARGETED USE OF FUNDS.

[(a) GENERAL RULE.—Funds made available to local educational agencies under section 6102 shall be used for innovative assistance described in subsection (b).

[(b) INNOVATIVE ASSISTANCE.—The innovative assistance programs referred to in subsection (a) include—

[(1) technology related to the implementation of school-based reform programs, including professional development to assist teachers and other school officials regarding how to use effectively such equipment and software;

[(2) programs for the acquisition and use of instructional and educational materials, including library services and materials (including media materials), assessments, reference materials, computer software and hardware for instructional use, and other curricular materials which are tied to high academic standards and which will be used to improve student achievement and which are part of an overall education reform program;

[(3) promising education reform projects, including effective schools and magnet schools;

[(4) programs to improve the higher order thinking skills of disadvantaged elementary and secondary school students and to prevent students from dropping out of school;

[(5) programs to combat illiteracy in the student and adult population, including parent illiteracy;

[(6) programs to provide for the educational needs of gifted and talented children;

[(7) school reform activities that are consistent with the Goals 2000: Educate America Act;

[(8) planning, designing, and initial implementation of charter schools as described in part C of title X; and

[(9) school improvement programs or activities under sections 1116 and 1117.

[SEC. 6302. ADMINISTRATIVE AUTHORITY.

[In order to conduct the activities authorized by this title, each State or local educational agency may use funds reserved for this title to make grants to and to enter into contracts with local educational agencies, institutions of higher education, libraries, museums, and other public and private nonprofit agencies, organizations, and institutions.

[SEC. 6303. LOCAL APPLICATIONS.

[(a) CONTENTS OF APPLICATION.—A local educational agency or consortium of such agencies may receive an allocation of funds under this title for any year for which an application is submitted to the State educational agency and such application is certified to meet the requirements of this section. The State educational agency shall certify any such application if such application—

[(1)(A) sets forth the planned allocation of funds among innovative assistance programs described in section 6301 and describes the programs, projects, and activities designed to carry out such innovative assistance which the local educational

agency intends to support, together with the reasons for the selection of such programs, projects, and activities; and

[(B) sets forth the allocation of such funds required to implement section 6402;

[(2) describes how assistance under this title will contribute to meeting the National Education Goals and improving student achievement or improving the quality of education for students;

[(3) provide assurances of compliance with the provisions of this title, including the participation of children enrolled in private, nonprofit schools in accordance with section 6402;

[(4) agrees to keep such records, and provide such information to the State educational agency as reasonably may be required for fiscal audit and program evaluation, consistent with the responsibilities of the State agency under this title; and

[(5) provides in the allocation of funds for the assistance authorized by this title, and in the design, planning and implementation of such programs, for systematic consultation with parents of children attending elementary and secondary schools in the area served by the local educational agency, with teachers and administrative personnel in such schools, and with other groups involved in the implementation of this title (such as librarians, school counselors, and other pupil services personnel) as may be considered appropriate by the local educational agency.

[(b) PERIOD OF APPLICATION.—An application filed by a local educational agency under subsection (a) shall be for a period not to exceed three fiscal years, may provide for the allocation of funds to programs for a period of three years, and may be amended annually as may be necessary to reflect changes without filing a new application.

[(c) LOCAL EDUCATIONAL AGENCY DISCRETION.—Subject to the limitations and requirements of this title, a local educational agency shall have complete discretion in determining how funds under this part shall be divided among the areas of targeted assistance. In exercising such discretion, a local educational agency shall ensure that expenditures under this part carry out the purposes of this title and are used to meet the educational needs within the schools of such local educational agency.

[PART D—GENERAL ADMINISTRATIVE PROVISIONS

[SEC. 6401. MAINTENANCE OF EFFORT; FEDERAL FUNDS SUPPLEMENTARY.

[(a) MAINTENANCE OF EFFORT.—

[(1) IN GENERAL.—Except as provided in paragraph (2), a State is entitled to receive its full allocation of funds under this part for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the fiscal year preceding the fiscal year for which the determination is made was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

[(2) REDUCTION OF FUNDS.—The Secretary shall reduce the amount of the allocation of funds under this part in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

[(3) WAIVERS.—The Secretary may waive, for one fiscal year only, the requirements of this section if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

[(b) FEDERAL FUNDS SUPPLEMENTARY.—A State or local educational agency may use and allocate funds received under this part only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of Federal funds made available under this part, be made available from non-Federal sources, and in no case may such funds be used so as to supplant funds from non-Federal sources.

[SEC. 6402. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

[(a) PARTICIPATION ON EQUITABLE BASIS.—

[(1) IN GENERAL.—To the extent consistent with the number of children in the school district of a local educational agency which is eligible to receive funds under this title or which serves the area in which a program or project assisted under this title is located who are enrolled in private nonprofit elementary and secondary schools, or with respect to instructional or personnel training programs funded by the State educational agency from funds made available for State use, such agency, after consultation with appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral, and nonideological services, materials, and equipment, including the participation of the teachers of such children (and other educational personnel serving such children) in training programs, and the repair, minor remodeling, or construction of public facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such services, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this title.

[(2) OTHER PROVISIONS FOR SERVICES.—If no program or project is carried out under paragraph (1) in the school district of a local educational agency, the State educational agency shall make arrangements, such as through contracts with nonprofit agencies or organizations, under which children in private schools in such district are provided with services and materials to the extent that would have occurred if the local educational agency had received funds under this title.

[(3) APPLICATION OF REQUIREMENTS.—The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs and projects carried out under this title by a State or local educational agency, whether directly or through grants to or contracts with other public or private agencies, institutions, or organizations.

[(b) EQUAL EXPENDITURES.—Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this title for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors which relate to such expenditures, and when funds available to a local educational agency under this title are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

[(c) FUNDS.—

[(1) ADMINISTRATION OF FUNDS AND PROPERTY.—The control of funds provided under this title, and title to materials, equipment, and property repaired, remodeled, or constructed with such funds, shall be in a public agency for the uses and purposes provided in this title, and a public agency shall administer such funds and property.

[(2) PROVISION OF SERVICES.—The provision of services pursuant to this title shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which, in the provision of such services, is independent of such private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this title shall not be commingled with State or local funds.

[(d) STATE PROHIBITION WAIVER.—If by reason of any provision of law a State or local education agency is prohibited from providing for the participation in programs of children enrolled in private elementary and secondary schools, as required by this section, the Secretary shall waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

[(e) WAIVER AND PROVISION OF SERVICES.—

[(1) FAILURE TO COMPLY.—If the Secretary determines that a State or a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in private elementary and secondary schools as required by this section, the Secretary may waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

[(2) WITHHOLDING OF ALLOCATION.—Pending final resolution of any investigation or complaint that could result in a determination under this subsection or subsection (d), the Secretary may withhold from the allocation of the affected State or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of those services.

[(f) DETERMINATION.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State or local educational agency to meet the requirements of subsections (a) and (b).

[(g) PAYMENT FROM STATE ALLOTMENT.—When the Secretary arranges for services pursuant to this section, the Secretary shall after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the State under this title.

[(h) REVIEW.—

[(1) WRITTEN OBJECTIONS.—The Secretary shall not take any final action under this section until the State educational agency and the local educational agency affected by such action have had an opportunity, for not less than 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary's designee to show cause why that action should not be taken.

[(2) COURT ACTION.—If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under paragraph (1), such agency may, not later than 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based this action, as provided in section 2112 of title 28, United States Code.

[(3) REMAND TO SECRETARY.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown may remand the case to the Secretary to take further evidence and the Secretary may make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

[(4) COURT REVIEW.—Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set such action aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

[(i) PRIOR DETERMINATION.—Any bypass determination by the Secretary under chapter 2 of title I of this Act (as such chapter was in effect on the day preceding the date of enactment of the Improv-

ing America's Schools Act of 1994) shall, to the extent consistent with the purposes of this title, apply to programs under this title.

[SEC. 6403. FEDERAL ADMINISTRATION.

[(a) TECHNICAL ASSISTANCE.—The Secretary, upon request, shall provide technical assistance to State and local educational agencies under this title.

[(b) RULEMAKING.—The Secretary shall issue regulations under this title only to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements and assurances required by this title.

[(c) AVAILABILITY OF APPROPRIATIONS.—Notwithstanding any other provision of law, unless expressly in limitation of this subsection, funds appropriated in any fiscal year to carry out activities under this title shall become available for obligation of July 1 of such fiscal year and shall remain available for obligation until the end of the subsequent fiscal year.

[TITLE VII—BILINGUAL EDUCATION, LANGUAGE ENHANCEMENT, AND LANGUAGE ACQUISITION PROGRAMS

[PART A—BILINGUAL EDUCATION

[SEC. 7101. SHORT TITLE.

[This part may be cited as the "Bilingual Education Act".

[SEC. 7102. FINDINGS, POLICY, AND PURPOSE.

[(a) FINDINGS.—The Congress finds that—

[(1) language-minority Americans speak virtually all world languages plus many that are indigenous to the United States;

[(2) there are large and growing numbers of children an youth of limited-English proficiency, many of whom have a cultural heritage that differs from that of their English-proficient peers;

[(3) the presence of language-minority Americans is related in part to Federal immigration policies;

[(4) many language-minority Americans are limited in their English proficiency, and many have limited education and income;

[(5) limited English proficient children and youth face a number of challenges in receiving an education that will enable such children and youth to participate fully in American society, including—

[(A) segregated education programs;

[(B) disproportionate and improper placement in special education and other special programs due to the use of inappropriate evaluation procedures;

[(C) the limited-English proficiency of their own parents, which hinders the parents' ability to fully participate in the education of their children; and

[(D) a shortage of teachers and other staff who are professionally trained and qualified to serve such children and youth;

[(6) Native Americans and Native American languages (as such terms are defined in section 103 of the Native American Languages Act), including native residents of the outlying areas, have a unique status under Federal law that requires special policies within the broad purposes of this Act to serve the education needs of language minority students in the United States;

[(7) institutions of higher education can assist in preparing teachers, administrators and other school personnel to understand and build upon the educational strengths and needs of language-minority and culturally diverse student enrollments;

[(8) it is the purpose of this title to help ensure that limited English proficient students master English and develop high levels of academic attainment in content areas;

[(9) quality bilingual education programs enable children and youth to learn English and meet high academic standards including proficiency in more than one language;

[(10) as the world becomes increasingly interdependent and as international communication becomes a daily occurrence in government, business, commerce, and family life, multilingual skills constitute and important national resource which deserves protection and development;

[(11) educational technology has the potential for improving the education of language-minority and limited English proficient students and their families, and the Federal Government should foster this development;

[(12) parent and community participation in bilingual education programs contributes to program effectiveness;

[(13) research, evaluation, and data-collection capabilities in the field of bilingual education need to be strengthened so that educators and other staff can better identify and promote those programs, program implementation strategies, and instructional practices that result in effective education of limited English proficient children;

[(14) the use of a child or youth's native language and culture in classroom instruction can—

[(A) promote self-esteem and contribute to academic achievement and learning English by limited English proficient children and youth;

[(B) benefit English-proficient children and youth who also participate in such programs; and

[(C) develop our Nation's national language resources, thus promoting our Nation's competitiveness in the global economy;

[(15) the Federal Government, as exemplified by title VI of the Civil Rights Act of 1964 and section 204(f) of the Equal Education Opportunities Act of 1974, has a special and continuing obligation to ensure that States and local school districts take appropriate action to provide equal educational opportunities to children and youth of limited English proficiency; and

[(16) the Federal Government also, as exemplified by the Federal Government's efforts under this title, has a special and continuing obligation to assist States and local school districts

in developing the capacity to provide programs of instruction that offer limited English proficient children and youth an equal educational opportunity.

[(b) POLICY.—The Congress declares it to be the policy of the United States, in order to ensure equal educational opportunity for all children and youth and to promote educational excellence, to assist State and local educational agencies, institutions of higher education and community-based organizations to build their capacity to establish, implement, and sustain programs of instruction for children and youth of limited English proficiency.

[(c) PURPOSE.—The purpose of this part is to educate limited English proficient children and youth to meet the same rigorous standards for academic performance expected of all children and youth, including meeting challenging State content standards and challenging State student performance standards in academic areas by—

[(1) developing systemic improvement and reform of educational programs serving limited English proficient students through the development and implementation of exemplary bilingual education programs and special alternative instruction programs;

[(2) developing bilingual skills and multicultural under standing;

[(3) developing the English of such children and youth and, to the extent possible, the native language skills of such children and youth;

[(4) providing similar assistance to Native Americans with certain modifications relative to the unique status of Native American languages under Federal law;

[(5) developing data collection and dissemination, research, materials development, and technical assistance which is focused on school improvement for limited English proficient students; and

[(6) developing programs which strengthen and improve the professional training of educational personnel who work with limited English proficient students.

[SEC. 7103 AUTHORIZATION OF APPROPRIATIONS.

[(a) IN GENERAL.—For the purpose of carrying out this part, there are authorized to be appropriated $215,000,000 for the fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[(b) DISTRIBUTION.—From the sums appropriated under subsection (a) for any fiscal year, the Secretary shall reserve not less than 25 percent of such funds for each year to carry out subpart 3.

[SEC. 7104. NATIVE AMERICAN AND ALASKA NATIVE CHILDREN IN SCHOOL

[(a) ELIGIBLE ENTITIES.—For the purpose of carrying out programs under this part for individuals served by elementary, secondary and postsecondary schools operated predominately for Native American or Alaska Native children and youth, an Indian tribe, a tribally sanctioned educational authority, a Native Hawaiian or Native American Pacific Islander native language education

organization, or an elementary or secondary school that is operated or funded by the Bureau of Indian Affairs shall be considered to be a local educational agency as such term is used in this part, subject to the following qualifications:

[(1) INDIAN TRIBE.—The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), that is recognized for the special programs and services provided by the United States to Indians because of their status as Indians.

[(2) TRIBALLY SANCTIONED EDUCATIONAL AUTHORITY.—The term "tribally sanctioned educational authority" means—

[(A) any department or division of education operating within the administrative structure of the duly constituted governing body of an Indian tribe; and

[(B) any nonprofit institution or organization that is—

[(i) chartered by the governing body of an Indian tribe to operate any such school or otherwise to oversee the delivery of educational services to members of that tribe; and

[(ii) approved by the Secretary for the purpose of this section.

[(b) ELIGIBILITY ENTITY APPLICATION.—Notwithstanding any other provision of this part, each eligible entity described in subsection (a) shall submit any application for assistance under this part directly to the Secretary along with timely comments on the need for the proposed program.

[SEC. 7105. RESIDENTS OF THE TERRITORIES AND FREELY ASSOCIATED NATIONS.

[For the purpose of carrying out programs under this part in the outlying areas, the term "local educational agency" shall include public institutions or agencies whose mission is the preservation and maintenance of native languages.

[Subpart 1—Bilingual Education Capacity and Demonstration Grants

[SEC. 7111. FINANCIAL ASSISTANCE FOR BILINGUAL EDUCATION.

[The purpose of this subpart is to assist local educational agencies, institutions of higher education, and community-based organizations, through the grants authorized under sections 7112, 7113, 7114, and 7115 to—

[(1) develop and enhance their capacity to provide high-quality instruction through bilingual education or special alternative instruction programs to children and youth of limited English proficiency; and

[(2) to help such children and youth—

[(A) develop proficiency in English, and to the extent possible, their native language; and

[(B) meet the same challenging State content standards and challenging State student performance standards expected for all children and youth as required by section 1111(b).

[SEC. 7112 PROGRAM DEVELOPMENT AND IMPLEMENTATION GRANTS.

[(a) PURPOSE.—The purpose of this section is to develop and implement new comprehensive, coherent, and successful bilingual education or special alternative instructional programs for limited English proficient students, including programs of early childhood education, kindergarten through twelfth grade education, gifted and talented education, and vocational and applied technology education.

[(b) PROGRAM AUTHORIZED.—

[(1) AUTHORITY.—(A) The Secretary is authorized to award grants to eligible entities having applications approved under section 7116 to enable such entities to carry out activities described in paragraph (2).

[(B) Each grant under this section shall be awarded for a period of three years.

[(2) AUTHORIZED ACTIVITIES.—(A) Grants awarded under this section shall be used to improved the education of limited English proficient students and their families by—

[(i) developing and implementing comprehensive preschool, elementary, or secondary bilingual education or special alternative instructional programs that are coordinated with other relevant programs and services to meet the full range of educational needs of limited English proficient students; and

[(ii) providing inservice training to classroom teachers, administrators, and other school or community-based organizational personnel to improve the instruction and assessment of language-minority and limited English proficient students.

[(B) Grants under this section may be used to improve the education of limited English proficient students and their families by—

[(i) implementing family education programs and parent outreach and training activities designed to assist parents to become active participants in the education of their children;

[(ii) improving the instructional program for limited English proficient students by identifying, acquiring, and upgrading curriculum, instructional materials, educational software and assessment procedures and, if appropriate, applying educational technology;

[(iii) compensating personnel, including teacher aides who have been specifically trained, or are being trained, to provide services to children and youth of limited English proficiency;

[(iv) providing tutorials and academic or career counseling for children and youth of limited-English proficiency; and

[(v) providing such other activities, related to the purposes of this part, as the Secretary may approve.

[(c) ELIGIBLE ENTITY.—For the purpose of this section the term "eligible entity" means—

[(1) one or more local educational agencies;

[(2) one or more local educational agencies in collaboration with an institution of higher education, community-based organization or local or State educational agency; or

[(3) a community-based organization or an institution of higher education which has an application approved by the local educational agency to develop and implement early childhood education or family education programs or to conduct an instructional program which supplements the educational services provided by a local educational agency.

[(d) DUE CONSIDERATION.—In awarding grants under this section, the Secretary shall give due consideration to the need for early childhood education, elementary education, and secondary education programs.

[SEC. 7113. PROGRAM ENHANCEMENT PROJECTS.

[(a) PURPOSE.—The purpose of this section is to carry out highly focused, innovative, locally designed projects to expand or enhance existing bilingual education or special alternative instructional programs for limited English proficient students.

[(b) PROGRAM AUTHORIZED.—

[(1) AUTHORIZED.—(A) The Secretary is authorized to award grants to eligible entities having applications approved under section 7116 to enable such entities to carry out activities described in paragraph (2).

[(B) Each grant under this section shall be awarded for a period of two years.

[(2) AUTHORIZED ACTIVITIES.—(A) Grants under this section shall be used for providing inservice training to classroom teachers, administrators, and other school or community-based organization personnel to improve the instruction and assessment of language-minority and limited English proficient students.

[(B) Grants under this section may be used for—

[(i) implementing family education programs and parent outreach and training activities designed to assist parents to become active participants in the education of their children;

[(ii) improving the instructional program for limited English proficient students by identifying , acquiring, and upgrading curriculum, instructional materials, educational software and assessment procedures and, if appropriate, applying educational technology;

[(iii) compensating personnel, including teacher aides who have been specifically trained, or are being trained, to provide services to children and youth of limited-English proficiency;

[(iv) providing tutorials and academic or career counseling for children and youth of limited-English proficiency;

[(v) providing intensified instruction; and

[(vi) providing such other activities, related to the purposes of this part, as the Secretary may approve.

[(c) ELIGIBLE ENTITY.—For the purpose of this section the term "eligible entity" means—

[(1) one or more local educational agencies;

[(2) one or more local educational agencies in collaboration with an institution of higher education, community-based organization or local or State educational agency; or

[(3) a community-based organization or an institution of higher education which has an application approved by the local educational agency to enhance early childhood education or family education programs or to conduct an instructional program which supplements the educational services provided by a local educational agency.

[SEC. 7114. COMPREHENSIVE SCHOOL GRANTS.

[(a) PURPOSE.—The purpose of this section is to provide financial assistance to eligible entities to implement schoolwide bilingual education programs or special alternative instruction programs for reforming, restructuring, and upgrading all relevant programs and operations, within an individual school, that serve all (or virtually all) children and youth of limited-English proficiency in schools with significant concentrations of such children and youth.

[(b) PROGRAM AUTHORIZED.—

[(1) AUTHORITY.—(A) The Secretary is authorized to award grants to eligible entities having applications approved under section 7116 to enable such entities to carry out activities described in paragraph (3).

[(B) Each grant under this section shall be awarded for five years.

[(2) TERMINATION.—The Secretary shall terminate grants to eligible entities under this section if the Secretary determines that—

[(A) the program evaluation required by section 7123 indicates that students in the schoolwide program are not being taught to and are not making adequate progress toward achieving challenging State content standards and challenging State student performance standards; or

[(B) in the case of a program to promote dual language facility, such program is not promoting such facility.

[(3) AUTHORIZED ACTIVITIES.—Grants under this section may be used to improve the education of limited English proficient students and their families by—

[(A) implementing family education programs and parent outreach and training activities designed to assist parents to become active participants in the education of their children;

[(B) improving the instructional program for limited English proficient students by identifying, acquiring and upgrading curriculum, instructional materials, educational software and assessment procedures and, if appropriate, applying educational technology;

[(C) compensating personnel, including teacher aides who have been specifically trained, or are being trained, to provide services to children and youth of limited English proficiency;

[(D) providing tutorials and academic or career counseling for children and youth of limited-English proficiency;

[(E) providing intensified instruction; and

[(F) providing such other activities, related to the purposes of this part, as the Secretary may approve.

[(4) SPECIAL RULE.—A grant recipient, before carrying out a program assisted under this section, shall plan, train personnel, develop curriculum, and acquire or develop materials.

[(c) ELIGIBLE ENTITIES.—For the purpose of this section the term "eligible entity" means—

[(1) one or more local educational agencies; or

[(2) one or more local educational agencies in collaboration with an institution of higher education, community-based organizations or a local or State educational agency.

[SEC. 7115. SYSTEMWIDE IMPROVEMENT GRANTS

[(a) PURPOSE.—The purpose of this section is to implement districtwide bilingual education programs or special alternative instruction programs to improve, reform, and upgrade relevant programs and operations, within an entire local educational agency, that serve a significant number of children and youth of limited English proficiency in local educational agencies with significant concentrations of such children and youth.

[(b) PROGRAM AUTHORIZED.—

[(1) AUTHORITY.—(A) The Secretary is authorized to award grants to eligible entities having applications approved under section 7116 to enable such entities to carry out activities described in paragraphs (3) and (4).

[(B) Each grant under this section shall be awarded for 5 years.

[(2) TERMINATION.—The Secretary shall terminate grants to eligible entities under this section if the Secretary determines that—

[(A) the program evaluation required by section 7123 indicates that students in the program are not being taught to and are not making adequate progress toward achieving challenging State content standards and challenging State student performance standards; or

[(B) in the case of a program to promote dual language facility, such program is not promoting such facility.

[(3) PREPARATION.—Grants under this section may be used during the first 12 months exclusively for activities preparatory to the delivery of services.

[(4) USES.—Grants under this section may be used to improve the education of limited English proficient students and their families by reviewing, restructuring, and upgrading—

[(A) educational goals, curriculum guidelines and content, standards and assessments;

[(B) personnel policies and practices including recruitment, certification, staff development, and assignment;

[(C) student grade-promotion and graduation requirements;

[(D) student assignment policies and practices;

[(E) family education programs and parent outreach and training activities designed to assist parents to become active participants in the education of their children;

[(F) the instructional program for limited English proficient students by identifying, acquiring and upgrading

curriculum, instructional materials, educational software and assessment procedures and, if appropriate, applying educational technology;

[(G) tutorials and academic or career counseling for children and youth of limited-English proficiency; and

[(H) such other activities, related to the purpose of this part, as the Secretary may approve.

[(c) ELIGIBLE ENTITIES.—For the purpose of this section the term "eligible entity" means—

[(1) one or more local educational agencies; or

[(2) one or more local educational agencies in collaboration with an institution of higher education, community-based organizations or a local or State educational agency.

[SEC. 7116. APPLICATIONS.

[(a) IN GENERAL.—

[(1) SECRETARY.—To receive a grant under this subpart, an eligible entity shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

[(2) STATE EDUCATIONAL AGENCY.—An eligible entity, with the exception of schools funded by the Bureau of Indian Affairs, shall submit a copy of its application under this section to the State educational agency.

[(b) STATE REVIEW AND COMMENTS.—

[(1) DEADLINE.—The State educational agency, not later than 45 days after receipt of an application under this section, shall review the application and transmit such application to the Secretary.

[(2) COMMENTS.—(A) Regarding any application submitted under this title, the State educational agency shall—

[(i) submit to the Secretary written comments regarding all such applications; and

[(ii) submit to each eligible entity the comments that pertain to such entity.

[(B) For purposes of this subpart, such comments shall address how the eligible entity—

[(i) will further the academic achievement of limited English proficient students served pursuant to a grant received under this subpart; and

[(ii) how the grant application is consistent with the State plan submitted under section 1111.

[(c) ELIGIBLE ENTITY COMMENTS.—An eligible entity may submit to the Secretary comments that address the comments submitted by the State educational agency.

[(d) COMMENT CONSIDERATION.—In making grants under this subpart the Secretary shall take into consideration comments made by a State educational agency.

[(e) WAIVER.—Notwithstanding subsection (b), the Secretary is authorized to waive the review requirement of subsection (b) if a State educational agency can demonstrate that such review requirement may impede such agency's ability to fulfill the requirements of participation in the State grant program, particularly such agency's data collection efforts and such agency's ability to

provide technical assistance to local educational agencies not receiving funds under this Act.

[(f) REQUIRED DOCUMENTATION.—Such application shall include documentation that the applicant has the qualified personnel required to develop, administer, and implement the proposed program.

[(g) CONTENTS.—

[(1) IN GENERAL.—An application for a grant under this subpart shall contain the following:

[(A) A description of the need for the proposed program, including data on the number of children and youth of limited-English proficiency in the school or school district to be served and the characteristics of such children and youth, such as language spoken, dropout rates, proficiency in English and the native language, academic standing in relation to the English-proficient peers of such children and youth, and, where applicable, the recency of immigration.

[(B) A description of the program to be implemented and how such program's design—

[(i) relates to the linguistic and academic needs of the children and youth of limited-English proficiency to be served;

[(ii) is coordinated with other programs under this Act, the Goals 2000: Educate America Act and other Acts, as appropriate, in accordance with section 14306;

[(iii) involves the parents of the children and youth of limited-English proficiency to be served;

[(iv) ensures accountability in achieving high academic standards; and

[(v) promotes coordination of services for the children and youth of limited-English proficiency to be served and their families.

[(C) A description, if appropriate, of the applicant's collaborative activities with institutions of higher education, community-based organizations, local or State educational agencies, private schools, nonprofit organizations, or businesses in carrying out the proposed program.

[(D) An assurance that the applicant will not reduce the level of State and local funds that the applicant expends for bilingual education or special alternative instruction programs if the applicant receives an award under this subpart.

[(E) An assurance that the applicant will employ teachers in the proposed program that, individually or in combination, are proficient in English, including written, as well as oral, communication skills.

[(F) A budget for grant funds.

[(2) ADDITIONAL INFORMATION.—Each application for a grant under section 7114 or 7115 shall—

[(A) describe—

[(i) current services the applicant provides to children and youth of limited-English proficiency;

[(ii) what services children and youth of limited-English proficiency will receive under the grant that such children or youth will not otherwise receive;

[(iii) how funds received under this subpart will be integrated with all other Federal, State, local, and private resources that may be used to serve children and youth of limited-English proficiency;

[(iv) specific achievement and school retention goals for the children and youth to be served by the proposed program and how progress toward achieving such goals will be measured; and

[(v) current family education programs if applicable; and

[(B) provide assurances that—

[(i) the program funded will be integrated with the overall educational program; and

[(ii) the application has been developed in consultation with an advisory council, the majority of whose members are parents and other representatives of the children and youth to be served in such programs.

[(h) APPROVAL OF APPLICATIONS.—An application for a grant under this subpart may be approved only if the Secretary determines that—

[(1) the program will use qualified personnel, including personnel who are proficient in the language or languages used for instruction;

[(2) in designing the program for which application is made, the needs of children in nonprofit private elementary and secondary schools have been taken into account through consultation with appropriate private school officials and, consistent with the number of such children enrolled in such schools in the area to be served whose educational needs are of the type and whose language and grade levels are of a similar type to those which the program is intended to address, after consultation with appropriate private school officials, provision has been made for the participation of such children on a basis comparable to that provided for public school children;

[(3) student evaluation and assessment procedures in the program are valid, reliable, and fair for limited English proficient students, and that limited English proficient students who are disabled are identified and served in accordance with the requirements of the Individuals with Disabilities Education Act;

[(4) Federal funds made available for the project or activity will be used so as to supplement the level of State and local funds that, in the absence of such Federal funds, would have been expended for special programs for children of limited English proficient individuals and in no case to supplant such State and local funds, except that nothing in this paragraph shall be construed to preclude a local educational agency from using funds under this title for activities carried out under an order of a court of the United States or of any State respecting services to be provided such children, or to carry out a plan approved by the Secretary as adequate under title VI of the Civil

Rights Act of 1964 with respect to services to be provided such children;

[(5) the assistance provided under the application will contribute toward building the capacity of the applicant to provide a program on a regular basis, similar to that proposed for assistance, which will be of sufficient size, scope, and quality to promise significant improvement in the education of students of limited-English proficiency, and that the applicant will have the resources and commitment to continue the program when assistance under this subpart is reduced or no longer available; and

[(6) the applicant provides for utilization of the State and national dissemination sources for program design and in dissemination of results and products.

[(i) PRIORITIES AND SPECIAL RULES.—

[(1) PRIORITY.—The Secretary shall give priority to applications which provide for the development of bilingual proficiency both in English and another language for all participating students.

[(2) SPECIAL ALTERNATIVE INSTRUCTIONAL PROGRAM.—Grants for special alternative instructional programs under this subpart shall not exceed 25 percent of the funds provided for any type of grant under any section, or of the total funds provided, under this subpart for any fiscal year.

[(3) SPECIAL RULE.—Notwithstanding paragraph (2), the Secretary may award grants under this subpart for special alternative instructional programs if an applicant has demonstrated that the applicant cannot develop and implement a bilingual education program for the following reasons:

[(A) Where the diversity of the limited English proficient students' native languages and the small number of students speaking each respective language makes bilingual education impractical.

[(B) Where, despite documented efforts, the applicant has not been able to hire qualified instructional personnel who are able to communicate in the students' native language.

[(4) CONSIDERATION.—In approving applications under this subpart, the Secretary shall give consideration to the degree to which the program for which assistance is sought involves the collaborative efforts of institutions of higher education, community-based organizations, the appropriate local and State educational agency, or businesses.

[(5) DUE CONSIDERATION.—The Secretary shall give due consideration to applications providing training for personnel participating in or preparing to participate in the program which will assist such personnel in meeting State and local certification requirements and that, to the extent possible, describe how college or university credit will be awarded for such training.

[SEC. 7117. INTENSIFIED INSTRUCTION.

[In carrying out this subpart, each grant recipient may intensify instruction for limited English proficient students by—

[(1) expanding the educational calendar of the school in which such student is enrolled to include programs before and after school and during the summer months;

[(2) expanding the use of professional and volunteer aids;

[(3) applying technology to the course of instruction; and

[(4) providing intensified instruction through supplementary instruction or activities, including educationally enriching extracurricular activities, during times when school is not routinely in session.

[SEC. 7118. CAPACITY BUILDING.

[Each recipient of a grant under this subpart shall use the grant in ways that will build such recipient's capacity to continue to offer high-quality bilingual and special alternative education programs and services to children and youth of limited-English proficiency once Federal assistance is reduced or eliminated.

[SEC. 7119. SUBGRANTS.

[A local educational agency that receives a grant under this subpart may, with the approval of the Secretary, make a subgrant to, or enter into a contract with, an institution of higher education, a nonprofit organization, or a consortium of such entities to carry out an approved program, including a program to serve out-of-school youth.

[SEC. 7120. PRIORITY ON FUNDING.

[The Secretary shall give priority to applications under this subpart that describe a program that—

[(1) enrolls a large percentage or large number of limited English proficient students;

[(2) takes into account significant increases in limited English proficient children and youth, including such children and youth in areas with low concentrations of such children and youth; and

[(3). ensures that activities assisted under this subpart address the needs of school systems of all sizes and geographic areas, including rural and urban schools.

[SEC. 7121. COORDINATION WITH OTHER PROGRAMS.

[In order to secure the most flexible and efficient use of Federal funds, any State receiving funds under this subpart shall coordinate its program with other programs under this Act, the Goals 2000: Educate America Act, and other Acts, as appropriate, in accordance with section 14306.

[SEC. 7122. PROGRAMS FOR NATIVE AMERICANS AND PUERTO RICO.

[Programs authorized under this part that serve Native American children, Native Pacific Island children, and children in the Commonwealth of Puerto Rico, notwithstanding any other provision of this part, may include programs of instruction, teacher training, curriculum development, evaluation, and testing designed for Native American children and youth learning and studying Native American languages and children and youth of limited-Spanish proficiency, except that one outcome of such programs serving Native American children shall be increased English proficiency among such children.

[SEC. 7123. EVALUATIONS.

[(a) EVALUATION.—Each recipient of funds under this subpart shall provide the Secretary with an evaluation, in the form prescribed by the Secretary, of such recipient's program every two years.

[(b) USE OF EVALUATION.—Such evaluation shall be used by a grant recipient—

[(1) for program improvement;

[(2) to further define the program's goals and objectives; and

[(3) to determine program effectiveness.

[(c) EVALUATION COMPONENTS.—Evaluations shall include—

[(1) how students are achieving the State student performance standards, if any, including data comparing children and youth of limited-English proficiency with nonlimited English proficient children and youth with regard to school retention, academic achievement, and gains in English (and, where applicable, native language) proficiency;

[(2) program implementation indicators that provide information for informing and improving program management and effectiveness, including data on appropriateness of curriculum in relationship to grade and course requirements, appropriateness of program management, appropriateness of the program's staff professional development, and appropriateness of the language of instruction;

[(3) program context indicators that describe the relationship of the activities funded under the grant to the overall school program and other Federal, State, or local programs serving children and youth of limited English proficiency; and

[(4) such other information as the Secretary may require.

[SEC. 7124. CONSTRUCTION.

[Nothing in this part shall be construed to prohibit a local educational agency from serving limited English proficient children and youth simultaneously with students with similar educational needs, in the same educational settings where appropriate.

[Subpart 2—Research, Evaluation, and Dissemination

[SEC. 7131. AUTHORITY.

[(a) IN GENERAL.—The Secretary is authorized to conduct data collection, dissemination, research, and ongoing program evaluation activities in accordance with the provisions of this subpart for the purpose of improving bilingual education and special alternative instruction programs for children and youth of limited English proficiency.

[(b) COMPETITIVE AWARDS.—Research and program evaluation activities carried out under this subpart shall be supported through competitive grants, contracts and cooperative agreements awarded institutions of higher education, nonprofit organizations, and State and local educational agencies.

[(c) ADMINISTRATION.—The Secretary shall conduct data collection, dissemination, and ongoing program evaluation activities authorized by this subpart through the Office of Bilingual Education and Minority Language Affairs.

[SEC. 7132. RESEARCH.

[(a) ADMINISTRATION.—The Secretary shall conduct research activities authorized by this subpart through the Office of Educational Research and Improvement in coordination and collaboration with the Office of Bilingual Education and Minority Language Affairs.

[(b) REQUIREMENTS.—Such research activities—

[(1) shall have a practical application to teachers, counselors, paraprofessionals, school administrators, parents, and others involved in improving the education of limited English proficient students and their families;

[(2) may include research on effective instructional practices for multilingual classes, and on effective instruction strategies to be used by teachers and other staff who do not know the native language of a limited English proficient child or youth in their classrooms;

[(3) may include establishing (through the National Center for Education Statistics in consultation with experts in bilingual education, second language acquisition, and English-as-a-second-language) a common definition of "limited English proficient student" for purposes of national data collection; and

[(4) shall be administered by individuals with expertise in bilingual education and the needs of limited English proficient students and their families.

[(c) FIELD-INITIATED RESEARCH.—

[(1) IN GENERAL.—The Secretary shall reserve not less than 5 percent of the funds made available to carry out this section for field-initiated research conducted by current or recent recipients of grants under subpart 1 or 2 who have received such grants within the previous five years. Such research may provide for longitudinal studies of students or teachers in bilingual education, monitoring the education of such students from entry in bilingual education through secondary school completion.

[(2) APPLICATIONS.—Applicants for assistance under this subsection may submit an application for such assistance to the Secretary at the same time as applications are submitted under subpart 1 or 2. The Secretary shall complete a review of such applications on a timely basis to allow research and program grants to be coordinated when recipients are awarded two or more such grants.

[(d) CONSULTATION.—The Secretary shall consult with agencies and organizations that are engaged in bilingual education research and practice, or related research, and bilingual education researchers and practitioners to identify areas of study and activities to be funded under this section.

[(e) DATA COLLECTION.—The Secretary shall provide for the continuation of data collection on limited English proficient students as part of the data systems operated by the Department.

[SEC. 7133. ACADEMIC EXCELLENCE AWARDS.

[(a) AWARDS.—The Secretary may make grants to, and enter into contracts and cooperative agreements with, State and local educational agencies, nonprofit organizations, and institutions of higher education to promote the adoption and implementation of bilin-

gual education, special alternative instruction programs, and professional development programs that demonstrate promise of assisting children and youth of limited English proficiency to meet challenging State standards.

[(b) APPLICATIONS.—

[(1) IN GENERAL.—Each entity desiring an award under this section shall submit an application to the Secretary in such forms, at such time, and containing such information and assurances as the Secretary may reasonably require.

[(2) PEER REVIEW.—The Secretary shall use a peer review process, using effectiveness criteria that the Secretary shall establish to review applications under this section.

[(c) USE OF FUNDS.—Funds under this section shall be used to enhance the capacity of States and local education agencies to provide high quality academic programs for children and youth of limited English proficiency, which may include—

[(1) completing the development of such programs;

[(2) professional development of staff participating in bilingual education programs;

[(3) sharing strategies and materials; and

[(4) supporting professional networks.

[(d) COORDINATION.—Recipients of funds under this section shall coordinate the activities assisted under this section with activities carried out by comprehensive regional assistance centers assisted under part A of title XIII.

[SEC. 7134. STATE GRANT PROGRAM.

[(a) STATE GRANT PROGRAM.—The Secretary is authorized to make an award to a State educational agency that demonstrates to the satisfaction of the Secretary, that such agency, through such agency's own programs and other Federal education programs, effectively provides for the education of children and youth of limited English proficiency within the State.

[(b) PAYMENTS.—The amount paid to a State educational agency under subsection (a) shall not exceed 5 percent of the total amount awarded to local educational agencies within the State under subpart 1 for the previous fiscal year, except that in no case shall the amount paid by the Secretary to any State educational agency under this subsection for any fiscal year be less than $100,000.

[(c) USE OF FUNDS.—

[(1) IN GENERAL.—A State educational agency shall use funds awarded under this section for programs authorized by this section to—

[(A) assist local educational agencies in the State with program design, capacity building, assessment of student performance, and program evaluation; and

[(B) collect data on the State's limited English proficient populations and the educational programs and services available to such populations.

[(2) EXECEPTION.—States which do not, as of the date of enactment of the Improving America's Schools Act of 1994, have in place a system for collecting the data described in subparagraph (B) of paragraph (1) for all students in such State, are not required to meet the requirement of such subparagraph. In the event such State develops a system for collecting data on

the educational programs and services available to all students in the State, then such State shall comply with the requirement of paragraph (1)(B).

[(3) TRAINING.—The State educational agency may also use funds provided under this section for training of State educational agency personnel in educational issues affecting limited English proficient children and youth.

[(4) SPECIAL RULE.—Recipients of funds under this section shall not restrict the provision of services under this section to federally funded programs.

[(d) STATE CONSULTATION.—A State educational agency receiving funds under this section shall consult with recipients of grants under this title and other individuals or organizations involved in the development or operation of programs serving limited English proficient children or youth to ensure that such funds are use in a manner consist with the requirements of this title.

[(e) APPLICATIONS.—A State educational agency desiring to receive funds under this section shall submit an application to the Secretary in such form, at such time, and containing such information and assurances as the Secretary may require.

[(f) SUPPLEMENT NOT SUPPLANT.— Funds made available under this section for any fiscal year shall be used by the State educational agency to supplement and, to the extent practical, to increase to the level of funds that would, in the absence of such funds, be made available by the State for the purposes described in this section, and in no case to supplant such funds.

[(g) REPORT TO THE SECRETARY.—State educational agencies receiving awards under this section shall provide for the annual submission of a summary report to the Secretary describing such State's use of such funds.

[SEC. 7135. NATIONAL CLEARINGHOUSE FOR BILINGUAL EDUCATION.

[(a) ESTABLISHMENT.—The Secretary shall establish and support the operation of a National Clearinghouse for Bilingual Education, which shall collect, analyze, synthesize, and disseminate information about bilingual education and related programs.

[(b) FUNCTIONS.—The National Clearinghouse for Bilingual Education shall—

[(1) be administered as an adjunct clearinghouse of the Educational Resources Information Center Clearinghouses system of clearinghouses supported by the Office of Educational Research and Improvement;

[(2) coordinate its activities with Federal data and information clearinghouses and dissemination networks and systems;

[(3) develop a data base management and monitoring system for improving the operation and effectiveness of federally funded bilingual education programs; and

[(4) develop, maintain, and disseminate, through comprehensive regional assistance centers described in part A of title XIII if appropriate, a listing by geographical area of education professionals, parents, teachers, administrators, community members and others who are native speakers of languages other than English for use as a resource by local educational agencies and schools in the development and implementation of bilingual education programs.

[SEC. 7136. INSTRUCTIONAL MATERIALS DEVELOPMENT.

[The Secretary may provide grants for the development, publication, and dissemination of high-quality instructional materials in Native American and Native Hawaiian languages and the language of Native Pacific Islanders and natives of the outlying areas for which instructional materials are not readily available. The Secretary shall give priority to the development of instructional materials in languages indigenous to the United States or the outlying areas. The Secretary shall also accord priority to applications for assistance under this section which provide for developing and evaluating materials in collaboration with activities assisted under subparts 1 and 2 and which are consistent with voluntary national content standards and challenging State content standards.

[Subpart 3—Professional Development

[SEC. 7141. PURPOSE.

[The purpose of this subpart is to assist in preparing educators to improve the educational services for limited English proficient children and youth by supporting professional development programs and the dissemination of information on appropriate instructional practices for such children and youth.

[SEC. 7142. TRAINING FOR ALL TEACHERS PROGRAM.

[(a) PURPOSE.—The purpose of this section is to provide for the incorporation of courses and curricula on appropriate and effective instructional and assessment methodologies, strategies and resources specific to limited English proficient students into preservice and inservice professional development programs for teachers, pupil services personnel, administrators and other education personnel in order to prepare such individuals to provide effective services to limited English proficient students.

[(b) AUTHORIZATION.—

[(1) AUTHORITY.—The Secretary is authorized to award grants to institutions of higher education, local educational agencies, and State educational agencies or to nonprofit organizations which have entered into consortia arrangements with one of such institutions or agencies.

[(2) DURATION.—Each grant under this section shall be awarded for a peroid of not more than five years.

[(c) PERMISSIBLE ACTIVITIES.—Activities conducted under this section may include the development of training programs in collaboration with other programs such as programs authorized under titles I and II of this Act, and under the Head Start Act.

[SEC. 7143. BILINGUAL EDUCATION TEACHERS AND PERSONNEL GRANTS.

[(a) PURPOSE.—The purpose of this section is to provide for—

[(1) preservice and inservice professional development for bilingual education teachers, administrators, public services personnel, and other educational personnel who are either involved in, or preparing to be involved in, the provision of educational services for children and youth of limited-English proficiency; and

[(2) national professional development institutes that assist schools or department of education in institutions of higher

education to improve the quality of professional development programs for personnel serving, preparing to serve, or who may serve, children and youth of limited-English proficiency.

[(b) PRIORITY.—The Secretary shall give priority in awarding grants under this section to institutions of higher education, in consortia with local or State educational agencies, that offer degree programs which prepare new bilingual education teachers in order to increase the availability of educators to provide high-quality education to limited English proficient students.

[(c) AUTHORIZATION.—

[(1) The Secretary is authorized to award grants for not more than five years to institutions of higher education which have entered into consortia arrangements with local or State educational agencies to achieve the purposes of this section.

[(2) The Secretary is authorized to make grants for not more than five years to State and local educational agencies for in-service professional development programs.

[SEC. 7144. BILINGUAL EDUCATION CAREER LADDER PROGRAM.

[(a) PURPOSE.—The purpose of this section is—

[(1) to upgrade the qualifications and skills of noncertified educational personnel, especially educational paraprofessionals, to meet high professional standards, including certification and licensure as bilingual education teachers and other educational personnel who serve limited English proficient students through collaborative training programs operated by institutions of higher education and local and State educational agencies; and

[(2) to help recruit and train secondary school students as bilingual education teachers and other educational personnel to serve limited English proficient students.

[(b) AUTHORIZATION.—

[(1) IN GENERAL.—The Secretary is authorized to award grants for bilingual education career ladder programs to institutions of higher education applying in consortia with local or State educational agencies, which consortia any include community-based organizations or professional education organizations.

[(2) DURATION.—Each grant under this section shall be awarded for a period of not more than five years.

[(c) PERMISSIVE ACTIVITIES.—Grants awarded under this section may be used—

[(1) for the development of bilingual education career ladder program curricula appropriate to the need of the consortium participants;

[(2) to provide assistance for stipends and costs related to tuition, fees and books for enrolling in courses required to complete the degree and certification requirements to become bilingual education teachers; and

[(3) for programs to introduce secondary school students to careers in bilingual education teaching that are coordinated with other activities assisted under this section.

[(d) SPECIAL CONSIDERATION.—The Secretary shall give special consideration to applications under this section which provide for—

[(1) participant completion of baccalaureate and master's degree teacher education programs, and certification requirements and may include effective employment placement activities;

[(2) development of teacher proficiency in English a second language, including demonstrating proficiency in the instructional use of English and, as appropriate, a second language in classroom contexts;

[(3) coordination with the Federal TRIO programs under chapter 1 of part A of title IV of the Higher Education Act of 1965, the National Mini Corps under subpart 1 of part F of title V of such Act, the Teacher Corps program under subpart 3 of part C of title V of such Act, and the National Community and Service Trust Act of 1993 programs, and other programs for the recruitment and retention of bilingual students in secondary and postsecondary programs to train to become bilingual educators; and

[(4) the applicant's contribution of additional student financial aid to participating students.

[SEC. 7145. GRADUATE FELLOWSHIPS IN BILINGUAL EDUCATION PROGRAM.

[(a) AUTHORIZATION.—

[(1) IN GENERAL.—The Secretary may award fellowships for masters, doctoral, and post-doctoral study related to instruction of children and youth of limited-English proficiency in such areas as teacher training, program administration, research and evaluation, and curriculum development, and for the support of dissertation research related to such study.

[(2) NUMBER.—For fiscal year 1994 not less than 500 fellowships leading to a master's or doctorate degree shall be awarded under this section.

[(3) INFORMATION.—The Secretary shall include information on the operation and the number of fellowships awarded under the fellowship program in the evaluation required under section 7149.

[(b) FELLOWSHIP REQUIREMENTS.—

[(1) IN GENERAL.—Any person receiving a fellowship under this section shall agree to—

[(A) work in an activity related to the program or in an activity such as an activity authorized under this part, including work as a bilingual education teacher, for a period of time equivalent to the period of time during which such person receives assistance under this section; or

[(B) repay such assistance.

[(2) REGULATIONS.—The Secretary shall establish in regulations such terms and conditions for such agreement as the Secretary deems reasonable and necessary and may waive the requirement of paragraph (1) in extraordinary circumstances.

[(c) PRIORITY.—In awarding fellowships under this section the Secretary may give priority to institutions of higher education that demonstrate experience in assisting fellowship recipients find employment in the field of bilingual education.

[SEC. 7146. APPLICATION.

[(a) IN GENERAL.—

[(1) SECRETARY.—To receive an award under this subpart, an eligible entity shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

[(2) CONSULTATION AND ASSESSMENT.—Each such application shall contain a description of how the applicant has consulted with, and assessed the needs of, public and private schools serving children and youth of limited-English proficiency to determine such school's need for, and the design of, the program for which funds are sought.

[(3) SPECIAL RULE.—(A) An application for a grant under subsection (a) from an applicant who proposes to conduct a master's- or doctoral-level program with funds received under this section shall provide an assurance that such program will include, as a part of the program, a training practicum in a local school program serving children and youth of limited-English proficiency.

[(B) A recipient of a grant under subsection (a) may waive the requirement of a training practicum for a degree candidate with significant experience in a local school program serving children and youth of limited-English proficiency.

[(4) STATE EDUCATIONAL AGENCY.—An eligible entity, with the exception of schools funded by the Bureau of Indian Affairs, shall submit a copy of the application under this subsection to the State educational agency.

[(b) STATE REVIEW AND COMMENTS.—

[(1) DEADLINE.—The State educational agency, not later than 45 days after receipt of such application copy, shall review the application and transmit such application to the Secretary.

[(2) COMMENTS.—(A) Regarding any application submitted under this subpart, the State educational agency shall—

[(i) submit to the Secretary written comments regarding all such applications; and

[(ii) submit to each eligible entity the comments that pertain to such entity.

[(B) For purposes of this subpart, comments shall address how the eligible entity—

[(i) will further the academic achievement of limited English proficient students served pursuant to a grant received under this subpart; and

[(ii) how the grant application is consistent with the State plan submitted under section 1111.

[(3) WAIVER.—Notwithstanding paragraphs (1) and (2), the Secretary is authorized to waive the review requirement if a State educational agency can demonstrate that such review requirement may impede such agency's ability to fulfill the requirements of participation in the State grant program, particularly such agency's data collection efforts and such agency's ability to provide technical assistance to local educational agencies not receiving funds under this Act.

[(c) ELIGIBLE ENTITY COMMENTS.—An eligible entity may submit to the Secretary comments that address the comments submitted by the State educational agency.

[(d) COMMENT CONSIDERATION.—In making awards under this subpart the Secretary shall take into consideration comments made by a State educational agency.

[(e) SPECIAL RULE.—

[(1) OUTREACH AND TECHNICAL ASSISTANCE.—The Secretary shall provide for outreach and technical assistance to institutions of higher education eligible for assistance under title III of the Higher Education Act of 1965 and institutions of higher education that are operated or funded by the Bureau of Indian Affairs to facilitate the participation of such institutions in activities under this part.

[(2) DISTRIBUTION RULE.—In making awards under this subpart, the Secretary, consistent with subsection (d), shall ensure adequate representation of Hispanic-serving institutions that demonstrate competence and experience in the programs and activities authorized under this subpart and are otherwise qualified.

[SEC. 7147. PROGRAM REQUIREMENTS.

[Activities conducted under this subpart shall assist educational personnel in meeting State and local certification requirements for bilingual education and, wherever possible, shall lead toward the awarding of college or university credit.

[SEC. 7148. STIPENDS.

[The Secretary shall provide for the payment of such stipends (including allowances for subsistence and other expenses for such persons and their dependents), as the Secretary determines to be appropriate, to persons participating in training programs under this subpart.

[SEC. 7149. PROGRAM EVALUATIONS.

[Each recipient of funds under this subpart shall provide the Secretary with an evaluation of the program assisted under this subpart every two years. Such evaluation shall include data on—

[(1) post-program placement of persons trained in a program assisted under this subpart;

[(2) how the training relates to the employment of persons served by the program;

[(3) program completion; and

[(4) such other information as the Secretary may require.

[SEC. 7150. USE OF FUNDS FOR SECOND LANGUAGE COMPETENCE.

[Awards under this subpart may be used to develop a program participant's competence in a second language for use in instructional programs.

[Subpart 4—Transition

[SEC. 7161. SPECIAL RULE.

[Notwithstanding any other provision of law, no recipient of a grant under title VII of this Act (as such title was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) shall be eligible for fourth- and fifth-year re-

newals authorized by section 7021(2)(1)(C) of such title (as such section was in effect on the day preceding the date of enactment of such Act).

[PART B—FOREIGN LANGUAGE ASSISTANCE PROGRAM

[SEC. 7201. SHORT TITLE.

[This part may be cited as the "Foreign Language Assistance Act of 1994".

[SEC. 7202. FINDINGS.

[The Congress finds as follows:

[(1) Foreign language proficiency is crucial to our Nation's economic competitiveness and national security. Significant improvement in the quantity and quality of foreign language instruction offered in our Nation's elementary and secondary schools is necessary.

[(2) All Americans need a global perspective. To understand the world around us, we must acquaint ourselves with the languages, cultures, and history of other nations.

[(3) Proficiency in two or more languages should be promoted for all American students. Multilingualism enchances cognitive and social growth, competitiveness in the global marketplace, national security, and understanding of diverse people and cultures.

[(4) The United States lags behind other developed countries in offering foreign language study to elementary and secondary school students.

[(5) Four out of five new jobs in the United States are created from foreign trade.

[(6) The optimum time to begin learning a second language is in elementary school, when children have the ability to learn and excel in several foreign language acquisition skills, including pronunciation, and when children are most open to appreciating and valuing a culture other than their own.

[(7) Foreign language study can increase childrens' capacity for critical and creative thinking skills and children who study a second language show greater cognitive development in areas such as mental flexibility, creativity, tolerance, and higher order thinking skills.

[(8) Children who have studied a foreign language in elementary school achieve expected gains and score higher on standardized tests of reading, language arts, and mathematics than children who have not studied a foreign language.

[SEC. 7203. PROGRAM AUTHORIZED.

[(a) PROGRAM AUTHORITY.—

[(1) IN GENERAL.—The Secretary shall make grants, on a competitive basis, to State educational agencies or local educational agencies to pay the Federal share of the cost of innovative model programs providing for the establishment, improvement or expansion of foreign language study for elementary and secondary school students.

[(2) DURATION.—Each grant under paragraph (1) shall be awarded for a period of three years.

[(b) REQUIREMENTS.—

[(1) GRANTS TO STATE EDUCATIONAL AGENCIES.—In awarding a grant under subsection (a) to a State educational agency, the Secretary shall support programs that promote systemic approaches to improving foreign language learning in the State.

[(2) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—In awarding a grant under subsection (a) to a local educational agency, the Secretary shall support programs that—

[(A) show the promise of being continued beyond the grant period;

[(B) demonstrate approaches that can be disseminated and duplicated in other local educational agencies; and

[(C) may include a professional development component.

[(c) FEDERAL SHARE.—

[(1) IN GENERAL.—The Federal share for each fiscal year shall be 50 percent.

[(2) WAIVER.—The Secretary may waive the requirement of paragraph (1) for any local educational agency which the Secretary determines does not have adequate resources to pay the non-Federal share of the cost of the activities assisted under this part.

[(3) SPECIAL RULE.—Not less than three-fourths of the funds appropriated under section 7206 shall be used for the expansion of foreign language learning in the elementary grades.

[(4) RESERVATION.—The Secretary may reserve not more than 5 percent of funds appropriated under section 7206 to evaluate the efficacy of programs under this part.

[SEC. 7204. APPLICATIONS.

[(a) IN GENERAL.—Any State educational agency or local educational agency desiring a grant under this part shall submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require.

[(b) SPECIAL CONSIDERATION.—The Secretary shall give special consideration to applications describing programs that—

[(1) include intensive summer foreign language programs for professional development;

[(2) link non-native English speakers in the community with the schools in order to promote two-way language learning; or

[(3) promote the sequential study of a foreign language for students, beginning in elementary schools.

[SEC. 7205. ELEMENTARY SCHOOL FOREIGN LANGUAGE INCENTIVE PROGRAM.

[(a) INCENTIVE PAYMENTS.—From amounts appropriated under section 7206 the Secretary shall make an incentive payment for each fiscal year to each public elementary school that provides to students attending such school a program designed to lead to communicative competency in a foreign language.

[(b) AMOUNT.—The Secretary shall determine the amount of the incentive payment under subsection (a) for each public elementary school for each fiscal year on the basis of the number of students participating in a program described in such subsection at such school for such year compared to the total number of such students at all such schools in the United States for such year.

[(c) REQUIREMENT.—The Secretary shall consider a program to be designed to lead to communicative competency in a foreign language if such program is comparable to a program that provides not less than 45 minutes of instruction in a foreign language not less than four days per week throughout an academic year.

[SEC. 7206. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $35,000,000 for the fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this part, of which not more than $20,000,000 may be used in each fiscal year to carry out section 7205.

[PART C—EMERGENCY IMMIGRANT EDUCATION PROGRAM

[SEC. 7301. FINDINGS AND PURPOSE.

[(a) FINDINGS.—The Congress finds that—

[(1) the education of our Nation's children and youth is one of the most sacred government responsibilities;

[(2) local educational agencies have struggled to fund adequately education services;

[(3) in the case of Plyler v. Doe, the Supreme Court held that States have a responsibility under the Equal Protection Clause of the Constitution to educate all children, regardless of immigration status; and

[(4) immigration policy is solely a responsibility of the Federal Government.

[(b) PURPOSE.—The purpose of this part is to assist eligible local educational agencies that experience unexpectedly large increases in their student population due to immigration to—

[(1) provide high-quality instruction to immigrant children and youth; and

[(2) help such children and youth—

[(A) with their transition into American society; and

[(B) meet the same challenging State performance standards expected of all children and youth.

[SEC. 7302. STATE ADMINISTRATIVE COSTS.

[For any fiscal year, a State educational agency may reserve not more than 1.5 percent of the amount allocated to such agency under section 7304 to pay the costs of performing such agency's administrative functions under this part.

[SEC. 7303. WITHHOLDING.

[Whenever the Secretary, after providing reasonable notice and opportunity for a hearing to any State educational agency, finds that there is a failure to meet the requirement of any provision of this part, the Secretary shall notify that agency that further payments will not be made to the agency under this part, or in the discretion of the Secretary, that the State educational agency shall not make further payments under this part to specified local educational agencies whose actions cause or are involved in such failure until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, no further payments shall be made to the State educational agency under this

part, or payments by the State educational agency under this part shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

[SEC. 7304. STATE ALLOCATIONS.

[(a) PAYMENTS.—The Secretary shall, in accordance with the provisions of this section, make payments to State educational agencies for each of the fiscal years 1995 through 1999 for the purpose set forth in section 7301(b).

[(b) ALLOCATIONS.—

[(1) IN GENERAL.—Exept as provided in subsections (c) and (d), of the amount appropriated for each fiscal year for this part, each State participating in the program assisted under this part shall receive an allocation equal to the proportion of such State's number of immigrant children and youth who are enrolled in public elementary or secondary schools under the jurisdiction of each local educational agency described in paragraph (2) within such State, and in nonpublic elementary or secondary schools within the district served by each such local educational agency, relative to the total number of immigrant children and youth so enrolled in all the States participating in the program assisted under this part.

[(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—The local educational agencies referred to in paragraph (1) are those local educational agencies in which the sum of the number of immigrant children and youth who are enrolled in public elementary or secondary schools under the jurisdiction of such agencies, and in nonpublic elementary or secondary schools within the districts served by such agencies, during the fiscal year for which the payments are to be made under this part, is equal to—

[(A) at least 500; or

[(B) at least 3 percent of the total number of students enrolled in such public or nonpublic schools during such fiscal year,

whichever number is less.

[(c) DETERMINATIONS OF NUMBER OF CHILDREN AND YOUTH.—

[(1) IN GENERAL.—Determinations by the Secretary under this section for any period with respect to the number of immigrant children and youth shall be made on the basis of data or estimates provided to the Secretary by each State educational agency in accordance with criteria established by the Secretary, unless the Secretary determines, after notice and opportunity for a hearing to the affected State educational agency, that such data or estimates are clearly erroneous.

[(2) SPECIAL RULE.—No such determination with respect to the number of immigrant children and youth shall operate because of an underestimate or overestimate to deprive any State educational agency of the allocation under this section that such State would otherwise have received had such determination been made on the basis of accurate data.

[(d) REALLOCATION.—Whenever the Secretary determines that any amount of a payment made to a State under this part for a fiscal year will not be used by such State for carrying out the purpose for which the payment was made, the Secretary shall make

such amount available for carrying out such purpose to one or more other States to the extent the Secretary determines that such other States will be able to use such additional amount for carrying out such purpose. Any amount made available to a State from any appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this part, be regarded as part of such State's payment (as determined under subsection (b)) for such year, but shall remain available until the end of the succeeding fiscal year.

[(e) RESERVATION OF FUNDS.—

[(1) IN GENERAL.—Not withstanding any other provision of this part, if the amount appropriated to carry out this part exceeds $50,000,000 for a fiscal year, a State educational agency may reserve not more than 20 percent of such agency's payment under this part for such year to award grants, on a competitive basis, to local educational agencies within the State as follows:

[(A) At least one-half of such grants shall be made available to eligible local educational agencies (as described in subsection (b)(2)) within the State with the highest numbers and percentages of immigrant children and youth.

[(B) Funds reserved under this paragraph and not made available under subparagraph (A) may be distributed to local educational agencies within the State experiencing a sudden influx of immigrant children and youth which are otherwise not eligible for assistance under this part.

[(2) USE OF GRANT FUNDS.—Each local educational agency receiving a grant under paragraph (1) shall use such grant funds to carry out the activities described in section 7307.

[(3) INFORMATION.—Local educational agencies with the highest number of immigrant children and youth receiving funds under paragraph (1) may make information available on serving immigrant children and youth to local educational agencies in the State with sparse numbers of such children.

SEC. 7305. STATE APPLICATIONS.

[(a) SUBMISSION.—No State educational agency shall receive any payment under this part for any fiscal year unless such agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

[(1) provide that the educational programs, services, and activities for which payments under this part are made will be administered by or under the supervision of the agency;

[(2) provide assurances that payments under this part will be used for purposes set forth in sections 7301 and 7307, including a description of how local educational agencies receiving funds under this part will use such funds to meet such purposes and will coordinate with other programs assisted under this Act, the Goals 2000: Educate America Act, and other Acts as appropriate;

[(3) provide an assurance that local educational agencies receiving funds under this part will coordinate the use of such funds with programs assisted under part A or title I;

[(4) provide assurances that such payments with the exception of payments reserved under section 7304(e), will be distributed among local educational agencies within that State on the basis of the number of immigrant children and youth counted with respect to each such local educational agency under section 7304(b)(1);

[(5) provide assurances that the State educational agency will not finally disapprove in whole or in part any application for funds received under this part without first affording the local educational agency submitting an application for such funds reasonable notice and opportunity for a hearing;

[(6) provide for making such reports as the Secretary may reasonably require to perform the Secretary's functions under this part;

[(7) provide assurances—

[(A) that to the extent consistent with the number of immigrant children and youth enrolled in the nonpublic elementary or secondary schools within the district served by a local educational agency, such agency, after consultation with appropriate officials of such schools, shall provide for the benefit of such children and youth secular, neutral, and nonideological services, materials, and equipment necessary for the education of such children and youth;

[(B) that the control of funds provided under this part to any materials, equipment, and property repaired, remodeled, or constructed with those funds shall be in a public agency for the uses and purposes provided in this part, and a public agency shall administer such funds and property; and

[(C) that the provision of services pursuant to this paragraph shall be provided by employees of a public agency or through contract by such public agency with a person, association, agency, or corporation who or which, in the provision of such services, is independent of such nonpublic elementary or secondary school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this paragraph shall not be commingled with State or local funds;

[(8) provide that funds reserved under subsection (e) of section 7304 be awarded on a competitive basis based on merit and need in accordance with such subsection; and

[(9) provide an assurance that State and local educational agencies receiving funds under this part will comply with the requirements of section 1120(b).

[(b) APPLICATION REVIEW.—

[(1) IN GENERAL.—The Secretary shall review all applications submitted pursuant to this section by State educational agencies.

[(2) APPROVAL.—The Secretary shall approve any application submitted by a State educational agency that meets the requirements of this section.

[(3) DISAPPROVAL.—The Secretary shall disapprove any application submitted by a State educational agency which does

not meet the requirements of this section, but shall not finally disapprove an application except after providing reasonable notice, technical assistance, and an opportunity for a hearing to the State.

[SEC. 7306. ADMINISTRATIVE PROVISIONS.

[(a) NOTIFICATION OF AMOUNT.—The Secretary, not later than June 1 of each year, shall notify each State educational agency that has an application approved under section 7305 of the amount of such agency's allocation under section 7304 for the succeeding year.

[(b) SERVICES TO CHILDREN ENROLLED IN NONPUBLIC SCHOOLS.—If by reason of any provision of law a local educational agency is prohibited from providing educational services for children enrolled in elementary and secondary nonpublic schools, as required by section 7305(a)(7), or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in such schools, the Secretary may waive such requirement and shall arrange for the provision of services, subject to the requirements of this part, to such children. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with the provisions of title I.

[SEC. 7307. USES OF FUNDS.

[(a) USE OF FUNDS.—Funds awarded under this part shall be used to pay for enhanced instructional opportunities for immigrant children and youth, which may include—

[(1) family literacy, parent outreach, and training activities designed to assist parents to become active participants in the education of their children;

[(2) salaries of personnel, including teacher aides who have been specifically trained, or are being trained to provide services to immigrant children and youth;

[(3) tutorials, mentoring, and academic or career counseling for immigrant children and youth;

[(4) identification and acquisition of curricular materials, educational software, and technologies to be used in the program;

[(5) basis instructional services which are directly attributable to the presence in the school district of immigrant children, including the costs of providing additional classroom supplies, overhead costs, costs of construction, acquisition or rental of space, costs of transportation, or such other costs as are directly attributable to such additional basic instructional services; and

[(6) such other activities, related to the purposes of this part, as the Secretary may authorize.

[(b) CONSORTIA.—A local educational agency that receives a grant under this part may collaborate or form a consortium with one or more local educational agencies, institutions of higher education, and nonprofit organizations to carry out the program described in an application approved under this part.

[(c) SUBGRANTS.—A local educational agency that receives a grant under this part may, with the approval of the Secretary make a subgrant to, or enter into a contract with, an institution

of higher education, a nonprofit organization, or a consortium of such entities to carry out a program described in an application approved under this part, including a program to serve out-of-school youth.

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

[SEC. 7308. REPORTS.

[(a) BIENNIAL REPORT.—Each State educational agency receiving funds under this part shall submit, once every two years, a report to the Secretary concerning the expenditure of funds by local educational agencies under this part. Each local educational agency receiving funds under this part shall submit to the State educational agency such information as may be necessary for such report.

[(b) REPORT TO CONGRESS.—The Secretary shall submit, once every two years, a report to the appropriate committees of the Congress concerning programs assisted under this part in accordance with section 14701.

[SEC. 7309. AUTHORIZATION OF APPROPRIATIONS.

[For the purpose of carrying out this part, there are authorized to be appropriated $100,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

[PART D—ADMINISTRATION

[SEC. 7401. RELEASE TIME.

[The Secretary shall allow professional development programs funded under part A to use funds provided under part A for professional release time to enable individuals to participate in programs assisted under part A.

[SEC. 7402. EDUCATION TECHNOLOGY.

[Funds made available under part A may be used to provide for the acquisition or development of education technology or instructional materials, including authentic materials in languages other than English, access to and participation in electronic networks for materials, training and communications, and incorporation of such resources in curricula and programs such as those funded under this title.

[SEC. 7403. NOTIFICATION.

[The State educational agency, and when applicable, the State board for postsecondary education, shall be notified within three working days of the date an award under part A is made to an eligible entity within the State.

[SEC. 7404. CONTINUED ELIGIBILITY.

[Entities receiving grants under this title shall remain eligible for grants for subsequent activities which extend or expand and do not duplicate those activities supported by a previous grant under this title. In considering applications for grants under this title, the Secretary shall take into consideration the applicant's record of accomplishments under previous grants under this title.

[SEC. 7405. COORDINATIONS AND REPORTING REQUIREMENTS.

[(a) COORDINATION WITH RELATED PROGRAMS.—In order to maximize Federal efforts aimed at serving the educational needs of children and youth of limited-English proficiency, the Secretary shall coordinate and ensure close cooperation with other programs serving language-minority and limited English proficient students that are administered by the Department and other agencies. The Secretary shall consult with the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Agriculture, the Attorney General and the heads of other relevant agencies to identify and eliminate barriers to appropriate coordination of programs that affect language-minority and limited English proficient students and their families. The Secretary shall provide for continuing consultation and collaboration, between the Office and relevant programs operated by the Department, including programs under title I and other programs under this Act, in planning, contracts, providing joint technical assistance, providing joint field monitoring activities and in other relevant activities to ensure effective program coordination to provide high quality education opportunities to all language-minority and limited English proficient students.

[(b) DATA.—The Secretary shall, to the extent feasible, ensure that all data collected by the Department shall include the collection and reporting of data on limited English proficient students.

[(c) PUBLICATION OF PROPOSALS.—The Secretary shall publish and disseminate all requests for proposals for programs funded under part A.

[(d) REPORT.—The Director shall prepare and, not later than February 1 of every other year, shall submit to the Secretary and to the Committee on Labor and Human Resources of the Senate and to the Committee on Education and Labor of the House of Representatives a report on—

[(1) the activities carried out under this title and the effectiveness of such activities in improving the education provided to limited English proficient children and youth;

[(2) a critical synthesis of data reported by the States pursuant to section 7134;

[(3) an estimate of the number of certified bilingual education personnel in the field and an estimate of the number of bilingual education teachers which will be needed for the succeeding five fiscal years;

[(4) the major findings of research carried out under this title; and

[(5) recommendations for further developing the capacity of our Nation's schools to educate effectively limited English proficient students.

[PART E—GENERAL PROVISIONS

[SEC. 7501. DEFINITIONS; REGULATIONS.

[Except as otherwise provided, for purposes of this title—

[(1) BILINGUAL EDUCATION PROGRAM.—The term "bilingual education program" means an educational program for limited English proficient students that—

[(A) makes instructional use of both English and a student's native language;

[(B) enables limited English proficient students to achieve English proficiency and academic mastery of subject matter content and higher order skills, including critical thinking, so as to meet age-appropriate grade-promotion and graduation standards in concert with the National Education Goals;

[(C) may also develop the native language skills of limited English proficient students, or ancestral languages of American Indians, Alaska Natives, Native Hawaiians and native residents of the outlying areas; and

[(D) may include the participation of English-proficient students if such program is designed to enable all enrolled students to become proficient in English and a second language.

[(2) CHILDREN AND YOUTH.—The term "children and youth" means individuals aged 3 through 21.

[(3) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organization of demonstrated effectiveness or Indian tribe or tribally sanctioned educational authority which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community. Such term includes Native Hawaiian organizations including Native Hawaiian Educational Organizations as such term is defined in section 4009 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (20 U.S.C. 4901 et seq.), as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994.

[(4) COMMUNITY COLLEGE.—The term "community college" means an institution of higher education as defined in section 101 of the Higher Education Act of 1965 which provides not less than a two-year program which is acceptable for full credit toward a bachelor's degree, including institutions receiving assistance under the Tribally Controlled Community College Assistance Act of 1978.

[(5) DIRECTOR.—The term "Director" means the Director of the Office of Bilingual Education and Minority Languages Affairs established under section 210 of the Department of Education Organization Act.

[(6) FAMILY EDUCATION PROGRAM.—(A) The term "family education program" means a bilingual education or special alternative instructional program that—

[(i) is designed—

[(I) to help limited English proficient adults and out-of-school youths achieve proficiency in the English language; and

[(II) to provide instruction on how parents and family members can facilitate the educational achievement of their children;

[(ii) when feasible, uses instructional programs such as the models developed under the Even Start Family Literacy Programs, which promote adult literacy and train parents to support the educational growth of their children

and the Parents as Teachers Program and the Home Instruction Program for Preschool Youngsters; and

[(iii) gives preference to participation by parents and immediate family members of children attending school.

[(B) Such term may include programs that provide instruction to facilitate higher education and employment outcomes.

[(7) IMMIGRANT CHILDREN AND YOUTH.—The term "immigrant children and youth" means individuals who—

[(A) are aged 3 through 21;

[(B) were not born in any State; and

[(C) have not been attending one or more schools in any one or more States for more than three full academic years.

[(8) LIMITED ENGLISH PROFICIENCY AND LIMITED ENGLISH PROFICIENT.—The terms "limited English proficiency" and "limited English proficient", when used with reference to an individual, mean an individual—

[(A) who—

[(i) was not born in the United States or whose native language is a language other than English and comes from an environment where a language other than English is dominant; or

[(ii) is a Native American or Alaska Native or who is a native resident of the outlying areas and comes from an environment where a language other than English has had a significant impact on such individual's level of English language proficiency; or

[(iii) is migratory and whose native language is other than English and comes from an environment where a language other than English is dominant; and

[(B) who has sufficient difficulty speaking, reading, writing, or understanding the English language and whose difficulties may deny such individual the opportunity to learn successfully in classrooms where the language of instruction is English or to participate fully in our society.

[(9) NATIVE AMERICAN AND NATIVE AMERICAN LANGUAGE.—The terms "Native American" and "Native American language" shall have the same meaning give such terms in section 103 of the Native American Languages Act of 1990.

[(10) NATIVE HAWAIIAN OR NATIVE AMERICAN PACIFIC ISLANDER NATIVE LANGUAGE EDUCATIONAL ORGANIZATION.—The term "Native Hawaiian or Native American Pacific Islander native language educational organization" means a nonprofit organization with a majority of its governing board and employees consisting of fluent speakers of the traditional Native American languages used in their educational programs and with not less than five years successful experience in providing educational services in traditional Native American languages.

[(11) NATIVE LANGUAGE.—The term "native language", when used with reference to an individual of limited-English proficiency, means the language normally used by such individual, or in the case of a child or youth, the language normally used by the parents of the child or youth.

[(12) OFFICE.—The term "Office" means the Office of Bilingual Education and Minority Languages Affairs.

[(13) OTHER PROGRAMS FOR PERSONS OF LIMITED-ENGLISH PROFICIENCY.—The term "other programs for persons of limited-English proficiency" means any programs administered by the Secretary that serve persons of limited-English proficiency.

[(14) PARAPROFESSIONAL.—The term "paraprofessional" means an individual who is employed in preschool, elementary or secondary school under the supervision of a certified or licensed teacher, including individuals employed in bilingual education, special education and migrant education.

[(15) SPECIAL ALTERNATIVE INSTRUCTIONAL PROGRAM.—The term "special alternative instructional program" means an educational program for limited English proficient students that—

[(A) utilizes specially designed English language curricula and services but does not use the student's native language for instructional purposes;

[(B) enables limited English proficient students to achieve English proficiency and academic mastery of subject matter content and higher order skills, including critical thinking so as to meet age-appropriate grade-promotion and graduation standards in concert with the National Education Goals; and

[(C) is particularly appropriate for schools where the diversity of the limited English proficient students' native languages and the small number of students speaking each respective language makes bilingual education impractical and where there is a critical shortage of bilingual education teachers.

[SEC. 7502. REGULATIONS AND NOTIFICATION.

[(a) REGULATION RULE.—In developing regulations under this title, the Secretary shall consult with State and local educational agencies, organizations representing limited English proficient individuals, and organizations representing teachers and other personnel involved in bilingual education.

[(b) PARENTAL NOTIFICATION.—

[(1) IN GENERAL.—Parents of children and youth participating in programs assisted under part A shall be informed of—

[(A) a student's level of English proficiency, how such level was assessed, the status of a student's academic achievement and the implications of a student's educational strengths and needs for age and grade appropriate academic attainment, promotion, and graduation;

[(B) what programs are available to meet the student's educational strengths and needs and how the programs differ in content and instructional goals, and in the case of a student with a disability, how the program meets the objectives of a student's individualized education program; and

[(C) the instructional goals of the bilingual education or special alternative instructional program, and how the program will specifically help the limited English proficient

student acquire English and meet age-appropriate standards for grade-promotion and graduation, including—

[(i) the benefits, nature, and past academic results of the bilingual educational program and of the instructional alternatives; and

[(ii) the reasons for the selection of their child as being in need of bilingual education.

[(2) OPTION TO DECLINE.—(A) Such parents shall also be informed that such parents have the option of declining enrollment of their children and youth in such programs and shall be given an opportunity to so decline if such parents so choose.

[(B) A local educational agency shall not be relieved of any of its obligations under title VI of the Civil Rights Act of 1964 because parents choose not to enroll their children in bilingual education programs.

[(3) RECEIPT OF INFORMATION.—Such parents shall receive, in a manner and form understandable to such parents, including, if necessary and to the extent feasible, in the native language of such parents, the information required by this subsection. At a minimum, such parents shall receive—

[(A) timely information about projects funded under part A; and

[(B) if the parents of participating children so desire, notice of opportunities for regular meetings for the purpose of formulating and responding to recommendations from such parents.

[(4) SPECIAL RULE.—Students shall not be admitted to or excluded from any federally assisted education program merely on the basis of a surname or language-minority status.

TITLE V—PUBLIC SCHOOL CHOICE AND FLEXIBILITY

PART A—PUBLIC SCHOOL CHOICE

Subpart 1—Charter Schools

SEC. 5111. PURPOSE.

It is the purpose of this subpart to increase national understanding of the charter schools model by—

(1) providing financial assistance for the planning, program design and initial implementation of charter schools;

(2) evaluating the effects of such schools, including the effects on students, student achievement, staff, and parents; and

(3) expanding the number of high-quality charter schools available to students across the Nation.

SEC. 5112. PROGRAM AUTHORIZED.

(a) IN GENERAL.—The Secretary may award grants to State educational agencies having applications approved pursuant to section 5113 to enable such agencies to conduct a charter school grant program in accordance with this subpart.

(b) SPECIAL RULE.—If a State educational agency elects not to participate in the program authorized by this subpart or does not

have an application approved under section 5113, the Secretary may award a grant to an eligible applicant that serves such State and has an application approved pursuant to section 5113(c).

(c) PROGRAM PERIODS.—

(1) GRANTS TO STATES.—Grants awarded to State educational agencies under this subpart shall be awarded for a period of not more than 3 years.

(2) GRANTS TO ELIGIBLE APPLICANTS.—Grants awarded by the Secretary to eligible applicants or subgrants awarded by State educational agencies to eligible applicants under this subpart shall be awarded for a period of not more than 3 years, of which the eligible applicant may use—

(A) not more than 18 months for planning and program design;

(B) not more than 2 years for the initial implementation of a charter school; and

(C) not more than 2 years to carry out dissemination activities described in section 5114(f)(6)(B).

(d) LIMITATION.—A charter school may not receive—

(1) more than one grant for activities described in subparagraphs (A) and (B) of subsection (c)(2); or

(2) more than one grant for activities under subparagraph (C) of subsection (c)(2).

(e) PRIORITY TREATMENT.—

(1) IN GENERAL.—In awarding grants under this subpart for fiscal year 2002 or any succeeding fiscal year from any funds appropriated under section 5121, the Secretary shall give priority to States to the extent that the States meet the criteria described in paragraph (2) and one or more of the criteria described in subparagraph (A), (B), or (C) of paragraph (3).

(2) REVIEW AND EVALUATION PRIORITY CRITERIA.—The criteria referred to in paragraph (1) is that the State provides for periodic review and evaluation by the authorized public chartering agency of each charter school, at least once every 5 years unless required more frequently by State law, to determine whether the charter school is meeting the terms of the school's charter, and is meeting or exceeding the academic performance requirements and goals for charter schools as set forth under State law or the school's charter.

(3) PRIORITY CRITERIA.—The criteria referred to in paragraph (1) are the following:

(A) The State has demonstrated progress, in increasing the number of high quality charter schools that are held accountable in the terms of the schools' charters for meeting clear and measurable objectives for the educational progress of the students attending the schools, in the period prior to the period for which a State educational agency or eligible applicant applies for a grant under this subpart.

(B) The State—

(i) provides for one authorized public chartering agency that is not a local educational agency, such as a State chartering board, for each individual or entity seeking to operate a charter school pursuant to such State law; or

(ii) in the case of a State in which local educational agencies are the only authorized public chartering agencies, allows for an appeals process for the denial of an application for a charter school.

(C) The State ensures that each charter school has a high degree of autonomy over the charter school's budgets and expenditures.

(f) AMOUNT CRITERIA.—In determining the amount of a grant to be awarded under this subpart to a State educational agency, the Secretary shall take into consideration the number of charter schools that are operating, or are approved to open, in the State.

SEC. 5113. APPLICATIONS.

(a) APPLICATIONS FROM STATE AGENCIES.—Each State educational agency desiring a grant from the Secretary under this subpart shall submit to the Secretary an application at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

(b) CONTENTS OF A STATE EDUCATIONAL AGENCY APPLICATION.—Each application submitted pursuant to subsection (a) shall—

(1) describe the objectives of the State educational agency's charter school grant program and a description of how such objectives will be fulfilled, including steps taken by the State educational agency to inform teachers, parents, and communities of the State educational agency's charter school grant program; and

(2) describe how the State educational agency—

(A) will inform each charter school in the State regarding—

(i) Federal funds that the charter school is eligible to receive; and

(ii) Federal programs in which the charter school may participate;

(B) will ensure that each charter school in the State receives the charter school's commensurate share of Federal education funds that are allocated by formula each year, including during the first year of operation of the charter school; and

(C) will disseminate best or promising practices of charter schools to each local educational agency in the State; and

(3) contain assurances that the State educational agency will require each eligible applicant desiring to receive a subgrant to submit an application to the State educational agency containing—

(A) a description of the educational program to be implemented by the proposed charter school, including—

(i) how the program will enable all students to meet challenging State student performance standards;

(ii) the grade levels or ages of children to be served; and

(iii) the curriculum and instructional practices to be used;

(B) a description of how the charter school will be managed;

(C) a description of—

(i) the objectives of the charter school; and

(ii) the methods by which the charter school will determine its progress toward achieving those objectives;

(D) a description of the administrative relationship between the charter school and the authorized public chartering agency;

(E) a description of how parents and other members of the community will be involved in the planning, program design and implementation of the charter school;

(F) a description of how the authorized public chartering agency will provide for continued operation of the school once the Federal grant has expired, if such agency determines that the school has met the objectives described in subparagraph (C)(i);

(G) a request and justification for waivers of any Federal statutory or regulatory provisions that the applicant believes are necessary for the successful operation of the charter school, and a description of any State or local rules, generally applicable to public schools, that will be waived for, or otherwise not apply to, the school;

(H) a description of how the subgrant funds or grant funds, as appropriate, will be used, including a description of how such funds will be used in conjunction with other Federal programs administered by the Secretary;

(I) a description of how students in the community will be—

(i) informed about the charter school; and

(ii) given an equal opportunity to attend the charter school;

(J) an assurance that the eligible applicant will annually provide the Secretary and the State educational agency such information as may be required to determine if the charter school is making satisfactory progress toward achieving the objectives described in subparagraph (C)(i);

(K) an assurance that the applicant will cooperate with the Secretary and the State educational agency in evaluating the program assisted under this subpart;

(L) a description of how a charter school that is considered a local educational agency under State law, or a local educational agency in which a charter school is located, will comply with sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act;

(M) if the eligible applicant desires to use subgrant funds for dissemination activities under section 5112(c)(2)(C), a description of those activities and how those activities will involve charter schools and other public schools, local educational agencies, developers, and potential developers; and

(N) such other information and assurances as the Secretary and the State educational agency may require.

(c) CONTENTS OF ELIGIBLE APPLICANT APPLICATION.—Each eligible applicant desiring a grant pursuant to section 5112(b) shall submit an application to the State educational agency or Secretary, respectively, at such time, in such manner, and accompanied by such

information as the State educational agency or Secretary, respectively, may reasonably require.

(d) CONTENTS OF APPLICATION.—Each application submitted pursuant to subsection (c) shall contain—

(1) the information and assurances described in subparagraphs (A) through (N) of subsection (b)(3), except that for purposes of this subsection subparagraphs (J), (K), and (N) of such subsection shall be applied by striking "and the State educational agency" each place such term appears; and

(2) assurances that the State educational agency—

(A) will grant, or will obtain, waivers of State statutory or regulatory requirements; and

(B) will assist each subgrantee in the State in receiving a waiver under section 5114(e).

SEC. 5114. ADMINISTRATION.

(a) SELECTION CRITERIA FOR STATE EDUCATIONAL AGENCIES.—The Secretary shall award grants to State educational agencies under this subpart on the basis of the quality of the applications submitted under section 5113(b), after taking into consideration such factors as—

(1) the contribution that the charter schools grant program will make to assisting educationally disadvantaged and other students to achieving State content standards and State student performance standards and, in general, a State's education improvement plan;

(2) the degree of flexibility afforded by the State educational agency to charter schools under the State's charter schools law;

(3) the ambitiousness of the objectives for the State charter school grant program;

(4) the quality of the strategy for assessing achievement of those objectives;

(5) the likelihood that the charter school grant program will meet those objectives and improve educational results for students;

(6) the number of high quality charter schools created under this subpart in the State; and

(7) in the case of State educational agencies that propose to use grant funds to support dissemination activities under section 5112(c)(2)(C), the quality of those activities and the likelihood that those activities will improve student achievement.

(b) SELECTION CRITERIA FOR ELIGIBLE APPLICANTS.—The Secretary shall award grants to eligible applicants under this subpart on the basis of the quality of the applications submitted under section 5113(c), after taking into consideration such factors as—

(1) the quality of the proposed curriculum and instructional practices;

(2) the degree of flexibility afforded by the State educational agency and, if applicable, the local educational agency to the charter school;

(3) the extent of community support for the application;

(4) the ambitiousness of the objectives for the charter school;

(5) the quality of the strategy for assessing achievement of those objectives;

(6) the likelihood that the charter school will meet those objectives and improve educational results for students; and

(7) in the case of an eligible applicant that proposes to use grant funds to support dissemination activities under section 5112(c)(2)(C), the quality of those activities and the likelihood that those activities will improve student achievement.

(c) PEER REVIEW.—The Secretary, and each State educational agency receiving a grant under this subpart, shall use a peer review process to review applications for assistance under this subpart.

(d) DIVERSITY OF PROJECTS.—The Secretary and each State educational agency receiving a grant under this subpart, shall award subgrants under this subpart in a manner that, to the extent possible, ensures that such grants and subgrants—

(1) are distributed throughout different areas of the Nation and each State, including urban and rural areas; and

(2) will assist charter schools representing a variety of educational approaches, such as approaches designed to reduce school size.

(e) WAIVERS.—The Secretary may waive any statutory or regulatory requirement over which the Secretary exercises administrative authority except any such requirement relating to the elements of a charter school described in section 5120(1), if—

(1) the waiver is requested in an approved application under this subpart; and

(2) the Secretary determines that granting such a waiver will promote the purpose of this subpart.

(f) USE OF FUNDS.—

(1) STATE EDUCATIONAL AGENCIES.—Each State educational agency receiving a grant under this subpart shall use such grant funds to award subgrants to one or more eligible applicants in the State to enable such applicant to plan and implement a charter school in accordance with this subpart, except that the State educational agency may reserve not more than 10 percent of the grant funds to support dissemination activities described in paragraph (6).

(2) ELIGIBLE APPLICANTS.—Each eligible applicant receiving funds from the Secretary or a State educational agency shall use such funds to plan and implement a charter school, or to disseminate information about the charter school and successful practices in the charter school, in accordance with this subpart.

(3) ALLOWABLE ACTIVITIES.—An eligible applicant receiving a grant or subgrant under this subpart may use the grant or subgrant funds only for—

(A) post-award planning and design of the educational program, which may include—

(i) refinement of the desired educational results and of the methods for measuring progress toward achieving those results; and

(ii) professional development of teachers and other staff who will work in the charter school; and

(B) initial implementation of the charter school, which may include—

(i) informing the community about the school;

(ii) acquiring necessary equipment and educational materials and supplies;

(iii) acquiring or developing curriculum materials; and

(iv) other initial operational costs that cannot be met from State or local sources.

(4) ADMINISTRATIVE EXPENSES.—Each State educational agency receiving a grant pursuant to this subpart may reserve not more than 5 percent of such grant funds for administrative expenses associated with the charter school grant program assisted under this subpart.

(5) REVOLVING LOAN FUNDS.—Each State educational agency receiving a grant pursuant to this subpart may reserve not more than 10 percent of the grant amount for the establishment of a revolving loan fund. Such fund may be used to make loans to eligible applicants that have received a subgrant under this subpart, under such terms as may be determined by the State educational agency, for the initial operation of the charter school grant program of such recipient until such time as the recipient begins receiving ongoing operational support from State or local financing sources.

(6) DISSEMINATION.—

(A) IN GENERAL.—A charter school may apply for funds under this subpart, whether or not the charter school has applied for or received funds under this subpart for planning, program design, or implementation, to carry out the activities described in subparagraph (B) if the charter school has been in operation for at least 3 consecutive years and has demonstrated overall success, including—

(i) substantial progress in improving student achievement;

(ii) high levels of parent satisfaction; and

(iii) the management and leadership necessary to overcome initial start-up problems and establish a thriving, financially viable charter school.

(B) ACTIVITIES.—A charter school described in subparagraph (A) may use funds reserved under paragraph (1) to assist other schools in adapting the charter school's program (or certain aspects of the charter school's program), or to disseminate information about the charter school, through such activities as—

(i) assisting other individuals with the planning and start-up of one or more new public schools, including charter schools, that are independent of the assisting charter school and the assisting charter school's developers, and that agree to be held to at least as high a level of accountability as the assisting charter school;

(ii) developing partnerships with other public schools, including charter schools, designed to improve student performance in each of the schools participating in the partnership;

(iii) developing curriculum materials, assessments, and other materials that promote increased student

achievement and are based on successful practices within the assisting charter school; and

(iv) conducting evaluations and developing materials that document the successful practices of the assisting charter school and that are designed to improve student performance in other schools.

(g) TRIBALLY CONTROLLED SCHOOLS.—Each State that receives a grant under this subpart and designates a tribally controlled school as a charter school shall not consider payments to a school under the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2507) in determining—

(1) the eligibility of the school to receive any other Federal, State, or local aid; or

(2) the amount of such aid.

SEC. 5115. NATIONAL ACTIVITIES.

(a) IN GENERAL.—The Secretary shall reserve for each fiscal year the greater of 5 percent or $5,000,000 of the amount appropriated to carry out this subpart, except that in no fiscal year shall the total amount so reserved exceed $8,000,000, to carry out the following activities:

(1) To provide charter schools, either directly or through State educational agencies, with—

(A) information regarding—

(i) Federal funds that charter schools are eligible to receive; and

(ii) other Federal programs in which charter schools may participate; and

(B) assistance in applying for Federal education funds that are allocated by formula, including assistance with filing deadlines and submission of applications.

(2) To provide for the completion of the 4-year national study (which began in 1995) of charter schools.

(3) To provide for other evaluations or studies that include the evaluation of the impact of charter schools on student achievement, including information regarding—

(A) students attending charter schools reported on the basis of race, age, disability, gender, limited English proficiency, and previous enrollment in public school; and

(B) the professional qualifications of teachers within a charter school and the turnover of the teaching force.

(4) To provide—

(A) information to applicants for assistance under this subpart;

(B) assistance to applicants for assistance under this subpart with the preparation of applications under section 5113;

(C) assistance in the planning and startup of charter schools;

(D) training and technical assistance to existing charter schools; and

(E) for the dissemination to other public schools of best or promising practices in charter schools.

(5) To provide (including through the use of one or more contracts that use a competitive bidding process) for the collection

of information regarding the financial resources available to charter schools, including access to private capital, and to widely disseminate to charter schools any such relevant information and model descriptions of successful programs.

(b) CONSTRUCTION.—Nothing in this section shall be construed to require charter schools to collect any data described in subsection (a).

SEC. 5116. FEDERAL FORMULA ALLOCATION DURING FIRST YEAR AND FOR SUCCESSIVE ENROLLMENT EXPANSIONS.

(a) IN GENERAL.—For purposes of the allocation to schools by the States or their agencies of funds under part A of title I, and any other Federal funds which the Secretary allocates to States on a formula basis, the Secretary and each State educational agency shall take such measures not later than 6 months after the date of the enactment of the Charter School Expansion Act of 1998 as are necessary to ensure that every charter school receives the Federal funding for which the charter school is eligible not later than 5 months after the charter school first opens, notwithstanding the fact that the identity and characteristics of the students enrolling in that charter school are not fully and completely determined until that charter school actually opens. The measures similarly shall ensure that every charter school expanding its enrollment in any subsequent year of operation receives the Federal funding for which the charter school is eligible not later than 5 months after such expansion.

(b) ADJUSTMENT AND LATE OPENINGS.—

(1) IN GENERAL.—The measures described in subsection (a) shall include provision for appropriate adjustments, through recovery of funds or reduction of payments for the succeeding year, in cases where payments made to a charter school on the basis of estimated or projected enrollment data exceed the amounts that the school is eligible to receive on the basis of actual or final enrollment data.

(2) RULE.—For charter schools that first open after November 1 of any academic year, the State, in accordance with guidance provided by the Secretary and applicable Federal statutes and regulations, shall ensure that such charter schools that are eligible for the funds described in subsection (a) for such academic year have a full and fair opportunity to receive those funds during the charter schools' first year of operation.

SEC. 5117. SOLICITATION OF INPUT FROM CHARTER SCHOOL OPERATORS.

To the extent practicable, the Secretary shall ensure that administrators, teachers, and other individuals directly involved in the operation of charter schools are consulted in the development of any rules or regulations required to implement this subpart, as well as in the development of any rules or regulations relevant to charter schools that are required to implement part A of title I, the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), or any other program administered by the Secretary that provides education funds to charter schools or regulates the activities of charter schools.

SEC. 5118. RECORDS TRANSFER.

State educational agencies and local educational agencies, to the extent practicable, shall ensure that a student's records and, if applicable, a student's individualized education program as defined in section 602(11) of the Individuals with Disabilities Education Act, are transferred to a charter school upon the transfer of the student to the charter school, and to another public school upon the transfer of the student from a charter school to another public school, in accordance with applicable State law.

SEC. 5119. PAPERWORK REDUCTION.

To the extent practicable, the Secretary and each authorized public chartering agency shall ensure that implementation of this subpart results in a minimum of paperwork for any eligible applicant or charter school.

SEC. 5120. DEFINITIONS.

In this subpart:

(1) CHARTER SCHOOL.—The term "charter school" means a public school that—

(A) in accordance with a specific State statute authorizing the granting of charters to schools, is exempted from significant State or local rules that inhibit the flexible operation and management of public schools, but not from any rules relating to the other requirements of this paragraph;

(B) is created by a developer as a public school, or is adapted by a developer from an existing public school, and is operated under public supervision and direction;

(C) operates in pursuit of a specific set of educational objectives determined by the school's developer and agreed to by the authorized public chartering agency;

(D) provides a program of elementary or secondary education, or both;

(E) is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

(F) does not charge tuition;

(G) complies with the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and part B of the Individuals with Disabilities Education Act;

(H) is a school to which parents choose to send their children, and that admits students on the basis of a lottery, if more students apply for admission than can be accommodated;

(I) agrees to comply with the same Federal and State audit requirements as do other elementary schools and secondary schools in the State, unless such requirements are specifically waived for the purpose of this program;

(J) meets all applicable Federal, State, and local health and safety requirements;

(K) operates in accordance with State law; and

(L) has a written performance contract with the authorized public chartering agency in the State that includes a

description of how student performance will be measured in charter schools pursuant to State assessments that are required of other schools and pursuant to any other assessments mutually agreeable to the authorized public chartering agency and the charter school.

(2) DEVELOPER.—The term "developer" means an individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out.

(3) ELIGIBLE APPLICANT.—The term "eligible applicant" means an authorized public chartering agency participating in a partnership with a developer to establish a charter school in accordance with this subpart.

(4) AUTHORIZED PUBLIC CHARTERING AGENCY.—The term "authorized public chartering agency" means a State educational agency, local educational agency, or other public entity that has the authority pursuant to State law and approved by the Secretary to authorize or approve a charter school.

SEC. 5121. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this subpart, there are authorized to be appropriated $190,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

Subpart 2—Magnet Schools Assistance

SEC. 5131. FINDINGS AND STATEMENT OF PURPOSE.

(a) FINDINGS.—Congress makes the following findings:

(1) Magnet schools are a significant part of our Nation's effort to achieve voluntary desegregation of our Nation's schools.

(2) It is in the national interest to continue the Federal Government's support of school districts that are implementing court-ordered desegregation plans and school districts that are voluntarily seeking to foster meaningful interaction among students of different racial and ethnic backgrounds.

(3) Desegregation can help ensure that all students have equitable access to high-quality education that will prepare them to function well in a technologically oriented and highly competitive society comprised of people from many different racial and ethnic backgrounds.

(4) It is in the national interest to desegregate and diversify those schools in our Nation that are racially, economically, linguistically, or ethnically segregated. Such segregation exists between minority and non-minority students as well as among students of different minority groups.

(b) STATEMENT OF PURPOSE.—The purpose of this subpart is to assist in the desegregation of schools served by local educational agencies by providing financial assistance to eligible local educational agencies for—

(1) the elimination, reduction, or prevention of minority group isolation in elementary schools and secondary schools with substantial proportions of minority students which shall assist in the efforts of the United States to achieve voluntary desegregation in public schools;

(2) the development and implementation of magnet school projects that will assist local educational agencies in achieving systemic reforms and providing all students the opportunity to meet challenging State and local content standards and challenging State and local student performance standards;

(3) the development and design of innovative educational methods and practices;

(4) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational, technological and career skills of students attending such schools;

(5) improving the capacity of local educational agencies, including through professional development, to continue operating magnet schools at a high performance level after Federal funding is terminated; and

(6) ensuring that all students enrolled in the magnet school program have equitable access to high quality education that will enable the students to succeed academically and continue with post secondary education or productive employment.

SEC. 5132. PROGRAM AUTHORIZED.

The Secretary, in accordance with this subpart, is authorized to make grants to eligible local educational agencies, and consortia of such agencies where appropriate, to carry out the purpose of this subpart for magnet schools that are—

(1) part of an approved desegregation plan; and

(2) designed to bring students from different social, economic, ethnic, and racial backgrounds together.

SEC. 5133. DEFINITION.

For the purpose of this subpart, the term 'magnet school' means a public elementary school or secondary school or a public elementary or secondary education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.

SEC. 5134. ELIGIBILITY.

A local educational agency, or consortium of such agencies where appropriate, is eligible to receive assistance under this subpart to carry out the purposes of this subpart if such agency or consortium—

(1) is implementing a plan undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, that requires the desegregation of minority-group-segregated children or faculty in the elementary schools and secondary schools of such agency; or

(2) without having been required to do so, has adopted and is implementing, or will, if assistance is made available to such local educational agency or consortium of such agencies under this subpart, adopt and implement a plan that has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority-group-segregated children or faculty in such schools.

SEC. 5135. APPLICATIONS AND REQUIREMENTS.

(a) APPLICATIONS.—An eligible local educational agency or consortium of such agencies desiring to receive assistance under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may reasonably require.

(b) INFORMATION AND ASSURANCES.—Each such application shall include—

(1) a description of—

(A) how assistance made available under this subpart will be used to promote desegregation, including how the proposed magnet school project will increase interaction among students of different social, economic, ethnic, and racial backgrounds;

(B) the manner and extent to which the magnet school project will increase student achievement in the instructional area or areas offered by the school;

(C) how an applicant will continue the magnet school project after assistance under this subpart is no longer available, including, if applicable, an explanation of why magnet schools established or supported by the applicant with funds under this subpart cannot be continued without the use of funds under this subpart;

(D) how funds under this subpart will be used to implement services and activities that are consistent with other programs under this Act, and other Acts, as appropriate, in accordance with the provisions of section 5506; and

(E) the criteria to be used in selecting students to attend the proposed magnet school project; and

(2) assurances that the applicant will—

(A) use funds under this subpart for the purposes specified in section 5131(b);

(B) employ State certified or licensed teachers in the courses of instruction assisted under this subpart to teach or supervise others who are teaching the subject matter of the courses of instruction;

(C) not engage in discrimination based on race, religion, color, national origin, sex, or disability in—

(i) the hiring, promotion, or assignment of employees of the agency or other personnel for whom the agency has any administrative responsibility;

(ii) the assignment of students to schools, or to courses of instruction within the school, of such agency, except to carry out the approved plan; and

(iii) designing or operating extracurricular activities for students;

(D) carry out a high-quality education program that will encourage greater parental decisionmaking and involvement; and

(E) give students residing in the local attendance area of the proposed magnet school project equitable consideration for placement in the project, consistent with desegregation guidelines and the capacity of the project to accommodate these students.

(c) SPECIAL RULE.—No application may be approved under this section unless the Assistant Secretary of Education for Civil Rights determines that the assurances described in subsection (b)(2)(C) will be met.

SEC. 5136. PRIORITY.

In approving applications under this subpart, the Secretary shall give priority to applicants that—

(1) demonstrate the greatest need for assistance, based on the expense or difficulty of effectively carrying out an approved desegregation plan and the projects for which assistance is sought;

(2) propose to carry out new magnet school projects, or significantly revise existing magnet school projects;

(3) propose to select students to attend magnet school projects by methods such as lottery, rather than through academic examination;

(4) propose to implement innovative educational approaches that are consistent with the State and local content and student performance standards; and

(5) propose activities, which may include professional development, that will build local capacity to operate the magnet school program once Federal assistance has terminated.

SEC. 5137. USE OF FUNDS.

(a) IN GENERAL.—Grant funds made available under this subpart may be used by an eligible local educational agency or consortium of such agencies—

(1) for planning and promotional activities directly related to the development, expansion, continuation, or enhancement of academic programs and services offered at magnet schools;

(2) for the acquisition of books, materials, and equipment, including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools;

(3) for the payment, or subsidization of the compensation, of elementary school and secondary school teachers who are certified or licensed by the State, and instructional staff where applicable, who are necessary for the conduct of programs in magnet schools;

(4) with respect to a magnet school program offered to less than the entire student population of a school, for instructional activities that—

(A) are designed to make available the special curriculum that is offered by the magnet school project to students who are enrolled in the school but who are not enrolled in the magnet school program; and

(B) further the purposes of this subpart;

(5) to include professional development, which professional development shall build the agency's or consortium's capacity to operate the magnet school once Federal assistance has terminated;

(6) to enable the local educational agency or consortium to have more flexibility in the administration of a magnet school program in order to serve students attending a school who are not enrolled in a magnet school program; and

(7) to enable the local educational agency or consortium to have flexibility in designing magnet schools for students at all grades.

(b) SPECIAL RULE.—Grant funds under this subpart may be used in accordance with paragraphs (2) and (3) of subsection (a) only if the activities described in such paragraphs are directly related to improving the students' reading skills or knowledge of mathematics, science, history, geography, English, foreign languages, art, or music, or to improving vocational, technological and career skills.

SEC. 5138. PROHIBITION.

Grants under this subpart may not be used for transportation or any activity that does not augment academic improvement.

SEC. 5139. LIMITATIONS.

(a) DURATION OF AWARDS.—A grant under this subpart shall be awarded for a period that shall not exceed 3 fiscal years.

(b) LIMITATION ON PLANNING FUNDS.—A local educational agency may expend for planning (professional development shall not be considered as planning for purposes of this subsection) not more than 50 percent of the funds received under this subpart for the first year of the project, 25 percent of such funds for the second such year, and 15 percent of such funds for the third such year.

(c) AMOUNT.—No local educational agency or consortium awarded a grant under this subpart shall receive more than $4,000,000 under this subpart in any 1 fiscal year.

(d) TIMING.—To the extent practicable, the Secretary shall award grants for any fiscal year under this subpart not later than June 1 of the applicable fiscal year.

SEC. 5140. INNOVATIVE PROGRAMS.

(a) IN GENERAL.—From amounts reserved under subsection (d) for each fiscal year, the Secretary shall award grants to local educational agencies or consortia of such agencies described in section 5134 to enable such agencies or consortia to conduct innovative programs that—

(1) involve innovative strategies other than magnet schools, such as neighborhood or community model schools, to support desegregation of schools and to reduce achievement gaps;

(2) assist in achieving systemic reforms and providing all students the opportunity to meet challenging State and local content standards and challenging State and local student performance standards; and

(3) include innovative educational methods and practices that—

(A) are organized around a special emphasis, theme, or concept; and

(B) involve extensive parent and community involvement.

(b) APPLICABILITY.—Sections 5131(b), 5132, 5135, 5136, and 5137, shall not apply to grants awarded under subsection (a).

(c) APPLICATIONS.—Each local educational agency or consortia of such agencies desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may reasonably require.

(d) INNOVATIVE PROGRAMS.—The Secretary shall reserve not more than 5 percent of the funds appropriated under section 5142(a) for each fiscal year to award grants under this section.

SEC. 5141. EVALUATIONS.

(a) RESERVATION.—The Secretary may reserve not more than 2 percent of the funds appropriated under section 5142(a) for any fiscal year to carry out evaluations of projects assisted under this subpart and to provide technical assistance for grant recipients under this subpart.

(b) CONTENTS.—Each evaluation described in subsection (a), at a minimum, shall address—

(1) how and the extent to which magnet school programs lead to educational quality and improvement;

(2) the extent to which magnet school programs enhance student access to quality education;

(3) the extent to which magnet school programs lead to the elimination, reduction, or prevention of minority group isolation in elementary schools and secondary schools with substantial proportions of minority students;

(4) the extent to which magnet school programs differ from other school programs in terms of the organizational characteristics and resource allocations of such magnet school programs; and

(5) the extent to which magnet school programs continue once grant assistance under this subpart is terminated.

(c) DISSEMINATION.—The Secretary shall collect and disseminate to the general public information on successful magnet school programs.

SEC. 5142. AUTHORIZATION OF APPROPRIATIONS; RESERVATION.

(a) AUTHORIZATION.—For the purpose of carrying out this subpart, there are authorized to be appropriated $125,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) AVAILABILITY OF FUNDS FOR GRANTS TO AGENCIES NOT PREVIOUSLY ASSISTED.—In any fiscal year for which the amount appropriated pursuant to subsection (a) exceeds $75,000,000, the Secretary shall give priority to using such amounts in excess of $75,000,000 to award grants to local educational agencies or consortia of such agencies that did not receive a grant under this subpart in the preceding fiscal year.

Subpart 3—Public School Choice

SEC. 5151. PUBLIC SCHOOL CHOICE.

(a) ALLOTMENT TO STATE.—From the amount appropriated under subsection (e) for a fiscal year, the Secretary shall allot to each State an amount that bears the same relation to the amount as the amount the State received under section 1122 for the preceding year bears to the amount received by all States under section 1122 for the preceding year.

(b) STATE USE OF FUNDS.—Each State receiving an allotment under subsection (a) shall use 100 percent of the allotted funds for allocations to local educational agencies to enable the local edu-

cational agencies to carry out school improvement under section 1116(c).

(c) PUBLIC SCHOOL CHOICE.—Subject to subsection (d), each local educational agency receiving an allocation under subsection (b), and each local educational agency that is within a State that receives funds under part A of title I (other than a local educational agency within a State that receives a minimum grant under section 1124(d) or 1124A(a)(1)(B) of such Act), shall provide all students enrolled in a school identified under section 1116(c) and served by the local educational agency with the option to transfer to another public school within the school district served by the local educational agency, including a public charter school, that has not been identified for school improvement under section 1116(c), unless such option to transfer is prohibited by State law or local law (which includes school board-approved local educational agency policy).

(d) SPECIAL RULE.—If a local educational agency demonstrates to the satisfaction of the State educational agency that the local educational agency lacks the capacity to provide all students with the option to transfer to another public school within the school district served by the local educational agency in accordance with subsection (c), and gives notice (consistent with State and local law) to the parents of children affected that it is not possible to accommodate the transfer request of every student, then the local educational agency shall permit as many students as possible (who shall be selected by the local educational agency on an equitable basis) to transfer to a public school within such school district that has not been identified for school improvement under section 1116(c).

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $225,000,000 for fiscal year 2002 and each of the 6 succeeding fiscal years.".

PART B—FLEXIBILITY

Subpart 1—Education Flexibility Partnerships

SEC. 5201. SHORT TITLE.

This subpart may be cited as the "Education Flexibility Partnership Act of 2001".

SEC. 5202. DEFINITIONS.

In this subpart:

(1) ELIGIBLE SCHOOL ATTENDANCE AREA; SCHOOL ATTENDANCE AREA.—The terms "eligible school attendance area" and "school attendance area" have the meanings given the terms in section 1113(a)(2).

(2) STATE.—The term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and each outlying area.

SEC. 5203. EDUCATION FLEXIBILITY PARTNERSHIP.

(a) EDUCATIONAL FLEXIBILITY PROGRAM.—

(1) PROGRAM AUTHORIZED.—

(A) IN GENERAL.—The Secretary may carry out an educational flexibility program under which the Secretary authorizes a State educational agency that serves an eligible State to waive statutory or regulatory requirements applica-

ble to one or more programs described in subsection (b), other than requirements described in subsection (c), for any local educational agency or school within the State.

(B) DESIGNATION.—Each eligible State participating in the program described in subparagraph (A) shall be known as an "Ed-Flex Partnership State".

(2) ELIGIBLE STATE.—For the purpose of this section the term "eligible State" means a State that—

(A) has—

(i) developed and implemented the challenging State content standards, challenging State student performance standards, and aligned assessments described in section 1111(b), and for which local educational agencies in the State are producing the individual school performance profiles required by section 1116(a)(3); or

(ii)(I) developed and implemented the content standards described in clause (i);

(II) developed and implemented interim assessments; and

(III) made substantial progress (as determined by the Secretary) toward developing and implementing the performance standards and final aligned assessments described in clause (i), and toward having local educational agencies in the State produce the profiles described in clause (i);

(B) holds local educational agencies and schools accountable for meeting the educational goals described in the local applications submitted under paragraph (4), and for engaging in technical assistance and corrective actions consistent with section 1116, for the local educational agencies and schools that do not make adequate yearly progress as described in section 1111(b)(2); and

(C) waives State statutory or regulatory requirements relating to education while holding local educational agencies or schools within the State that are affected by such waivers accountable for the performance of the students who are affected by such waivers.

(3) STATE APPLICATION.—

(A) IN GENERAL.—Each State educational agency desiring to participate in the educational flexibility program under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall demonstrate that the eligible State has adopted an educational flexibility plan for the State that includes—

(i) a description of the process the State educational agency will use to evaluate applications from local educational agencies or schools requesting waivers of—

(I) Federal statutory or regulatory requirements as described in paragraph (1)(A); and

(II) State statutory or regulatory requirements relating to education;

(ii) a detailed description of the State statutory and regulatory requirements relating to education that the State educational agency will waive;

(iii) a description of clear educational objectives the State intends to meet under the educational flexibility plan;

(iv) a description of how the educational flexibility plan is consistent with and will assist in implementing the State comprehensive reform plan or, if a State does not have a comprehensive reform plan, a description of how the educational flexibility plan is coordinated with activities described in section 1111(b);

(v) a description of how the State educational agency will evaluate, consistent with the requirements of title I, the performance of students in the schools and local educational agencies affected by the waivers; and

(vi) a description of how the State educational agency will meet the requirements of paragraph (8).

(B) APPROVAL AND CONSIDERATIONS.—The Secretary may approve an application described in subparagraph (A) only if the Secretary determines that such application demonstrates substantial promise of assisting the State educational agency and affected local educational agencies and schools within the State in carrying out comprehensive educational reform, after considering—

(i) the eligibility of the State as described in paragraph (2);

(ii) the comprehensiveness and quality of the educational flexibility plan described in subparagraph (A);

(iii) the ability of the educational flexibility plan to ensure accountability for the activities and goals described in such plan;

(iv) the degree to which the State's objectives described in subparagraph (A)(iii)—

(I) are clear and have the ability to be assessed; and

(II) take into account the performance of local educational agencies or schools, and students, particularly those affected by waivers;

(v) the significance of the State statutory or regulatory requirements relating to education that will be waived; and

(vi) the quality of the State educational agency's process for approving applications for waivers of Federal statutory or regulatory requirements as described in paragraph (1)(A) and for monitoring and evaluating the results of such waivers.

(4) LOCAL APPLICATION.—

(A) IN GENERAL.—Each local educational agency or school requesting a waiver of a Federal statutory or regulatory requirement as described in paragraph (1)(A) and any relevant State statutory or regulatory requirement from a State educational agency shall submit an application to the State educational agency at such time, in such manner,

and containing such information as the State educational agency may reasonably require. Each such application shall—

(i) indicate each Federal program affected and each statutory or regulatory requirement that will be waived;

(ii) describe the purposes and overall expected results of waiving each such requirement;

(iii) describe, for each school year, specific, measurable, educational goals for each local educational agency or school affected by the proposed waiver, and for the students served by the local educational agency or school who are affected by the waiver;

(iv) explain why the waiver will assist the local educational agency or school in reaching such goals; and

(v) in the case of an application from a local educational agency, describe how the local educational agency will meet the requirements of paragraph (8).

(B) EVALUATION OF APPLICATIONS.—A State educational agency shall evaluate an application submitted under subparagraph (A) in accordance with the State's educational flexibility plan described in paragraph (3)(A).

(C) APPROVAL.—A State educational agency shall not approve an application for a waiver under this paragraph unless—

(i) the local educational agency or school requesting such waiver has developed a local reform plan that is applicable to such agency or school, respectively;

(ii) the waiver of Federal statutory or regulatory requirements as described in paragraph (1)(A) will assist the local educational agency or school in reaching its educational goals, particularly goals with respect to school and student performance; and

(iii) the State educational agency is satisfied that the underlying purposes of the statutory requirements of each program for which a waiver is granted will continue to be met.

(D) TERMINATION.—The State educational agency shall annually review the performance of any local educational agency or school granted a waiver of Federal statutory or regulatory requirements as described in paragraph (1)(A) in accordance with the evaluation requirement described in paragraph (3)(A)(v), and shall terminate any waiver granted to the local educational agency or school if the State educational agency determines, after notice and an opportunity for a hearing, that the local educational agency or school's performance with respect to meeting the accountability requirement described in paragraph (2)(C) and the goals described in paragraph (4)(A)(iii)—

(i) has been inadequate to justify continuation of such waiver; or

(ii) has decreased for two consecutive years, unless the State educational agency determines that the de-

crease in performance was justified due to exceptional or uncontrollable circumstances.

(5) OVERSIGHT AND REPORTING.—

(A) OVERSIGHT.—Each State educational agency participating in the educational flexibility program under this section shall annually monitor the activities of local educational agencies and schools receiving waivers under this section.

(B) STATE REPORTS.—

(i) ANNUAL REPORTS.—The State educational agency shall submit to the Secretary an annual report on the results of such oversight and the impact of the waivers on school and student performance.

(ii) PERFORMANCE DATA.—Not later than 2 years after the date a State is designated an Ed-Flex Partnership State, each such State shall include, as part of the State's annual report submitted under clause (i), data demonstrating the degree to which progress has been made toward meeting the State's educational objectives. The data, when applicable, shall include—

(I) information on the total number of waivers granted for Federal and State statutory and regulatory requirements under this section, including the number of waivers granted for each type of waiver;

(II) information describing the effect of the waivers on the implementation of State and local educational reforms pertaining to school and student performance;

(III) information describing the relationship of the waivers to the performance of schools and students affected by the waivers; and

(IV) an assurance from State program managers that the data reported under this section are reliable, complete, and accurate, as defined by the State, or a description of a plan for improving the reliability, completeness, and accuracy of such data as defined by the State.

(C) SECRETARY'S REPORTS.—The Secretary, not later than 2 years after the date of enactment of the Education Flexibility Partnership Act of 1999 and annually thereafter, shall—

(i) make each State report submitted under subparagraph (B) available to Congress and the public; and

(ii) submit to Congress a report that summarizes the State reports and describes the effects that the educational flexibility program under this section had on the implementation of State and local educational reforms and on the performance of students affected by the waivers.

(6) DURATION OF FEDERAL WAIVERS.—

(A) IN GENERAL.—The Secretary shall not approve the application of a State educational agency under paragraph (3) for a period exceeding 5 years, except that the Secretary

may extend such period if the Secretary determines that such agency's authority to grant waivers—

(i) has been effective in enabling such State or affected local educational agencies or schools to carry out their State or local reform plans and to continue to meet the accountability requirement described in paragraph (2)(C); and

(ii) has improved student performance.

(B) PERFORMANCE REVIEW.—Three years after the date a State is designated an Ed-Flex Partnership State, the Secretary shall review the performance of the State educational agency in granting waivers of Federal statutory or regulatory requirements as described in paragraph (1)(A) and shall terminate such agency's authority to grant such waivers if the Secretary determines, after notice and an opportunity for a hearing, that such agency's performance (including performance with respect to meeting the objectives described in paragraph (3)(A)(iii)) has been inadequate to justify continuation of such authority.

(C) RENEWAL.—In deciding whether to extend a request for a State educational agency's authority to issue waivers under this section, the Secretary shall review the progress of the State educational agency to determine if the State educational agency—

(i) has made progress toward achieving the objectives described in the application submitted pursuant to paragraph (3)(A)(iii); and

(ii) demonstrates in the request that local educational agencies or schools affected by the waiver authority or waivers have made progress toward achieving the desired results described in the application submitted pursuant to paragraph (4)(A)(iii).

(7) AUTHORITY TO ISSUE WAIVERS.—Notwithstanding any other provision of law, the Secretary is authorized to carry out the educational flexibility program under this section for each of the fiscal years 2002 through 2008.

(8) PUBLIC NOTICE AND COMMENT.—Each State educational agency seeking waiver authority under this section and each local educational agency seeking a waiver under this section—

(A) shall provide the public with adequate and efficient notice of the proposed waiver authority or waiver, consisting of a description of the agency's application for the proposed waiver authority or waiver in a widely read or distributed medium, including a description of any improved student performance that is expected to result from the waiver authority or waiver;

(B) shall provide the opportunity for parents, educators, and all other interested members of the community to comment regarding the proposed waiver authority or waiver;

(C) shall provide the opportunity described in subparagraph (B) in accordance with any applicable State law specifying how the comments may be received, and how the comments may be reviewed by any member of the public; and

(D) shall submit the comments received with the agency's application to the Secretary or the State educational agency, as appropriate.

(b) INCLUDED PROGRAMS.—The statutory or regulatory requirements referred to in subsection (a)(1)(A) are any such requirements for programs carried out under the following provisions:

(1) Title I (other than subsections (a) and (c) of section 1116, subpart 2 of part B, and part F).

(2) Subparts 1, 2, and 3 of part A of title II.

(3) Part C of title II.

(4) Part C of title III.

(5) Part A of title IV.

(6) Subpart 4 of this part.

(7) The Carl D. Perkins Vocational and Technical Education Act of 1998.

(c) WAIVERS NOT AUTHORIZED.—The Secretary and the State educational agency may not waive under subsection (a)(1)(A) any statutory or regulatory requirement—

(1) relating to—

(A) maintenance of effort;

(B) comparability of services;

(C) equitable participation of students and professional staff in private schools;

(D) parental participation and involvement;

(E) distribution of funds to States or to local educational agencies;

(F) serving eligible school attendance areas in rank order under section 1113(a)(3);

(G) the selection of a school attendance area or school under subsections (a) and (b) of section 1113, except that a State educational agency may grant a waiver to allow a school attendance area or school to participate in activities under part A of title I if the percentage of children from low-income families in the school attendance area of such school or who attend such school is not less than 10 percentage points below the lowest percentage of such children for any school attendance area or school of the local educational agency that meets the requirements of such subsections (a) and (b);

(H) use of Federal funds to supplement, not supplant, non-Federal funds; and

(I) applicable civil rights requirements; and

(2) unless the underlying purposes of the statutory requirements of the program for which a waiver is granted continue to be met to the satisfaction of the Secretary.

(d) TREATMENT OF EXISTING ED-FLEX PARTNERSHIP STATES.—

(1) IN GENERAL.—Except as provided in paragraphs (3) and (4), this section shall not apply to a State educational agency that has been granted waiver authority under the provisions of law described in paragraph (2) (as such provisions were in effect on the day before the date of enactment of the Better Education for Students and Teachers Act) for the duration of the waiver authority.

(2) APPLICABLE PROVISIONS.—The provisions of law referred to in paragraph (1) are as follows:

(A) Section 311(e) of the Goals 2000: Educate America Act (as such section was in effect on the day before the date of enactment of the Better Education for Students and Teachers Act).

(B) The proviso referring to such section 311(e) under the heading "EDUCATION REFORM" in the Department of Education Appropriations Act, 1996 (Public Law 104–134; 110 Stat. 1321–229).

(3) SPECIAL RULE.—If a State educational agency granted waiver authority pursuant to the provisions of law described in subparagraph (A) or (B) of paragraph (2) applies to the Secretary for waiver authority under this section—

(A) the Secretary shall review the progress of the State educational agency in achieving the objectives set forth in the application submitted pursuant to section 311(e) of the Goals 2000: Educate America Act (as such section was in effect on the day before the date of enactment of the Better Education for Students and Teachers Act); and

(B) the Secretary shall administer the waiver authority granted under this section in accordance with the requirements of this section.

(4) TECHNOLOGY.—In the case of a State educational agency granted waiver authority under the provisions of law described in subparagraph (A) or (B) of paragraph (2), the Secretary shall permit a State educational agency to expand, on or after the date of enactment of the Better Education for Students and Teachers Act, the waiver authority to include programs under part C of title II.

(e) PUBLICATION.—A notice of the Secretary's decision to authorize State educational agencies to issue waivers under this section, including a description of the rationale the Secretary used to approve applications under subsection (a)(3)(B), shall be published in the Federal Register and the Secretary shall provide for the dissemination of such notice to State educational agencies, interested parties (including educators, parents, students, and advocacy and civil rights organizations), and the public.

Subpart 2—Rural Education Initiative

SEC. 5221. SHORT TITLE.

This subpart may be cited as the "Rural Education Achievement Program".

SEC. 5222. PURPOSE.

It is the purpose of this subpart to address the unique needs of rural school districts that frequently—

(1) lack the personnel and resources needed to compete for Federal competitive grants; and

(2) receive formula allocations in amounts too small to be effective in meeting their intended purposes.

SEC. 5223. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subpart—

(1) $300,000,000 for fiscal year 2002, of which $150,000,000 shall be made available to carry out chapter 1; and

(2) such sums as may be necessary for each of the 4 succeeding fiscal years.

CHAPTER 1—SMALL, RURAL SCHOOL ACHIEVEMENT PROGRAM

SEC. 5231. FORMULA GRANT PROGRAM AUTHORIZED.

(a) ALTERNATIVE USES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, an eligible local educational agency may use the applicable funding, that the agency is eligible to receive from the State educational agency for a fiscal year, to carry out activities described in section 1114, 1115, 1116, 2123, or 4116.

(2) NOTIFICATION.—An eligible local educational agency shall notify the State educational agency of the local educational agency's intention to use the applicable funding in accordance with paragraph (1) not later than a date that is established by the State educational agency for the notification.

(b) ELIGIBILITY.—A local educational agency shall be eligible to use the applicable funding in accordance with subsection (a) if—

(1) the total number of students in average daily attendance at all of the schools served by the local educational agency is less than 600; and

(2) all of the schools served by the local educational agency are designated with a School Locale Code of 7 or 8, as determined by the Secretary, except that the Secretary may waive the School Locale Code requirement of this paragraph if the Secretary determines, based on certification provided by the local educational agency or the State educational agency on behalf of the local educational agency, that the local educational agency is located in an area defined as rural by a governmental agency of the State.

(c) APPLICABLE FUNDING.—In this section, the term "applicable funding" means funds provided under each of titles II and IV, and subpart 4 of this part.

(d) DISBURSAL.—Each State educational agency that receives applicable funding for a fiscal year shall disburse the applicable funding to local educational agencies for alternative uses under this section for the fiscal year at the same time that the State educational agency disburses the applicable funding to local educational agencies that do not intend to use the applicable funding for such alternative uses for the fiscal year.

(e) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement and not supplant any other Federal, State, or local education funds.

(f) SPECIAL RULE.—References in Federal law to funds for the provisions of law set forth in subsection (c) may be considered to be references to funds for this section.

(g) CONSTRUCTION.—Nothing in this chapter shall be construed to prohibit a local educational agency that enters into cooperative arrangements with other local educational agencies for the provision of special, compensatory, or other education services pursuant to State law or a written agreement from entering into similar ar-

rangements for the use or the coordination of the use of the funds made available under this section.

SEC. 5232. COMPETITIVE GRANT PROGRAM AUTHORIZED.

(a) IN GENERAL.—The Secretary is authorized to award grants to eligible local educational agencies to enable the local educational agencies to carry out activities described in section 1114, 1115, 1116, 2123, 2213, 2306, or 4116.

(b) ELIGIBILITY.—A local educational agency shall be eligible to receive a grant under this section if—

(1) the total number of students in average daily attendance at all of the schools served by the local educational agency is less than 600; and

(2) all of the schools served by the local educational agency are designated with a School Locale Code of 7 or 8, as determined by the Secretary, except that the Secretary may waive the School Locale Code requirement of this paragraph if the Secretary determines, based on certification provided by the local educational agency or the State educational agency on behalf of the local educational agency, that the local educational agency is located in an area defined as rural by a governmental agency of the State.

(c) AMOUNT.—

(1) IN GENERAL.—The Secretary shall award a grant to a local educational agency under this section for a fiscal year in an amount equal to the amount determined under paragraph (2) for the fiscal year minus the total amount received under the provisions of law described under section 5231(c) for the fiscal year.

(2) DETERMINATION.—The amount referred to in paragraph (1) is equal to $100 multiplied by the total number of students in excess of 50 students that are in average daily attendance at the schools served by the local educational agency, plus $20,000, except that the amount may not exceed $60,000.

(3) CENSUS DETERMINATION.—

(A) IN GENERAL.—Each local educational agency desiring a grant under this section shall conduct a census not later than December 1 of each year to determine the number of kindergarten through grade 12 students in average daily attendance at the schools served by the local educational agency.

(B) SUBMISSION.—Each local educational agency shall submit the number described in subparagraph (A) to the Secretary not later than March 1 of each year.

(4) PENALTY.—If the Secretary determines that a local educational agency has knowingly submitted false information under paragraph (3) for the purpose of gaining additional funds under this section, then the local educational agency shall be fined an amount equal to twice the difference between the amount the local educational agency received under this section, and the correct amount the local educational agency would have received under this section if the agency had submitted accurate information under paragraph (3).

(d) DISBURSAL.—The Secretary shall disburse the funds awarded to a local educational agency under this section for a fiscal year not later than July 1 of that year.

(e) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement and not supplant any other Federal, State, or local education funds.

(f) CONSTRUCTION.—Nothing in this chapter shall be construed to prohibit a local educational agency that enters into cooperative arrangements with other local educational agencies for the provision of special, compensatory, or other education services pursuant to State law or a written agreement from entering into similar arrangements for the use or the coordination of the use of the funds made available under this section.

SEC. 5233. ACCOUNTABILITY.

(a) ACADEMIC ACHIEVEMENT.—

(1) IN GENERAL.—Each local educational agency that uses or receives funds under section 5231 or 5232 for a fiscal year shall—

(A) administer an assessment that is used statewide and is consistent with the assessment described in section 1111(b), to assess the academic achievement of students in the schools served by the local educational agency; or

(B) in the case of a local educational agency for which there is no statewide assessment described in subparagraph (A), administer a test, that is selected by the local educational agency, to assess the academic achievement of students in the schools served by the local educational agency.

(2) SPECIAL RULE.—Each local educational agency that uses or receives funds under section 5231 or 5232 shall use the same assessment or test described in paragraph (1) for each year of participation in the program carried out under such section.

(b) STATE EDUCATIONAL AGENCY DETERMINATION REGARDING CONTINUING PARTICIPATION.—Each State educational agency that receives funding under the provisions of law described in section 5231(c) shall—

(1) after the 3rd year that a local educational agency in the State participates in a program authorized under section 5231 or 5232 and on the basis of the results of the assessments or tests described in subsection (a), determine whether the students served by the local educational agency participating in the program performed better on the assessments or tests after the 3rd year of the participation than the students performed on the assessments or tests after the 1st year of the participation;

(2) permit only the local educational agencies that participated in the program and served students that performed better on the assessments or tests, as described in paragraph (1), to continue to participate in the program for an additional period of 3 years; and

(3) prohibit the local educational agencies that participated in the program and served students that did not perform better on the assessments or tests, as described in paragraph (1), from participating in the program, for a period of 3 years from the date of the determination.

SEC. 5234. RATABLE REDUCTIONS IN CASE OF INSUFFICIENT APPROPRIATIONS.

(a) IN GENERAL.—If the amount appropriated for any fiscal year and made available for grants under this chapter is insufficient to pay the full amount for which all agencies are eligible under this chapter, the Secretary shall ratably reduce each such amount.

(b) ADDITIONAL AMOUNTS.—If additional funds become available for making payments under paragraph (1) for such fiscal year, payments that were reduced under subsection (a) shall be increased on the same basis as such payments were reduced.

CHAPTER 2—LOW-INCOME AND RURAL SCHOOL PROGRAM

SEC. 5241. DEFINITIONS.

In this chapter:

(1) POVERTY LINE.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

(2) SPECIALLY QUALIFIED AGENCY.—The term "specially qualified agency" means an eligible local educational agency, located in a State that does not participate in a program carried out under this chapter for a fiscal year, which may apply directly to the Secretary for a grant for such year in accordance with section 5242(b).

SEC. 5242. PROGRAM AUTHORIZED.

(a) GRANTS TO STATES.—

(1) IN GENERAL.—From the sum appropriated under section 5223 for a fiscal year and made available to carry out this chapter, the Secretary shall award grants, from allotments made under paragraph (2), to State educational agencies that have applications approved under section 5244 to enable the State educational agencies to award grants to eligible local educational agencies for innovative assistance activities described in section 5331(b).

(2) ALLOTMENT.—From the sum appropriated under section 5223 for a fiscal year and made available to carry out this chapter, the Secretary shall allot to each State educational agency an amount that bears the same ratio to the sum as the number of students in average daily attendance at the schools served by eligible local educational agencies in the State for that fiscal year bears to the number of all such students at the schools served by eligible local educational agencies in all States for that fiscal year.

(b) DIRECT GRANTS TO SPECIALLY QUALIFIED AGENCIES.—

(1) NONPARTICIPATING STATE.—If a State educational agency elects not to participate in the program carried out under this chapter or does not have an application approved under section 5244, a specially qualified agency in such State desiring a grant under this chapter shall apply directly to the Secretary under section 5244 to receive a grant under this chapter.

(2) DIRECT AWARDS TO SPECIALLY QUALIFIED AGENCIES.—The Secretary may award, on a competitive basis, the amount the State educational agency is eligible to receive under subsection (a)(2) directly to specially qualified agencies in the State.

(c) ADMINISTRATIVE COSTS.—A State educational agency that receives a grant under this chapter may not use more than 5 percent of the amount of the grant for State administrative costs.

SEC. 5243. STATE DISTRIBUTION OF FUNDS.

(a) IN GENERAL.—A State educational agency that receives a grant under this chapter may use the funds made available through the grant to award grants to eligible local educational agencies to enable the local educational agencies to carry out innovative assistance activities described in section 5331(b).

(b) LOCAL AWARDS.—

(1) ELIGIBILITY.—A local educational agency shall be eligible to receive a grant under this chapter if—

(A) 20 percent or more of the children age 5 through 17 that are served by the local educational agency are from families with incomes below the poverty line; and

(B) all of the schools served by the agency are located in a community with a Locale Code of 6, 7, or 8, as determined by the Secretary of Education.

(c) AWARD BASIS.—The State educational agency shall award the grants to eligible local educational agencies—

(1) on a competitive basis; or

(2) according to a formula based on the number of students in average daily attendance at schools served by the eligible local educational agencies.

SEC. 5244. APPLICATIONS.

(a) IN GENERAL.—Each State educational agency and specially qualified agency desiring to receive a grant under this chapter shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

(b) CONTENTS.—At a minimum, such application shall include information on specific measurable goals and objectives to be achieved through the activities carried out through the grant, which may include specific educational goals and objectives relating to—

(1) increased student academic achievement;

(2) decreased student dropout rates; or

(3) such other factors as the State educational agency or specially qualified agency may choose to measure.

SEC. 5245. ACCOUNTABILITY.

(a) STATE REPORTS.—Each State educational agency that receives a grant under this chapter shall prepare and submit to the Secretary an annual report. The report shall describe—

(1) the method the State educational agency used to award grants to eligible local educational agencies under this chapter;

(2) how the local educational agencies used the funds provided under this chapter; and

(3) the degree to which the State made progress toward meeting the goals and objectives described in the application submitted under section 5244.

(b) SPECIALLY QUALIFIED AGENCY REPORT.—Each specially qualified agency that receives a grant under this chapter shall prepare and submit to the Secretary an annual report. The report shall describe—

(1) how such agency used the funds provided under this chapter; and

(2) the degree to which the agency made progress toward meeting the goals and objectives described in the application submitted under section 5244.

(c) ACADEMIC ACHIEVEMENT.—

(1) IN GENERAL.—Each local educational agency that receives a grant under this chapter for a fiscal year shall—

(A) administer an assessment that is used statewide and is consistent with the assessment described in section 1111(b), to assess the academic achievement of students in the schools served by the local educational agency; or

(B) in the case of a local educational agency for which there is no statewide assessment described in subparagraph (A), administer a test, that is selected by the local educational agency, to assess the academic achievement of students in the schools served by the local educational agency.

(2) SPECIAL RULE.—Each local educational agency that receives a grant under this chapter shall use the same assessment or test described in paragraph (1) for each year of participation in the program carried out under this chapter.

(d) STATE EDUCATIONAL AGENCY DETERMINATION REGARDING CONTINUING PARTICIPATION.—Each State educational agency that receives a grant under this chapter shall—

(1) after the 3rd year that a local educational agency in the State participates in the program authorized under this chapter and on the basis of the results of the assessments or tests described in subsection (c), determine whether the students served by the local educational agency participating in the program performed better on the assessments or tests after the 3rd year of the participation than the students performed on the assessments or tests after the 1st year of the participation;

(2) permit only the local educational agencies that participated in the program and served students that performed better on the assessments or tests, as described in paragraph (1), to continue to participate in the program for an additional period of 3 years; and

(3) prohibit the local educational agencies that participated in the program and served students that did not perform better on the assessments or tests, as described in paragraph (1), from participating in the program for a period of 3 years from the date of the determination.

SEC. 5246. SUPPLEMENT NOT SUPPLANT.

Funds made available under this chapter shall be used to supplement and not supplant any other Federal, State, or local education funds.

SEC. 5247. SPECIAL RULE.

No local educational agency may concurrently participate in activities carried out under chapter 1 and activities carried out under this chapter.

Subpart 3—Waivers

SEC. 5251. WAIVERS OF STATUTORY AND REGULATORY REQUIREMENTS.

(a) IN GENERAL.—Except as provided in subsection (c), the Secretary may waive any statutory or regulatory requirement of this Act for a State educational agency, local educational agency, Indian tribe, or school through a local educational agency, that—

(1) receives funds under a program authorized by this Act; and

(2) requests a waiver under subsection (b).

(b) REQUEST FOR WAIVER.—

(1) IN GENERAL.—A State educational agency, local educational agency, or Indian tribe which desires a waiver shall submit a waiver request to the Secretary that—

(A) identifies the Federal programs affected by such requested waiver;

(B) describes which Federal requirements are to be waived and how the waiving of such requirements will—

(i) increase the quality of instruction for students; or

(ii) improve the academic performance of students;

(C) if applicable, describes which similar State and local requirements will be waived and how the waiving of such requirements will assist the local educational agencies, Indian tribes or schools, as appropriate, to achieve the objectives described in clauses (i) and (ii) of subparagraph (B);

(D) describes specific, measurable educational improvement goals and expected outcomes for all affected students;

(E) describes the methods to be used to measure progress in meeting such goals and outcomes; and

(F) describes how schools will continue to provide assistance to the same populations served by programs for which waivers are requested.

(2) ADDITIONAL INFORMATION.—Such requests—

(A) may provide for waivers of requirements applicable to State educational agencies, local educational agencies, Indian tribes, and schools; and

(B) shall be developed and submitted—

(i)(I) by local educational agencies (on behalf of such agencies and schools) to State educational agencies; and

(II) by State educational agencies (on behalf of, and based upon the requests of, local educational agencies) to the Secretary; or

(ii) by Indian tribes (on behalf of schools operated by such tribes) to the Secretary.

(3) GENERAL REQUIREMENTS.—

(A) STATE EDUCATIONAL AGENCIES.—In the case of a waiver request submitted by a State educational agency

acting in its own behalf, the State educational agency shall—

(i) provide all interested local educational agencies in the State with notice and a reasonable opportunity to comment on the request;

(ii) submit the comments to the Secretary; and

(iii) provide notice and information to the public regarding the waiver request in the manner that the applying agency customarily provides similar notices and information to the public.

(B) LOCAL EDUCATIONAL AGENCIES.—In the case of a waiver request submitted by a local educational agency that receives funds under this Act—

(i) such request shall be reviewed by the State educational agency and be accompanied by the comments, if any, of such State educational agency; and

(ii) notice and information regarding the waiver request shall be provided to the public by the agency requesting the waiver in the manner that such agency customarily provides similar notices and information to the public.

(c) RESTRICTIONS.—The Secretary shall not waive under this section any statutory or regulatory requirements relating to—

(1) the allocation or distribution of funds to States, local educational agencies, or other recipients of funds under this Act;

(2) maintenance of effort;

(3) comparability of services;

(4) use of Federal funds to supplement, not supplant, non-Federal funds;

(5) equitable participation of private school students and teachers;

(6) parental participation and involvement;

(7) applicable civil rights requirements;

(8) the requirement for a charter school under subpart 1 of part A;

(9) the prohibitions regarding—

(A) State aid in section 5; or

(B) use of funds for religious worship or instruction in section 10; or

(10) the selection of a school attendance area or school under subsections (a) and (b) of section 1113, except that the Secretary may grant a waiver to allow a school attendance area or school to participate in activities under part A of title I if the percentage of children from low-income families in the school attendance area of such school or who attend such school is not less than 10 percentage points below the lowest percentage of such children for any school attendance area or school of the local educational agency that meets the requirements of such subsections (a) and (b).

(d) DURATION AND EXTENSION OF WAIVER.—

(1) IN GENERAL.—Except as provided in paragraph (2), the duration of a waiver approved by the Secretary under this section may be for a period not to exceed 3 years.

(2) EXTENSION.—The Secretary may extend the period described in paragraph (1) if the Secretary determines that—

(A) the waiver has been effective in enabling the State or affected recipients to carry out the activities for which the waiver was requested and the waiver has contributed to improved student performance; and

(B) such extension is in the public interest.

(e) REPORTS.—

(1) LOCAL WAIVER.—A local educational agency that receives a waiver under this section shall at the end of the second year for which a waiver is received under this section, and each subsequent year, submit a report to the State educational agency that—

(A) describes the uses of such waiver by such agency or by schools;

(B) describes how schools continued to provide assistance to the same populations served by the programs for which waivers are requested; and

(C) evaluates the progress of such agency and of schools in improving the quality of instruction or the academic performance of students.

(2) STATE WAIVER.—A State educational agency that receives reports required under paragraph (1) shall annually submit a report to the Secretary that is based on such reports and contains such information as the Secretary may require.

(3) INDIAN TRIBE WAIVER.—An Indian tribe that receives a waiver under this section shall annually submit a report to the Secretary that—

(A) describes the uses of such waiver by schools operated by such tribe; and

(B) evaluates the progress of such schools in improving the quality of instruction or the academic performance of students.

(4) REPORT TO CONGRESS.—Beginning in fiscal year 2002 and each subsequent year, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report—

(A) summarizing the uses of waivers by State educational agencies, local educational agencies, Indian tribes, and schools; and

(B) describing whether such waivers—

(i) increased the quality of instruction to students; or

(ii) improved the academic performance of students.

(f) TERMINATION OF WAIVERS.—The Secretary shall terminate a waiver under this section if the Secretary determines that the performance of the State or other recipient affected by the waiver has been inadequate to justify a continuation of the waiver or if the waiver is no longer necessary to achieve its original purposes.

(g) PUBLICATION.—A notice of the Secretary's decision to grant each waiver under subsection (a) shall be published in the Federal Register and the Secretary shall provide for the dissemination of such notice to State educational agencies, interested parties, includ-

ing educators, parents, students, advocacy and civil rights organizations, and the public.

Subpart 4—Innovative Education Program Strategies

SEC. 5301. PURPOSE; STATE AND LOCAL RESPONSIBILITY.

(a) PURPOSE.—The purpose of this subpart is—

(1) to support local education reform efforts that are consistent with and support statewide education reform efforts;

(2) to provide funding to enable State and local educational agencies to implement promising educational reform strategies;

(3) to provide a continuing source of innovation and educational improvement, including support for library services and instructional and media materials; and

(4) to develop and implement education programs to improve school, student, and teacher performance, including professional development activities and class size reduction programs.

(b) STATE AND LOCAL RESPONSIBILITY.—The basic responsibility for the administration of funds made available under this subpart is within the State educational agencies, but it is the intent of Congress that the responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under this subpart will be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because such agencies and individuals have the most direct contact with students and are most likely to be able to design programs to meet the educational needs of students in their own school districts.

SEC. 5302. AUTHORIZATION OF APPROPRIATIONS; DURATION OF ASSISTANCE.

(a) AUTHORIZATION.—To carry out the purposes of this subpart, there are authorized to be appropriated $850,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) DURATION OF ASSISTANCE.—During the period beginning October 1, 2002, and ending September 30, 2008, the Secretary, in accordance with the provisions of this subpart, shall make payments to State educational agencies for the purpose of this subpart.

SEC. 5303. DEFINITION OF EFFECTIVE SCHOOLS PROGRAM.

In this subpart the term "effective schools program" means a school-based program that—

(1) may encompass preschool through secondary school levels; and

(2) has the objectives of—

(A) promoting school-level planning, instructional improvement, and staff development for all personnel;

(B) increasing the academic performance levels of all children and particularly educationally disadvantaged children; and

(C) achieving as an ongoing condition in the school the following factors identified through effective schools research:

(i) Strong and effective administrative and instructional leadership.

(ii) A safe and orderly school environment that enables teachers and students to focus on academic performance.

(iii) Continuous assessment of students and initiatives to evaluate instructional techniques.

CHAPTER 1—STATE AND LOCAL PROGRAMS

SEC. 5311. ALLOTMENT TO STATES.

(a) RESERVATIONS.—From the sums appropriated to carry out this subpart in any fiscal year, the Secretary shall reserve not more than 1 percent for payments to outlying areas to be allotted in accordance with their respective needs.

(b) ALLOTMENT.—From the remainder of such sums, the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to ½ of 1 percent of such remainder.

(c) DEFINITIONS.—In this chapter:

(1) SCHOOL-AGE POPULATION.—The term "school-age population" means the population aged 5 through 17.

(2) STATE.—The term "State" includes the 50 States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 5312. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

(a) FORMULA.—From the sums made available each year to carry out this subpart, the State educational agency shall distribute not less than 85 percent to local educational agencies within such State according to the relative enrollments in public and private elementary schools and secondary schools within the school districts of such agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies serving the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as—

(1) children living in areas with high concentrations of low-income families;

(2) children from low-income families; and

(3) children living in sparsely populated areas.

(b) CALCULATION OF ENROLLMENTS.—

(1) IN GENERAL.—The calculation of relative enrollments under subsection (a) shall be on the basis of the total of—

(A) the number of children enrolled in public schools; and

(B) the number of children enrolled in private nonprofit schools that desire that their children participate in programs or projects assisted under this subpart, for the fiscal year preceding the fiscal year for which the determination is made.

(2) CONSTRUCTION.—Nothing in this subsection shall diminish the responsibility of local educational agencies to contact, on

an annual basis, appropriate officials from private nonprofit schools within the areas served by such agencies in order to determine whether such schools desire that their children participate in programs assisted under this subpart.

(3) ADJUSTMENTS.—

(A) IN GENERAL.—Relative enrollments under subsection (a) shall be adjusted, in accordance with criteria approved by the Secretary under subparagraph (B), to provide higher per pupil allocations only to local educational agencies which serve the greatest numbers or percentages of—

(i) children living in areas with high concentrations of low-income families;

(ii) children from low-income families; or

(iii) children living in sparsely populated areas.

(B) CRITERIA.—The Secretary shall review criteria submitted by a State educational agency for adjusting allocations under subparagraph (A) and shall approve such criteria only if the Secretary determines that such criteria are reasonably calculated to produce an adjusted allocation that reflects the relative needs within the State's local educational agencies based on the factors set forth in subparagraph (A).

(c) PAYMENT OF ALLOCATIONS.—

(1) DISTRIBUTION.—From the funds paid to a State educational agency pursuant to section 5311 for a fiscal year, a State educational agency shall distribute to each eligible local educational agency which has submitted an application as required in section 5333 the amount of such local educational agency's allocation as determined under subsection (a).

(2) ADDITIONAL FUNDS.—

(A) IN GENERAL.—Additional funds resulting from higher per pupil allocations provided to a local educational agency on the basis of adjusted enrollments of children described in subsection (a), may, at the discretion of the local educational agency, be allocated for expenditures to provide services for children enrolled in public and private nonprofit schools in direct proportion to the number of children described in subsection (a) and enrolled in such schools within the local educational agency.

(B) REQUIREMENT.—In any fiscal year, any local educational agency that elects to allocate such additional funds in the manner described in subparagraph (A) shall allocate all additional funds to schools within the local educational agency in such manner.

(C) CONSTRUCTION.—The provisions of subparagraphs (A) and (B) may not be construed to require any school to limit the use of such additional funds to the provision of services to specific students or categories of students.

CHAPTER 2—STATE PROGRAMS

SEC. 5321. STATE USES OF FUNDS.

(a) AUTHORIZED ACTIVITIES.—A State educational agency may use funds made available for State use under this subpart only for—

(1) State administration of programs under this subpart, including—

(A) supervision of the allocation of funds to local educational agencies;

(B) planning, supervision, and processing of State funds; and

(C) monitoring and evaluation of programs and activities under this subpart;

(2) support for planning, designing, and initial implementation of charter schools as described in subpart 1 of part A;

(3) support for designing and implementation of high-quality yearly student assessments;

(4) support for implementation of State and local standards; and

(5) technical assistance and direct grants to local educational agencies, and statewide education reform activities, including effective schools programs which assist local educational agencies to provide targeted assistance.

(b) LIMITATIONS AND REQUIREMENTS.—Not more than 15 percent of funds available for State programs under this subpart in any fiscal year may be used for State administration under subsection (a)(1).

SEC. 5322. STATE APPLICATIONS.

(a) APPLICATION REQUIREMENTS.—Any State which desires to receive assistance under this subpart shall submit to the Secretary an application which—

(1) designates the State educational agency as the State agency responsible for administration and supervision of programs assisted under this subpart;

(2) provides for a biennial submission of data on the use of funds, the types of services furnished, and the students served under this subpart;

(3) sets forth the allocation of such funds required to implement section 5342;

(4) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this section);

(5) provides assurances that, apart from technical and advisory assistance and monitoring compliance with this subpart, the State educational agency has not exercised and will not exercise any influence in the decisionmaking processes of local educational agencies as to the expenditure made pursuant to an application under section 5333;

(6) contains assurances that there is compliance with the specific requirements of this subpart; and

(7) provides for timely public notice and public dissemination of the information provided pursuant to paragraph (2).

(b) PERIOD OF APPLICATION.—An application filed by the State under subsection (a) shall be for a period not to exceed 3 years, and may be amended annually as may be necessary to reflect changes without filing a new application.

(c) AUDIT RULE.—A local educational agency that receives less than an average of $10,000 under this subpart for 3 fiscal years shall not be audited more frequently than once every 5 years.

CHAPTER 3—LOCAL INNOVATIVE EDUCATION PROGRAMS

SEC. 5331. TARGETED USE OF FUNDS.

(a) GENERAL RULE.—Funds made available to local educational agencies under section 5312 shall be used for innovative assistance described in subsection (b).

(b) INNOVATIVE ASSISTANCE.—

(1) IN GENERAL.—The innovative assistance programs referred to in subsection (a) include—

(A) programs for the acquisition and use of instructional and educational materials, including library services and materials (including media materials), assessments, and other curricular materials;

(B) programs to improve teaching and learning, including professional development activities, that are consistent with comprehensive State and local systemic education reform efforts;

(C) activities that encourage and expand improvements throughout the local educational agency that are designed to advance student performance;

(D) initiatives to generate, maintain, and strengthen parental and community involvement, including initiatives creating activities for school-age children and activities to meet the educational needs of children aged birth through 5;

(E) programs to recruit, hire, and train certified teachers (including teachers certified through State and local alternative routes) in order to reduce class size;

(F) programs to improve the academic performance of educationally disadvantaged elementary school and secondary school students, including activities to prevent students from dropping out of school;

(G) programs and activities that expand learning opportunities through best practice models designed to improve classroom learning and teaching;

(H) programs to combat both student and parental illiteracy;

(I) technology activities related to the implementation of school-based reform efforts, including professional development to assist teachers and other school personnel (including school library media personnel) regarding how to effectively use technology in the classrooms and the school library media centers involved;

(J) school improvement programs or activities under section 1116 or 1117;

(K) programs to provide for the educational needs of gifted and talented children;

(L) programs to provide same gender schools and classrooms, if equal educational opportunities are made avail-

able to students of both sexes, consistent with the Constitution of the United States of America;

(M) service learning activities; and

(N) school safety programs.

(2) REQUIREMENTS.—The innovative assistance programs referred to in subsection (a) shall be—

(A) tied to promoting high academic standards;

(B) used to improve student performance; and

(C) part of an overall education reform strategy.

SEC. 5332. ADMINISTRATIVE AUTHORITY.

In order to conduct the activities authorized by this subpart, each State or local educational agency may use funds made available under this subpart to make grants to and to enter into contracts with local educational agencies, institutions of higher education, libraries, museums, and other public and private nonprofit agencies, organizations, and institutions.

SEC. 5333. LOCAL APPLICATIONS.

(a) CONTENTS OF APPLICATION.—A local educational agency or consortium of such agencies may receive an allocation of funds under this subpart for any year for which an application is submitted to the State educational agency and such application is certified to meet the requirements of this section. The State educational agency shall certify any such application if such application—

(1)(A) sets forth the planned allocation of funds among innovative assistance programs described in section 5331 and describes the programs, projects, and activities designed to carry out such innovative assistance which the local educational agency intends to support, together with the reasons for the selection of such programs, projects, and activities; and

(B) sets forth the allocation of such funds required to implement section 5342;

(2) describes how assistance under this subpart will contribute to improving student achievement or improving the quality of education for students;

(3) provides assurances of compliance with the provisions of this subpart, including the participation of children enrolled in private, nonprofit schools in accordance with section 5342;

(4) provides an assurance that the local educational agency will keep such records, and provide such information to the State educational agency, as reasonably may be required for fiscal audit and program evaluation, consistent with the responsibilities of the State educational agency under this subpart; and

(5) provides in the allocation of funds for the assistance authorized by this subpart, and in the design, planning, and implementation of such programs, for systematic consultation with parents of children attending elementary schools and secondary schools in the area served by the local educational agency, with teachers and administrative personnel in such schools, and with other groups involved in the implementation of this subpart (such as librarians, school counselors, and other pupil services personnel) as may be considered appropriate by the local educational agency.

(b) PERIOD OF APPLICATION.—An application filed by a local educational agency under subsection (a) shall be for a period not to exceed 3 fiscal years, may provide for the allocation of funds to programs for a period of 3 years, and may be amended annually as may be necessary to reflect changes without filing a new application.

(c) LOCAL EDUCATIONAL AGENCY DISCRETION.—Subject to the limitations and requirements of this subpart, a local educational agency shall have complete discretion in determining how funds under this chapter shall be divided among the areas of targeted assistance. In exercising such discretion, a local educational agency shall ensure that expenditures under this chapter carry out the purposes of this subpart and are used to meet the educational needs within the schools of such local educational agency.

CHAPTER 4—GENERAL ADMINISTRATIVE PROVISIONS

SEC. 5341. MAINTENANCE OF EFFORT; FEDERAL FUNDS SUPPLEMENTARY.

(a) MAINTENANCE OF EFFORT.—

(1) IN GENERAL.—Except as provided in paragraph (2), a State is entitled to receive its full allocation of funds under this subpart for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the fiscal year preceding the fiscal year for which the determination is made was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

(2) REDUCTION OF FUNDS.—The Secretary shall reduce the amount of the allocation of funds under this subpart in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

(3) WAIVERS.—The Secretary may waive, for 1 fiscal year only, the requirements of this section if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

(b) FEDERAL FUNDS SUPPLEMENTARY.—A State or local educational agency may use and allocate funds received under this subpart only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of Federal funds made available under this subpart, be made available from non-Federal sources, and in no case may such funds be used so as to supplant funds from non-Federal sources.

SEC. 5342. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

(a) PARTICIPATION ON EQUITABLE BASIS.—

(1) IN GENERAL.—To the extent consistent with the number of children in the school district of a local educational agency which is eligible to receive funds under this subpart or which serves the area in which a program or project assisted under this subpart is located who are enrolled in private nonprofit elementary and secondary schools, or with respect to instructional or personnel training programs funded by the State educational agency from funds made available for State use, such agency, after consultation with appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral, and nonideological services, materials, and equipment, including the participation of the teachers of such children (and other educational personnel serving such children) in training programs, and the repair, minor remodeling, or construction of public facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such services, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this subpart.

(2) OTHER PROVISIONS FOR SERVICES.—If no program or project is carried out under paragraph (1) in the school district of a local educational agency, the State educational agency shall make arrangements, such as through contracts with nonprofit agencies or organizations, under which children in private schools in such district are provided with services and materials to the extent that would have occurred if the local educational agency had received funds under this subpart.

(3) APPLICATION OF REQUIREMENTS.—The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs and projects carried out under this subpart by a State or local educational agency, whether directly or through grants to or contracts with other public or private agencies, institutions, or organizations.

(b) EQUAL EXPENDITURES.—Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this subpart for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors which relate to such expenditures, and when funds available to a local educational agency under this subpart are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

(c) FUNDS.—

(1) ADMINISTRATION OF FUNDS AND PROPERTY.—The control of funds provided under this subpart, and title to materials, equipment, and property repaired, remodeled, or constructed

with such funds, shall be in a public agency for the uses and purposes provided in this subpart, and a public agency shall administer such funds and property.

(2) PROVISION OF SERVICES.—The provision of services pursuant to this subpart shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which, in the provision of such services, is independent of such private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this subpart shall not be commingled with State or local funds.

(d) STATE PROHIBITION WAIVER.—If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation in programs of children enrolled in private elementary schools and secondary schools, as required by this section, the Secretary shall waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(e) WAIVER AND PROVISION OF SERVICES.—

(1) FAILURE TO COMPLY.—If the Secretary determines that a State or a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in private elementary schools and secondary schools as required by this section, the Secretary may waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(2) WITHHOLDING OF ALLOCATION.—Pending final resolution of any investigation or complaint that could result in a determination under this subsection or subsection (d), the Secretary may withhold from the allocation of the affected State or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of those services.

(f) DETERMINATION.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State or local educational agency to meet the requirements of subsections (a) and (b).

(g) PAYMENT FROM STATE ALLOTMENT.—When the Secretary arranges for services pursuant to this section, the Secretary shall, after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the State under this subpart.

(h) REVIEW.—

(1) WRITTEN OBJECTIONS.—The Secretary shall not take any final action under this section until the State educational agency and the local educational agency affected by such action have had an opportunity, for not less than 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary's designee to show cause why that action should not be taken.

(2) COURT ACTION.—If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under paragraph (1), such agency may, not later than 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based this action, as provided in section 2112 of title 28, United States Code.

(3) REMAND TO SECRETARY.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(4) COURT REVIEW.—Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set such action aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(i) PRIOR DETERMINATION.—Any bypass determination by the Secretary under chapter 2 of part I of this Act (as such chapter was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) shall, to the extent consistent with the purposes of this subpart, apply to programs under this subpart.

SEC. 5343. FEDERAL ADMINISTRATION.

(a) TECHNICAL ASSISTANCE.—The Secretary, upon request, shall provide technical assistance to State and local educational agencies under this subpart.

(b) RULEMAKING.—The Secretary shall issue regulations under this subpart to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements and assurances required by this subpart.

(c) AVAILABILITY OF APPROPRIATIONS.—Notwithstanding any other provision of law, unless expressly in limitation of this subsection, funds appropriated in any fiscal year to carry out activities under this subpart shall become available for obligation on July 1 of such fiscal year and shall remain available for obligation until the end of the subsequent fiscal year.

PART C—FLEXIBILITY IN THE USE OF ADMINISTRATIVE AND OTHER FUNDS

SEC. 5401. CONSOLIDATION OF STATE ADMINISTRATIVE FUNDS FOR ELEMENTARY AND SECONDARY EDUCATION PROGRAMS.

(a) CONSOLIDATION OF ADMINISTRATIVE FUNDS.—

(1) IN GENERAL.—A State educational agency may consolidate the amounts specifically made available to such agency for

State administration under one or more of the programs specified under paragraph (2) if such State educational agency can demonstrate that the majority of such agency's resources come from non-Federal sources.

(2) APPLICABILITY.—This section applies to programs under title I, those covered programs described in subparagraphs (C), (D), (E), and (F) of section 3(10).

(b) USE OF FUNDS.—

(1) IN GENERAL.—A State educational agency shall use the amount available under this section for the administration of the programs included in the consolidation under subsection (a).

(2) ADDITIONAL USES.—A State educational agency may also use funds available under this section for administrative activities designed to enhance the effective and coordinated use of funds under the programs included in the consolidation under subsection (a), such as—

(A) the coordination of such programs with other Federal and non-Federal programs;

(B) the establishment and operation of peer-review mechanisms under this Act;

(C) the administration of this part, part D, and sections 3 through 17;

(D) the dissemination of information regarding model programs and practices; and

(E) technical assistance under programs specified in subsection (a)(2).

(c) RECORDS.—A State educational agency that consolidates administrative funds under this section shall not be required to keep separate records, by individual program, to account for costs relating to the administration of programs included in the consolidation under subsection (a).

(d) REVIEW.—To determine the effectiveness of State administration under this section, the Secretary may periodically review the performance of State educational agencies in using consolidated administrative funds under this section and take such steps as the Secretary finds appropriate to ensure the effectiveness of such administration.

(e) UNUSED ADMINISTRATIVE FUNDS.—If a State educational agency does not use all of the funds available to such agency under this section for administration, such agency may use such funds during the applicable period of availability as funds available under one or more programs included in the consolidation under subsection (a).

(f) CONSOLIDATION OF FUNDS FOR STANDARDS AND ASSESSMENT DEVELOPMENT.—In order to develop challenging State standards and assessments, a State educational agency may consolidate the amounts made available to such agency for such purposes under title I of this Act.

SEC. 5402. SINGLE LOCAL EDUCATIONAL AGENCY STATES.

A State educational agency that also serves as a local educational agency, in such agency's applications or plans under this Act, shall describe how such agency will eliminate duplication in the conduct of administrative functions.

SEC. 5403. CONSOLIDATION OF FUNDS FOR LOCAL ADMINISTRATION.

(a) GENERAL AUTHORITY.—In accordance with regulations of the Secretary, a local educational agency, with the approval of its State educational agency, may consolidate and use for the administration of one or more covered programs for any fiscal year not more than the percentage, established in each covered program, of the total amount available to the local educational agency under such covered programs.

(b) STATE PROCEDURES.—Within one year from the date of enactment of the Improving America's Schools Act of 1994, a State educational agency shall, in collaboration with local educational agencies in the State, establish procedures for responding to requests from local educational agencies to consolidate administrative funds under subsection (a) and for establishing limitations on the amount of funds under covered programs that may be used for administration on a consolidated basis.

(c) CONDITIONS.—A local educational agency that consolidates administrative funds under this section for any fiscal year shall not use any other funds under the programs included in the consolidation for administration for that fiscal year.

(d) USES OF ADMINISTRATIVE FUNDS.—A local educational agency that consolidates administrative funds under this section may use such consolidated funds for the administration of covered programs and for the uses described in section 5401(b)(2).

(e) RECORDS.—A local educational agency that consolidates administrative funds under this section shall not be required to keep separate records, by individual covered program, to account for costs relating to the administration of covered programs included in the consolidation.

SEC. 5404. ADMINISTRATIVE FUNDS STUDIES.

(a) FEDERAL FUNDS STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study of the use of funds under this Act for the administration, by State and local educational agencies, of all covered programs, including the percentage of grant funds used for such purpose in all covered programs.

(2) STATE DATA.—Beginning in fiscal year 1995 and each succeeding fiscal year thereafter, each State educational agency which receives funds under title I shall submit to the Secretary a report on the use of title I funds for the State administration of activities assisted under title I. Such report shall include the proportion of State administrative funds provided under section 1903 that are expended for—

(A) basic program operation and compliance monitoring;

(B) statewide program services such as development of standards and assessments, curriculum development, and program evaluation; and

(C) technical assistance and other direct support to local educational agencies and schools.

(3) FEDERAL FUNDS REPORT.—The Secretary shall complete the study conducted under this section not later than July 1, 1997, and shall submit to the President and the appropriate committees of the Congress a report regarding such study within 30 days of the completion of such study.

(4) RESULTS.—Based on the results of the study described in subsection (a)(1), which may include collection and analysis of the data under paragraph (2) and section 410(b) of the Improving America's Schools Act of 1994, the Secretary shall—

(A) develop a definition of what types of activities constitute the administration of programs under this Act by State and local educational agencies; and

(B) within one year of the completion of such study, promulgate final regulations or guidelines regarding the use of funds for administration under all programs, including the use of such funds on a consolidated basis and limitations on the amount of such funds that may be used for administration where such limitation is not otherwise specified in law.

(b) GENERAL ADMINISTRATIVE FUNDS STUDY AND REPORT.—Upon the date of completion of the pilot model data system described in section 410(b) of the Improving America's Schools Act of 1994, the Secretary shall study the information obtained through the use of such data system and other relevant information, as well as any other data systems which are in use on such date that account for administrative expenses at the school, local educational agency, and State educational agency level, and shall report to the Congress not later than July 1, 1997, regarding—

(1) the potential for the reduction of administrative expenses at the school, local educational agency, and State educational agency levels;

(2) the potential usefulness of such data system to reduce such administrative expenses;

(3) any other methods which may be employed by schools, local educational agencies or State educational agencies to reduce administrative expenses and maximize the use of funds for functions directly affecting student learning; and

(4) if appropriate, steps which may be taken to assist schools, local educational agencies and State educational agencies to account for and reduce administrative expenses.

SEC. 5405. CONSOLIDATED SET-ASIDE FOR DEPARTMENT OF THE INTERIOR FUNDS.

(a) GENERAL AUTHORITY.—

(1) TRANSFER.—The Secretary shall transfer to the Department of the Interior, as a consolidated amount for covered programs, the Indian education programs under part A of title VII of this Act, and the education for homeless children and youth program under subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act, the amounts allotted to the Department of the Interior under those programs.

(2) AGREEMENT.—(A) The Secretary and the Secretary of the Interior shall enter into an agreement, consistent with the requirements of the programs specified in paragraph (1), for the distribution and use of those program funds under terms that the Secretary determines best meet the purposes of those programs.

(B) The agreement shall—

(i) set forth the plans of the Secretary of the Interior for the use of the amount transferred, and set forth perform-

ance measures to assess program effectiveness, including measurable goals and objectives; and

(ii) be developed in consultation with Indian tribes.

(b) ADMINISTRATION.—The Department of the Interior may use not more than 1.5 percent of the funds consolidated under this section for such department's costs related to the administration of the funds transferred under this section.

SEC. 5406. AVAILABILITY OF UNNEEDED PROGRAM FUNDS.

With the approval of its State educational agency, a local educational agency that determines for any fiscal year that funds under a covered program (other than part A of title I) are not needed for the purpose of that covered program, may use such funds, not to exceed five percent of the total amount of such local educational agency's funds under that covered program, for the purpose of another covered program.

PART D—COORDINATION OF PROGRAMS; CONSOLIDATED STATE AND LOCAL PLANS AND APPLICATIONS

SEC. 5501. PURPOSE.

It is the purpose of this part to improve teaching and learning by encouraging greater cross-program coordination, planning, and service delivery under this Act and enhanced integration of programs under this Act with educational activities carried out with State and local funds.

SEC. 5502. OPTIONAL CONSOLIDATED STATE PLANS OR APPLICATIONS.

(a) GENERAL AUTHORITY.—

(1) SIMPLIFICATION.—In order to simplify application requirements and reduce the burden for State educational agencies under this Act, the Secretary, in accordance with subsection (b), shall establish procedures and criteria under which a State educational agency may submit a consolidated State plan or a consolidated State application meeting the requirements of this section for—

(A) each of the covered programs in which the State participates; and

(B) the additional programs described in paragraph (2).

(2) ADDITIONAL PROGRAMS.—A State educational agency may also include in its consolidated State plan or consolidated State application—

(A) the Even Start program under part B of title I;

(B) the Prevention and Intervention Programs for Youth Who Are Neglected, Delinquent, or At-Risk of Dropping Out under part D of title I;

(C) programs under the School-to-Work Opportunities Act of 1994; and

(D) such other programs as the Secretary may designate.

(3) CONSOLIDATED APPLICATIONS AND PLANS.—A State educational agency that submits a consolidated State plan or a consolidated State application under this section shall not be required to submit separate State plans or applications under any of the programs to which the consolidated State plan or consolidated State application under this section applies.

(b) COLLABORATION.—

(1) IN GENERAL.—In establishing criteria and procedures under this section, the Secretary shall collaborate with State educational agencies and, as appropriate, with other State agencies, local educational agencies, public and private nonprofit agencies, organizations, and institutions, private schools, and representatives of parents, students, and teachers.

(2) CONTENTS.—Through the collaborative process described in subsection (b)(1), the Secretary shall establish, for each program under the Act to which this section applies, the descriptions, information, assurances, and other material required to be included in a consolidated State plan or consolidated State application.

(3) NECESSARY MATERIALS.—The Secretary shall require only descriptions, information, assurances, and other materials that are absolutely necessary for the consideration of the consolidated State plan or consolidated State application.

SEC. 5503. GENERAL APPLICABILITY OF STATE EDUCATIONAL AGENCY ASSURANCES.

(a) ASSURANCES.—A State educational agency that submits a consolidated State plan or consolidated State application under this Act, whether separately or under section 5502, shall have on file with the Secretary a single set of assurances, applicable to each program for which such plan or application is submitted, that provides that—

(1) each such program will be administered in accordance with all applicable statutes, regulations, program plans, and applications;

(2)(A) the control of funds provided under each such program and title to property acquired with program funds will be in a public agency, in a nonprofit private agency, institution, or organization, or in an Indian tribe if the law authorizing the program provides for assistance to such entities; and

(B) the public agency, nonprofit private agency, institution, or organization, or Indian tribe will administer such funds and property to the extent required by the authorizing law;

(3) the State will adopt and use proper methods of administering each such program, including—

(A) the enforcement of any obligations imposed by law on agencies, institutions, organizations, and other recipients responsible for carrying out each program;

(B) the correction of deficiencies in program operations that are identified through audits, monitoring, or evaluation; and

(C) the adoption of written procedures for the receipt and resolution of complaints alleging violations of law in the administration of such programs;

(4) the State will cooperate in carrying out any evaluation of each such program conducted by or for the Secretary or other Federal officials;

(5) the State will use such fiscal control and fund accounting procedures as will ensure proper disbursement of, and accounting for, Federal funds paid to the State under each such program;

(6) the State will—

(A) make reports to the Secretary as may be necessary to enable the Secretary to perform the Secretary's duties under each such program; and

(B) maintain such records, provide such information to the Secretary, and afford access to the records as the Secretary may find necessary to carry out the Secretary's duties; and

(7) before the plan or application was submitted to the Secretary, the State has afforded a reasonable opportunity for public comment on the plan or application and has considered such comment.

(b) GEPA PROVISION.—Section 441 of the General Education Provisions Act shall not apply to programs under this Act.

SEC. 5504. ADDITIONAL COORDINATION.

(a) ADDITIONAL COORDINATION.—In order to explore ways for State educational agencies to reduce administrative burdens and promote the coordination of the education services of this Act with other health and social service programs administered by such agencies, the Secretary is directed to seek agreements with other Federal agencies (including the Departments of Health and Human Services, Justice, Labor and Agriculture) for the purpose of establishing procedures and criteria under which a State educational agency would submit a consolidated State plan or consolidated State application that meets the requirements of the covered programs.

(b) REPORT.—The Secretary shall report to the relevant committees 6 months after the date of enactment of the Improving America's Schools Act of 1994.

SEC. 5505. CONSOLIDATED LOCAL PLANS OR APPLICATIONS.

(a) GENERAL AUTHORITY.—A local educational agency receiving funds under more than one covered program may submit plans or applications to the State educational agency under such programs on a consolidated basis.

(b) REQUIRED CONSOLIDATED PLANS OR APPLICATIONS.—A State educational agency that has submitted and had approved a consolidated State plan or application under section 5502 may require local educational agencies in the State receiving funds under more than one program included in the consolidated State plan or consolidated State application to submit consolidated local plans or applications under such programs.

(c) COLLABORATION.—A State educational agency shall collaborate with local educational agencies in the State in establishing procedures for the submission of the consolidated State plans or consolidated State applications under this section.

(d) NECESSARY MATERIALS.—The State educational agency shall require only descriptions, information, assurances, and other material that are absolutely necessary for the consideration of the local educational agency plan or application.

SEC. 5506. OTHER GENERAL ASSURANCES.

(a) ASSURANCES.—Any applicant other than a State educational agency that submits a plan or application under this Act, whether separately or pursuant to section 5504, shall have on file with the

State educational agency a single set of assurances, applicable to each program for which a plan or application is submitted, that provides that—

(1) each such program will be administered in accordance with all applicable statutes, regulations, program plans, and applications;

(2)(A) the control of funds provided under each such program and title to property acquired with program funds will be in a public agency or in a nonprofit private agency, institution, organization, or Indian tribe, if the law authorizing the program provides for assistance to such entities; and

(B) the public agency, nonprofit private agency, institution, or organization, or Indian tribe will administer such funds and property to the extent required by the authorizing statutes;

(3) the applicant will adopt and use proper methods of administering each such program, including—

(A) the enforcement of any obligations imposed by law on agencies, institutions, organizations, and other recipients responsible for carrying out each program; and

(B) the correction of deficiencies in program operations that are identified through audits, monitoring, or evaluation;

(4) the applicant will cooperate in carrying out any evaluation of each such program conducted by or for the State educational agency, the Secretary or other Federal officials;

(5) the applicant will use such fiscal control and fund accounting procedures as will ensure proper disbursement of, and accounting for, Federal funds paid to such applicant under each such program;

(6) the applicant will—

(A) make reports to the State educational agency and the Secretary as may be necessary to enable such agency and the Secretary to perform their duties under each such program; and

(B) maintain such records, provide such information, and afford access to the records as the State educational agency or the Secretary may find necessary to carry out the State educational agency's or the Secretary's duties; and

(7) before the application was submitted, the applicant afforded a reasonable opportunity for public comment on the application and has considered such comment.

(b) GEPA PROVISION.—Section 442 of the General Education Provisions Act does not apply to programs under this Act.

PART E—ADVANCED PLACEMENT PROGRAMS

SEC. 5601. SHORT TITLE.

This part may be cited as the "Access to High Standards Act".

SEC. 5602. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) far too many students are not being provided sufficient academic preparation in secondary school, which results in limited employment opportunities, college dropout rates of over 25

percent for the first year of college, and remediation for almost one-third of incoming college freshmen;

(2) there is a growing consensus that raising academic standards, establishing high academic expectations, and showing concrete results are at the core of improving public education;

(3) modeling academic standards on the well-known program of advanced placement courses is an approach that many education leaders and almost half of all States have endorsed;

(4) advanced placement programs already are providing 30 different college-level courses, serving almost 60 percent of all secondary schools, reaching over 1,000,000 students (of whom 80 percent attend public schools, 55 percent are females, and 30 percent are minorities), and providing test scores that are accepted for college credit at over 3,000 colleges and universities, every university in Germany, France, and Austria, and most institutions in Canada and the United Kingdom;

(5) 24 States are now funding programs to increase participation in advanced placement programs, including 19 States that provide funds for advanced placement teacher professional development, 3 States that require that all public secondary schools offer advanced placement courses, 10 States that pay the fees for advanced placement tests for some or all students, and 4 States that require that their public universities grant uniform academic credit for scores of 3 or better on advanced placement tests; and

(6) the State programs described in paragraph (5) have shown the responsiveness of schools and students to such programs, raised the academic standards both for students participating in such programs and for other children taught by teachers who are involved in advanced placement courses, and have shown tremendous success in increasing enrollment, achievement, and minority participation in advanced placement programs.

(b) PURPOSES.—The purposes of this part are—

(1) to encourage more of the 600,000 students who take advanced placement courses but do not take advanced placement exams each year to demonstrate their achievements through taking the exams;

(2) to build on the many benefits of advanced placement programs for students, which benefits may include the acquisition of skills that are important to many employers, Scholastic Aptitude Tests (SAT) scores that are 100 points above the national averages, and the achievement of better grades in secondary school and in college than the grades of students who have not participated in the programs;

(3) to support State and local efforts to raise academic standards through advanced placement programs, and thus further increase the number of students who participate and succeed in advanced placement programs;

(4) to increase the availability and broaden the range of schools that have advanced placement programs, which programs are still often distributed unevenly among regions, States, and even secondary schools within the same school dis-

trict, while also increasing and diversifying student participation in the programs;

(5) to build on the State programs described in subsection (a)(5) and demonstrate that larger and more diverse groups of students can participate and succeed in advanced placement programs;

(6) to provide greater access to advanced placement courses for low-income and other disadvantaged students;

(7) to provide access to advanced placement courses for secondary school juniors at schools that do not offer advanced placement programs, increase the rate of secondary school juniors and seniors who participate in advanced placement courses to 25 percent of the secondary school student population, and increase the numbers of students who receive advanced placement test scores for which college academic credit is awarded; and

(8) to increase the participation of low-income individuals in taking advanced placement tests through the payment or partial payment of the costs of the advanced placement test fees.

SEC. 5603. FUNDING DISTRIBUTION RULE.

From amounts appropriated under section 5608 for a fiscal year, the Secretary shall give first priority to funding activities under section 5606, and shall distribute any remaining funds not so applied according to the following ratio:

(1) Seventy percent of the remaining funds shall be available to carry out section 5604.

(2) Thirty percent of the remaining funds shall be available to carry out section 5605.

SEC. 5604. ADVANCED PLACEMENT PROGRAM GRANTS.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—From amounts appropriated under section 5608 and made available under section 5603(1) for a fiscal year, the Secretary shall award grants, on a competitive basis, to eligible entities to enable the eligible entities to carry out the authorized activities described in subsection (c).

(2) DURATION AND PAYMENTS.—

(A) DURATION.—The Secretary shall award a grant under this section for a period of 3 years.

(B) PAYMENTS.—The Secretary shall make grant payments under this section on an annual basis.

(3) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term "eligible entity" means a State educational agency or a local educational agency in the State.

(b) PRIORITY.—In awarding grants under this section the Secretary shall give priority to eligible entities submitting applications under subsection (d) that demonstrate—

(1) a pervasive need for access to advanced placement incentive programs;

(2) the involvement of business and community organizations in the activities to be assisted;

(3) the availability of matching funds from State or local sources to pay for the cost of activities to be assisted;

(4) a focus on developing or expanding advanced placement programs and participation in the core academic areas of English, mathematics, and science; and

(5)(A) in the case of an eligible entity that is a State educational agency, the State educational agency carries out programs in the State that target—

(i) local educational agencies serving schools with a high concentration of low-income students; or

(ii) schools with a high concentration of low-income students; or

(B) in the case of an eligible entity that is a local educational agency, the local educational agency serves schools with a high concentration of low-income students.

(c) AUTHORIZED ACTIVITIES.—An eligible entity may use grant funds under this section to expand access for low-income individuals to advanced placement incentive programs that involve—

(1) teacher training;

(2) preadvanced placement course development;

(3) curriculum coordination and articulation between grade levels that prepare students for advanced placement courses;

(4) curriculum development;

(5) books and supplies; and

(6) any other activity directly related to expanding access to and participation in advanced placement incentive programs particularly for low-income individuals.

(d) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

(e) DATA COLLECTION AND REPORTING.—

(1) DATA COLLECTION.—Each eligible entity receiving a grant under this section shall annually report to the Secretary—

(A) the number of students taking advanced placement courses who are served by the eligible entity;

(B) the number of advanced placement tests taken by students served by the eligible entity;

(C) the scores on the advanced placement tests; and

(D) demographic information regarding individuals taking the advanced placement courses and tests disaggregated by race, ethnicity, sex, English proficiency status, and socioeconomic status.

(2) REPORT.—The Secretary shall annually compile the information received from each eligible entity under paragraph (1) and report to Congress regarding the information.

SEC. 5605. ONLINE ADVANCED PLACEMENT COURSES.

(a) GRANTS AUTHORIZED.—From amounts appropriated under section 5608 and made available under section 5603(2) for a fiscal year, the Secretary shall award grants to State educational agencies to enable such agencies to award grants to local educational agencies to provide students with online advanced placement courses.

(b) STATE EDUCATIONAL AGENCY APPLICATIONS.—

(1) APPLICATION REQUIRED.—Each State educational agency desiring a grant under this section shall submit an application

to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

(2) AWARD BASIS.—The Secretary shall award grants under this section on a competitive basis.

(c) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—Each State educational agency receiving a grant under subsection (b) shall award grants to local educational agencies within the State to carry out activities described in subsection (e). In awarding grants under this subsection, the State educational agency shall give priority to local educational agencies that—

(1) serve high concentrations of low-income students;

(2) serve rural areas; and

(3) the State educational agency determines will not have access to online advanced placement courses without assistance provided under this section.

(d) CONTRACTS.—A local educational agency that receives a grant under this section may enter into a contract with a nonprofit or for-profit organization to provide the online advanced placement courses, including contracting for necessary support services.

(e) USES.—Grant funds provided under this section may be used to purchase the online curriculum, to train teachers with respect to the use of online curriculum, and to purchase course materials.

SEC. 5606. ADVANCED PLACEMENT INCENTIVE PROGRAM.

(a) GRANTS AUTHORIZED.—From amounts appropriated under section 5608 and made available under section 5603 for a fiscal year, the Secretary shall award grants to State educational agencies having applications approved under subsection (c) to enable the State educational agencies to reimburse low-income individuals to cover part or all of the costs of advanced placement test fees, if the low-income individuals—

(1) are enrolled in an advanced placement class; and

(2) plan to take an advanced placement test.

(b) AWARD BASIS.—In determining the amount of the grant awarded to each State educational agency under this section for a fiscal year, the Secretary shall consider the number of children eligible to be counted under section 1124(c) in the State in relation to the number of such children so counted in all the States.

(c) INFORMATION DISSEMINATION.—A State educational agency shall disseminate information regarding the availability of advanced placement test fee payments under this section to eligible individuals through secondary school teachers and guidance counselors.

(d) APPLICATIONS.—Each State educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. At a minimum, each State educational agency application shall—

(1) describe the advanced placement test fees the State educational agency will pay on behalf of low-income individuals in the State from grant funds made available under this section;

(2) provide an assurance that any grant funds received under this section, other than funds used in accordance with subsection (e), shall be used only to pay for advanced placement test fees; and

(3) contain such information as the Secretary may require to demonstrate that the State will ensure that a student is eligible for payments under this section, including documentation required under chapter 1 of subpart 2 of part A of title IV of the Higher Education Act of 1965.

(e) ADDITIONAL USES OF FUNDS.—If each eligible low-income individual in a State pays not more than a nominal fee to take an advanced placement test in a core subject, then a State educational agency may use grant funds made available under this section that remain after advanced placement test fees have been paid on behalf of all eligible low-income individuals in the State, for activities directly related to increasing—

(1) the enrollment of low-income individuals in advanced placement courses;

(2) the participation of low-income individuals in advanced placement courses; and

(3) the availability of advanced placement courses in schools serving high-poverty areas.

(f) SUPPLEMENT, NOT SUPPLANT.—Grant funds provided under this section shall supplement, and not supplant, other non-federal funds that are available to assist low-income individuals in paying for the cost of advanced placement test fees.

(g) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary to carry out this section.

(h) REPORT.—Each State educational agency annually shall report to the Secretary information regarding—

(1) the number of low-income individuals in the State who received assistance under this section; and

(2) any activities carried out pursuant to subsection (e).

(i) DEFINITIONS.—In this section:

(1) ADVANCED PLACEMENT TEST.—The term "advanced placement test" includes only an advanced placement test approved by the Secretary for the purposes of this section.

(2) LOW-INCOME INDIVIDUAL.—The term "low-income individual" has the meaning given the term in section 402A(g)(2) of the Higher Education Act of 1965.

SEC. 5607. DEFINITIONS.

In this part:

(1) ADVANCED PLACEMENT INCENTIVE PROGRAM.—The term "advanced placement incentive program" means a program that provides advanced placement activities and services to low-income individuals.

(2) ADVANCED PLACEMENT TEST.—The term "advanced placement test" means an advanced placement test administered by the College Board or approved by the Secretary.

(3) HIGH CONCENTRATION OF LOW-INCOME STUDENTS.—The term "high concentration of low-income students", used with respect to a State educational agency, local educational agency or school, means an agency or school, as the case may be, that serves a student population 40 percent or more of whom are from families with incomes below the poverty level, as determined in the same manner as the determination is made under section 1124(c)(2).

(4) LOW-INCOME INDIVIDUAL.—The term "low-income individual" means, other than for purposes of section 5606, a low-income individual (as defined in section 402A(g)(2) of the Higher Education Act of 1965) who is academically prepared to take successfully an advanced placement test as determined by a school teacher or advanced placement coordinator taking into consideration factors such as enrollment and performance in an advanced placement course or superior academic ability.

(5) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101(a) of the Higher Education Act of 1965.

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

SEC. 5608. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part $50,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years.

TITLE VI—PARENTAL INVOLVEMENT AND ACCOUNTABILITY

PART A—PARENTAL ASSISTANCE

SEC. 6101. PARENTAL INFORMATION AND RESOURCE CENTERS.

(a) PURPOSE.—The purpose of this part is—

(1) to provide leadership, technical assistance, and financial support to nonprofit organizations and local educational agencies to help the organizations and agencies implement successful and effective parental involvement policies, programs, and activities that lead to improvements in student performance;

(2) to strengthen partnerships among parents (including parents of preschool age children), teachers, principals, administrators, and other school personnel in meeting the educational needs of children;

(3) to develop and strengthen the relationship between parents and the school;

(4) to further the developmental progress primarily of children assisted under this part; and

(5) to coordinate activities funded under this part with parental involvement initiatives funded under section 1118 and other provisions of this Act.

(b) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants in each fiscal year to nonprofit organizations, and nonprofit organizations in consortia with local educational agencies, to establish school-linked or school-based parental information and resource centers that provide training, information, and support to—

(A) parents of children enrolled in elementary schools and secondary schools;

(B) individuals who work with the parents described in subparagraph (A); and

(C) State educational agencies, local educational agencies, schools, organizations that support family-school partnerships (such as parent-teacher associations), and other organizations that carry out parent education and family involvement programs.

(2) AWARD RULE.—In awarding grants under this part, the Secretary shall ensure that such grants are distributed in all geographic regions of the United States.

SEC. 6102. APPLICATIONS.

(a) GRANTS APPLICATIONS.—

(1) IN GENERAL.—Each nonprofit organization or nonprofit organization in consortium with a local educational agency that desires a grant under this part shall submit an application to the Secretary at such time and in such manner as the Secretary shall require.

(2) CONTENTS.—Each application submitted under paragraph (1), at a minimum, shall include assurances that the organization or consortium will—

(A)(i) be governed by a board of directors the membership of which includes parents; or

(ii) be an organization or consortium that represents the interests of parents;

(B) establish a special advisory committee the membership of which includes—

(i) parents described in section 6101(b)(1)(A);

(ii) representatives of education professionals with expertise in improving services for disadvantaged children; and

(iii) representatives of local elementary schools and secondary schools who may include students and representatives from local youth organizations;

(C) use at least ½ of the funds provided under this part in each fiscal year to serve areas with high concentrations of low-income families in order to serve parents who are severely educationally or economically disadvantaged;

(D) operate a center of sufficient size, scope, and quality to ensure that the center is adequate to serve the parents in the area;

(E) serve both urban and rural areas;

(F) design a center that meets the unique training, information, and support needs of parents described in section 6101(b)(1)(A), particularly such parents who are educationally or economically disadvantaged;

(G) demonstrate the capacity and expertise to conduct the effective training, information and support activities for which assistance is sought;

(H) network with—

(i) local educational agencies and schools;

(ii) parents of children enrolled in elementary schools and secondary schools;

(iii) parent training and information centers assisted under section 682 of the Individuals with Disabilities Education Act;

(iv) clearinghouses; and

(v) other organizations and agencies;

(I) focus on serving parents described in section 6101(b)(1)(A) who are parents of low-income, minority, and limited English proficient, children;

(J) use part of the funds received under this part to establish, expand, or operate Parents as Teachers programs or Home Instruction for Preschool Youngsters programs;

(K) provide assistance to parents in such areas as understanding State and local standards and measures of student and school performance; and

(L) work with State and local educational agencies to determine parental needs and delivery of services.

(b) GRANT RENEWAL.—For each fiscal year after the first fiscal year an organization or consortium receives assistance under this part, the organization or consortium shall demonstrate in the application submitted for such fiscal year after the first fiscal year that a portion of the services provided by the organization or consortium is supported through non-Federal contributions, which contributions may be in cash or in kind.

SEC. 6103. USES OF FUNDS.

(a) IN GENERAL.—Grant funds received under this part shall be used—

(1) to assist parents in participating effectively in their children's education and to help their children meet State and local standards, such as assisting parents—

(A) to engage in activities that will improve student performance, including understanding the accountability systems in place within their State educational agency and local educational agency and understanding their children's educational performance in comparison to State and local standards;

(B) to provide followup support for their children's educational achievement;

(C) to communicate effectively with teachers, principals, counselors, administrators, and other school personnel;

(D) to become active participants in the development, implementation, and review of school-parent compacts, parent involvement policies, and school planning and improvement;

(E) to participate in the design and provision of assistance to students who are not making adequate educational progress;

(F) to participate in State and local decisionmaking; and

(G) to train other parents;

(2) to obtain information about the range of options, programs, services, and resources available at the national, State, and local levels to assist parents and school personnel who work with parents;

(3) to help the parents learn and use the technology applied in their children's education;

(4) to plan, implement, and fund activities for parents that coordinate the education of their children with other Federal programs that serve their children or their families; and

(5) to provide support for State or local educational personnel if the participation of such personnel will further the activities assisted under the grant.

(b) PERMISSIVE ACTIVITIES.—Grant funds received under this part may be used to assist schools with activities such as—

(1) developing and implementing their plans or activities under sections 1118 and 1119; and

(2) developing and implementing school improvement plans, including addressing problems that develop in the implementation of sections 1118 and 1119.

(3) providing information about assessment and individual results to parents in a manner and a language the family can understand;

(4) coordinating the efforts of Federal, State, and local parent education and family involvement initiatives; and

(5) providing training, information, and support to—

(A) State educational agencies;

(B) local educational agencies and schools, especially those local educational agencies and schools that are low performing; and

(C) organizations that support family-school partnerships.

(c) GRANDFATHER CLAUSE.—The Secretary shall use funds made available under this part to continue to make grant or contract payments to each entity that was awarded a multiyear grant or contract under title IV of the Goals 2000: Educate America Act (as such title was in effect on the day before the date of enactment of the Better Education for Students and Teachers Act) for the duration of the grant or contract award.

SEC. 6104. TECHNICAL ASSISTANCE.

The Secretary shall provide technical assistance, by grant or contract, for the establishment, development, and coordination of parent training, information, and support programs and parental information and resource centers.

SEC. 6105. REPORTS.

(a) INFORMATION.—Each organization or consortium receiving assistance under this part shall submit to the Secretary, on an annual basis, information concerning the parental information and resource centers assisted under this part, including—

(1) the number of parents (including the number of minority and limited English proficient parents) who receive information and training;

(2) the types and modes of training, information, and support provided under this part;

(3) the strategies used to reach and serve parents of minority and limited English proficient children, parents with limited literacy skills, and other parents in need of the services provided under this part;

(4) the parental involvement policies and practices used by the center and an evaluation of whether such policies and prac-

tices are effective in improving home-school communication, student achievement, student and school performance, and parental involvement in school planning, review, and improvement; and

(5) the effectiveness of the activities that local educational agencies and schools are carrying out with regard to parental involvement and other activities assisted under this Act that lead to improved student achievement and improved student and school performance.

(b) DISSEMINATION.—The Secretary annually shall disseminate, widely to the public and to Congress, the information that each organization or consortium submits under subsection (a) to the Secretary.

SEC. 6106. GENERAL PROVISIONS.

Notwithstanding any other provision of this part—

(1) no person, including a parent who educates a child at home, a public school parent, or a private school parent, shall be required to participate in any program of parent education or developmental screening pursuant to the provisions of this part; and

(2) no program or center assisted under this part shall take any action that infringes in any manner on the right of a parent to direct the education of their children.

SEC. 6107. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part $50,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 4 succeeding fiscal years.

PART B—IMPROVING ACADEMIC ACHIEVEMENT

SEC. 6201. EDUCATION AWARDS.

(a) ACHIEVEMENT IN EDUCATION AWARDS.—

(1) IN GENERAL.—The Secretary may make awards, to be known as "Achievement in Education Awards", using a peer review process, to the States that, beginning with the 2002–2003 school year, make the most progress in improving educational achievement.

(2) CRITERIA.—

(A) IN GENERAL.—The Secretary shall make the awards on the basis of criteria consisting of—

(i) the progress of economically disadvantaged students and of students who are racial and ethnic minorities—

(I) in meeting the State's student performance standards as measured by the assessments described in section 1111(b)(3); and

(II) beginning with the 2nd year for which data are available for all States, on State assessments under the National Assessment of Educational Progress of 4th and 8th grade reading and mathematics skills;

(ii) overall improvement in student achievement by the State's students on the assessments required by section 1111, and (beginning with the 2nd year for which

data are available for all States) on the assessments described in clause (i)(II);

(iii) the progress of the State in improving the English proficiency of students who enter school with limited English proficiency;

(iv) the progress of the State in increasing the percentage of students who graduate from secondary school; and

(v) the progress of the State in increasing the percentage of students who take advanced coursework, such as advanced placement and international baccalaureate courses, and who pass advanced placement and international baccalaureate tests.

(B) WEIGHT.—In applying the criteria described in subparagraph (A), the Secretary shall give the greatest weight to the criterion described in subparagraph (A)(i).

(b) ASSESSMENT COMPLETION BONUSES.—The Secretary may make 1-time bonus payments to States that complete the development of assessments required by section 1111 in advance of the schedule specified in such section.

(c) NO CHILD LEFT BEHIND AWARDS.—The Secretary may make awards, to be known as "No Child Left Behind Awards" to the schools that—

(1) are nominated by the States in which the schools are located; and

(2) have made the greatest progress in improving the educational achievement of economically disadvantaged students.

(d) FUND TO IMPROVE EDUCATION ACHIEVEMENT.—The Secretary may make awards for activities other than the activities described in subsections (a) through (c), such as character education, that are designed to promote the improvement of elementary and secondary education nationally.

SEC. 6202. LOSS OF ADMINISTRATIVE FUNDS.

(a) 2 YEARS OF INSUFFICIENT PROGRESS.—

(1) REDUCTION.—If the Secretary makes the determinations described in paragraph (2) for 2 consecutive years, the Secretary shall reduce, by not more than 30 percent, the amount of funds that the State may reserve for the subsequent fiscal year for State administration under the programs authorized by this Act that the Secretary determines are formula grant programs.

(2) DETERMINATIONS.—The determinations referred to in paragraph (1) are determinations, made on the basis of data from the State assessment system described in section 1111 and data from State assessments under the National Assessment of Educational Progress of 4th and 8th grade reading and mathematics skills, that—

(A) the State has failed to make adequate yearly progress as defined under section 1111; and

(B) students who are racial and ethnic minorities, and economically disadvantaged students, in the State failed to make statistically significant progress in the academic subjects for which the State has developed State content and student performance standards.

(b) 3 OR MORE YEARS OF INSUFFICIENT PROGRESS.—If the Secretary makes the determinations described in subsection (a)(2) for a third or subsequent consecutive year, the Secretary shall reduce, by not more than 75 percent, the amount of funds that the State may reserve for the subsequent fiscal year for State administration under the programs authorized by this Act that the Secretary determines are formula grant programs.

SEC. 6203. AUTHORIZATION OF APPROPRIATIONS.

(a) STATE ASSESSMENT GRANTS.—For the purpose of developing and implementing the standards and assessments required under section 1111, there are authorized to be appropriated $400,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS.—For the purpose of administering the State assessments under the National Assessment of Educational Progress, there are authorized to be appropriated $110,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years.

(c) EDUCATION AWARDS.—For the purpose of carrying out section 6201, there are authorized to be appropriated $50,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 6 succeeding fiscal years.

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

PART A—INDIAN EDUCATION

SEC. 7101. FINDINGS.

Congress finds that—

(1) the Federal Government has a special responsibility to ensure that educational programs for all American Indian and Alaska Native children and adults—

(A) are based on high-quality, internationally competitive content standards and student performance standards, and build on Indian culture and the Indian community;

(B) assist local educational agencies, Indian tribes, and other entities and individuals in providing Indian students the opportunity to achieve the standards described in subparagraph (A); and

(C) meet the unique educational and culturally related academic needs of American Indian and Alaska Native students;

(2) since the date of enactment of the Indian Education Act in 1972, the level of involvement of Indian parents in the planning, development, and implementation of educational programs that affect such parents and their children has increased significantly, and schools should continue to foster such involvement;

(3) although the number of Indian teachers, administrators, and university professors has increased since 1972, teacher training programs are not recruiting, training, or retraining a sufficient number of Indian individuals as educators to meet

the needs of a growing Indian student population in elementary, secondary, vocational, adult, and higher education;

(4) the dropout rate for Indian students is unacceptably high: 9 percent of Indian students who were eighth graders in 1988 had already dropped out of school by 1990;

(5) during the period from 1980 to 1990, the percentage of Indian individuals living at or below the poverty level increased from 24 percent to 31 percent, and the readiness of Indian children to learn is hampered by the high incidence of poverty, unemployment, and health problems among Indian children and their families; and

(6) research related specifically to the education of Indian children and adults is very limited, and much of the research is of poor quality or is focused on limited local or regional issues.

SEC. 7102. PURPOSE.

(a) PURPOSE.—The purpose of this part is to support the efforts of local educational agencies, Indian tribes and organizations, postsecondary institutions, and other entities to meet the unique educational and culturally related academic needs of American Indian and Alaska Native students, so that such students can meet the same challenging State performance standards as are expected for all students.

(b) PROGRAMS.—This part carries out the purpose described in subsection (a) by authorizing programs of direct assistance for—

(1) meeting the unique educational and culturally related academic needs of American Indians and Alaska Natives;

(2) the education of Indian children and adults;

(3) the training of Indian persons as educators and counselors, and in other professions serving Indian people; and

(4) research, evaluation, data collection, and technical assistance.

Subpart 1—Formula Grants to Local Educational Agencies

SEC. 7111. PURPOSE.

The purpose of this subpart is to support local educational agencies in their efforts to reform elementary school and secondary school programs that serve Indian students in order to ensure that such programs—

(1) are based on challenging State content standards and State student performance standards that are used for all students; and

(2) are designed to assist Indian students to meet those standards.

SEC. 7112. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) IN GENERAL.—The Secretary may make grants to local educational agencies and Indian tribes in accordance with this section.

(b) LOCAL EDUCATIONAL AGENCIES.—

(1) ENROLLMENT REQUIREMENTS.—A local educational agency shall be eligible for a grant under this subpart for any fiscal year if the number of Indian children who are eligible under section 7117, and who were enrolled in the schools of the agen-

cy, and to whom the agency provided free public education, during the preceding fiscal year—

(A) was at least 10; or

(B) constituted not less than 25 percent of the total number of individuals enrolled in the schools of such agency.

(2) EXCLUSION.—The requirement of paragraph (1) shall not apply in Alaska, California, or Oklahoma, or with respect to any local educational agency located on, or in proximity to, a reservation.

(c) INDIAN TRIBES.—

(1) IN GENERAL.—If a local educational agency that is otherwise eligible for a grant under this subpart does not establish a parent committee under section 7114(c)(4), an Indian tribe that represents not less than ½ of the eligible Indian children who are served by such local educational agency may apply for such grant by submitting an application in accordance with section 7114.

(2) SPECIAL RULE.—The Secretary shall treat each Indian tribe applying for a grant pursuant to paragraph (1) as if such Indian tribe were a local educational agency for purposes of this subpart, except that any such tribe shall not be subject to section 7114(c)(4) (relating to a parent committee), section 7118(c) (relating to maintenance of effort), or section 7119 (relating to State review of applications).

SEC. 7113. AMOUNT OF GRANTS.

(a) AMOUNT OF GRANT AWARDS.—

(1) IN GENERAL.—Except as provided in subsections (c) and (d), for purposes of making grants under this subpart the Secretary shall allocate to each local educational agency that has an approved application under this subpart an amount equal to the product of—

(A) the number of Indian children who are eligible under section 7117 and served by such agency; and

(B) the greater of—

(i) the average per-pupil expenditure of the State in which such agency is located; or

(ii) 80 percent of the average per-pupil expenditure of all the States.

(2) REDUCTION.—The Secretary shall reduce the amount of each allocation determined under paragraph (1) or subsection (b) in accordance with subsection (c).

(b) SCHOOLS OPERATED OR SUPPORTED BY THE BUREAU OF INDIAN AFFAIRS.—

(1) IN GENERAL.—In addition to the grants awarded under subsection (a), and subject to paragraph (2), for purposes of making grants under this subpart the Secretary shall allocate to the Secretary of the Interior an amount equal to the product of—

(A) the total number of Indian children enrolled in schools that are operated by—

(i) the Bureau of Indian Affairs; or

(ii) an Indian tribe, or an organization controlled or sanctioned by an Indian tribal government, for the children of such tribe under a contract with, or grant

from, the Department of the Interior under the Indian Self-Determination Act or the Tribally Controlled Schools Act of 1988; and

(B) the greater of—

(i) the average per-pupil expenditure of the State in which the school is located; or

(ii) 80 percent of the average per-pupil expenditure of all the States.

(2) SPECIAL RULE.—Any school described in paragraph (1) may apply for an allocation under this subpart by submitting an application in accordance with section 7114. The Secretary shall treat the school as if the school were a local educational agency for purposes of this subpart, except that any such school shall not be subject to section 7114(c)(4), 7118(c), or 7119.

(c) RATABLE REDUCTIONS.—If the sums appropriated for any fiscal year under section 7162(a) are insufficient to pay in full the amounts determined for local educational agencies under subsection (a) and for the Secretary of the Interior under subsection (b), each of those amounts shall be ratably reduced.

(d) MINIMUM GRANT.—

(1) IN GENERAL.—Notwithstanding subsection (c), a local educational agency (including an Indian tribe as authorized under section 7112(b)) that is eligible for a grant under section 7112, and a school that is operated or supported by the Bureau of Indian Affairs that is eligible for a grant under subsection (b), that submits an application that is approved by the Secretary, shall, subject to appropriations, receive a grant under this subpart in an amount that is not less than $3,000.

(2) CONSORTIA.—Local educational agencies may form a consortium for the purpose of obtaining grants under this subpart.

(3) INCREASE.—The Secretary may increase the minimum grant under paragraph (1) to not more than $4,000 for all grant recipients if the Secretary determines such increase is necessary to ensure quality programs.

(e) DEFINITION.—In this section, the term "average per-pupil expenditure", for a State, means an amount equal to—

(1) the sum of the aggregate current expenditures of all the local educational agencies in the State, plus any direct current expenditures by the State for the operation of such agencies, without regard to the sources of funds from which such local or State expenditures were made, during the second fiscal year preceding the fiscal year for which the computation is made; divided by

(2) the aggregate number of children who were included in average daily attendance and for whom such agencies provided free public education during such preceding fiscal year.

SEC. 7114. APPLICATIONS.

(a) APPLICATION REQUIRED.—Each local educational agency that desires 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.

(b) COMPREHENSIVE PROGRAM REQUIRED.—Each application submitted under subsection (a) shall include a description of a comprehensive program for meeting the needs of Indian children served

by the local educational agency, including the language and cultural needs of the children, that—

(1) describes how the comprehensive program will offer programs and activities to meet the culturally related academic needs of American Indian and Alaska Native students;

(2)(A) is consistent with the State and local plans submitted under other provisions of this Act; and

(B) includes academic content and student performance goals for such children, and benchmarks for attaining such goals, that are based on the challenging State standards adopted under title I for all children;

(3) explains how Federal, State, and local programs, especially programs carried out under title I, will meet the needs of such students;

(4) demonstrates how funds made available under this subpart will be used for activities described in section 7115;

(5) describes the professional development opportunities that will be provided, as needed, to ensure that—

(A) teachers and other school professionals who are new to the Indian community are prepared to work with Indian children; and

(B) all teachers who will be involved in programs assisted under this subpart have been properly trained to carry out such programs; and

(6) describes how the local educational agency—

(A) will periodically assess the progress of all Indian children enrolled in the schools of the local educational agency, including Indian children who do not participate in programs assisted under this subpart, in meeting the goals described in paragraph (2);

(B) will provide the results of each assessment referred to in subparagraph (A) to—

(i) the committee of parents described in subsection (c)(4); and

(ii) the community served by the local educational agency; and

(C) is responding to findings of any previous assessments that are similar to the assessments described in subparagraph (A).

(c) ASSURANCES.—Each application submitted under subsection (a) shall include assurances that—

(1) the local educational agency will use funds received under this subpart only to supplement the funds that, in the absence of the Federal funds made available under this subpart, such agency would make available for the education of Indian children, and not to supplant such funds;

(2) the local educational agency will prepare and submit to the Secretary such reports, in such form and containing such information, as the Secretary may require to—

(A) carry out the functions of the Secretary under this subpart; and

(B) determine the extent to which activities carried out with funds provided to the local educational agency under

this subpart are effective in improving the educational achievement of Indian students served by such agency;

(3) the program for which assistance is sought—

(A) is based on a comprehensive local assessment and prioritization of the unique educational and culturally related academic needs of the American Indian and Alaska Native students for whom the local educational agency is providing an education;

(B) will use the best available talents and resources, including individuals from the Indian community; and

(C) was developed by such agency in open consultation with parents of Indian children and teachers, and, if appropriate, Indian students from secondary schools, including through public hearings held by such agency to provide to the individuals described in this subparagraph a full opportunity to understand the program and to offer recommendations regarding the program; and

(4) the local educational agency developed the program with the participation and written approval of a committee—

(A) that is composed of, and selected by—

(i) parents of Indian children in the local educational agency's schools and teachers in the schools; and

(ii) if appropriate, Indian students attending secondary schools of the agency;

(B) a majority of whose members are parents of Indian children;

(C) that has set forth such policies and procedures, including policies and procedures relating to the hiring of personnel, as will ensure that the program for which assistance is sought will be operated and evaluated in consultation with, and with the involvement of, parents of the children, and representatives of the area, to be served;

(D) with respect to an application describing a schoolwide program carried out in accordance with section 7115(c), that has—

(i) reviewed in a timely fashion the program; and

(ii) determined that the program will enhance the availability of culturally related activities for American Indian and Alaska Native students; and

(E) that has adopted reasonable bylaws for the conduct of the activities of the committee and abides by such bylaws.

SEC. 7115. AUTHORIZED SERVICES AND ACTIVITIES.

(a) GENERAL REQUIREMENTS.—Each local educational agency that receives a grant under this subpart shall use the grant funds, in a manner consistent with the purpose specified in section 7111, for services and activities that—

(1) are designed to carry out the comprehensive program of the local educational agency for Indian students, and described in the application of the local educational agency submitted to the Secretary under section 7114;

(2) are designed with special regard for the language and cultural needs of the Indian students; and

(3) supplement and enrich the regular school program of such agency.

(b) PARTICULAR SERVICES AND ACTIVITIES.—The services and activities referred to in subsection (a) may include—

(1) culturally related activities that support the program described in the application submitted by the local educational agency;

(2) early childhood and family programs that emphasize school readiness;

(3) enrichment programs that focus on problem-solving and cognitive skills development and directly support the attainment of challenging State content standards and State student performance standards;

(4) integrated educational services in combination with other programs that meet the needs of Indian children and their families;

(5) career preparation activities to enable Indian students to participate in programs such as the programs supported by Public Law 103–239 and Public Law 88–210, including programs for tech-prep, mentoring, and apprenticeship activities;

(6) activities to educate individuals concerning substance abuse and to prevent substance abuse;

(7) the acquisition of equipment, but only if the acquisition of the equipment is essential to meet the purpose described in section 7111;

(8) activities that promote the incorporation of culturally responsive teaching and learning strategies into the educational program of the local educational agency;

(9) activities that incorporate American Indian and Alaska Native specific curriculum content, consistent with State standards, into the curriculum used by the local educational agency;

(10) activities to promote coordination and collaboration between tribal, Federal, and State public schools in areas that will improve American Indian and Alaska Native student achievement; and

(11) family literacy services.

(c) SCHOOLWIDE PROGRAMS.—Notwithstanding any other provision of law, a local educational agency may use funds made available to such agency under this subpart to support a schoolwide program under section 1114 if—

(1) the committee composed of parents established pursuant to section 7114(c)(4) approves the use of the funds for the schoolwide program; and

(2) the schoolwide program is consistent with the purpose described in section 7111.

(d) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds made available to a local educational agency through a grant made under this subpart for a fiscal year may be used to pay for administrative costs.

SEC. 7116. INTEGRATION OF SERVICES AUTHORIZED.

(a) PLAN.—An entity receiving funds under this subpart may submit a plan to the Secretary for a demonstration project for the integration of education and related services provided to Indian students.

(b) CONSOLIDATION OF PROGRAMS.—Upon the receipt of an acceptable plan under subsection (a), the Secretary, in cooperation with each Federal agency providing grants for the provision of education and related services to the applicant, shall authorize the applicant to consolidate, in accordance with such plan, the federally funded education and related services programs of the applicant and the agencies, or portions of the programs, serving Indian students in a manner that integrates the program services involved into a single, coordinated, comprehensive program and reduces administrative costs by consolidating administrative functions.

(c) PROGRAMS AFFECTED.—The funds that may be consolidated in a demonstration project under any such plan referred to in subsection (b) shall include funds for any Federal program exclusively serving Indian children, or the funds reserved exclusively to serve Indian children under any program, for which the applicant is eligible for receipt of funds under a statutory or administrative formula for the purposes of providing education and related services for Indian students.

(d) PLAN REQUIREMENTS.—For a plan to be acceptable pursuant to subsection (b), the plan shall—

(1) identify the programs or funding sources to be consolidated;

(2) be consistent with the objectives of this section authorizing the program services to be integrated in a demonstration project;

(3) describe a comprehensive strategy that identifies the full range of potential educational opportunities and related services to be provided to assist Indian students to achieve the objectives set forth in this subpart;

(4) describe the way in which the services are to be integrated and delivered and the results expected from the plan;

(5) identify the projected expenditures under the plan in a single budget;

(6) identify the State, tribal, or local agencies to be involved in the delivery of the services integrated under the plan;

(7) identify any statutory provisions, regulations, policies, or procedures that the applicant believes need to be waived in order to implement the plan;

(8) set forth measures of student achievement and performance goals designed to be met within a specified period of time for activities provided under the plan; and

(9) be approved by a parent committee formed in accordance with section 7114(c)(4), if such a committee exists, in consultation with the Committee on Resources of the House of Representatives and the Committee on Indian Affairs of the Senate.

(e) PLAN REVIEW.—Upon receipt of the plan from an eligible entity, the Secretary shall consult with the head of each Federal agency providing funds to be used to implement the plan, and with the entity submitting the plan. The parties so consulting shall identify any waivers of statutory requirements or of Federal regulations, policies, or procedures necessary to enable the applicant to implement the plan. Notwithstanding any other provision of law, the Secretary of the affected agency shall have the authority to waive, for the applicant, any regulation, policy, or procedure promulgated by that agen-

cy that has been so identified by the applicant or agency, unless the head of the affected agency determines that such a waiver is inconsistent with the objectives of this subpart or the provisions of the statute from which the program involved derives authority that are specifically applicable to Indian students.

(f) PLAN APPROVAL.—Within 90 days after the receipt of an applicant's plan by the Secretary under subsection (a), the Secretary shall inform the applicant, in writing, of the Secretary's approval or disapproval of the plan. If the plan is disapproved, the applicant shall be informed, in writing, of the reasons for the disapproval and shall be given an opportunity to amend the plan or to petition the Secretary to reconsider such disapproval.

(g) RESPONSIBILITIES OF DEPARTMENT OF EDUCATION.—Not later than 180 days after the date of enactment of the Better Education for Students and Teachers Act, the Secretary of Education, the Secretary of the Interior, and the head of any other Federal agency identified by the Secretary of Education, shall enter into an interagency memorandum of agreement providing for the implementation of the demonstration projects authorized under this section. The lead agency for a demonstration project authorized under this section shall be—

(1) the Department of the Interior, in the case of an applicant that is a contract or grant school, as defined in section 1146 of the Education Amendments of 1978; or

(2) the Department of Education, in the case of any other applicant.

(h) RESPONSIBILITIES OF LEAD AGENCY.—The responsibilities of the lead agency for a demonstration project shall include—

(1) the use of a single report format related to the plan for the individual project, which shall be used by an eligible entity to report on the activities undertaken under the project;

(2) the use of a single report format related to the projected expenditures for the individual project, which shall be used by an eligible entity to report on all project expenditures;

(3) the development of a single system of Federal oversight for the project, which shall be implemented by the lead agency; and

(4) the provision of technical assistance to an eligible entity appropriate to the project, except that an eligible entity shall have the authority to accept or reject the plan for providing such technical assistance and the technical assistance provider.

(i) REPORT REQUIREMENTS.—

(1) IN GENERAL.—The Secretary shall develop, consistent with the requirements of this section, a single report format for the reports described in subsection (h).

(2) REPORT INFORMATION.—Such report format shall require that the reports shall—

(A) contain such information as will allow a determination that the eligible entity has complied with the requirements incorporated in the entity's approved plan, including the demonstration of student achievement; and

(B) provide assurances to the Secretary of Education and the Secretary of the Interior that the eligible entity has complied with all directly applicable statutory requirements

and with those directly applicable regulatory requirements that have not been waived.

(3) RECORD INFORMATION.—The Secretary shall require that records maintained at the local level on the programs consolidated for the project shall contain the information and provide the assurances described in paragraph (2).

(j) NO REDUCTION IN AMOUNTS.—In no case shall the amount of Federal funds available to an eligible entity involved in any demonstration project be reduced as a result of the enactment of this section.

(k) INTERAGENCY FUND TRANSFERS AUTHORIZED.—The Secretary is authorized to take such action as may be necessary to provide for an interagency transfer of funds otherwise available to an eligible entity in order to further the objectives of this section.

(l) ADMINISTRATION OF FUNDS.—

(1) IN GENERAL.—An eligible entity shall administer the program funds for the consolidated programs in such a manner as to allow for a determination that funds from a specific program are spent on allowable activities authorized under such program, except that the eligible entity shall determine the proportion of the funds that shall be allocated to such program.

(2) SEPARATE RECORDS NOT REQUIRED.—Nothing in this section shall be construed as requiring the eligible entity to maintain separate records tracing any services or activities conducted under the approved plan to the individual programs under which funds were authorized for the services or activities, nor shall the eligible entity be required to allocate expenditures among such individual programs.

(m) OVERAGE.—The eligible entity may commingle all administrative funds from the consolidated programs and shall be entitled to the full amount of such funds (under each program's or agency's regulations). The overage (defined as the difference between the amount of the commingled funds and the actual administrative cost of the programs) shall be considered to be properly spent for Federal audit purposes, if the overage is used for the purposes provided for under this section.

(n) FISCAL ACCOUNTABILITY.—Nothing in this part shall be construed so as to interfere with the ability of the Secretary or the lead agency to fulfill responsibilities for safeguarding Federal funds pursuant to chapter 75 of title 31, United States Code.

(o) REPORT ON STATUTORY OBSTACLES TO PROGRAM INTEGRATION.—

(1) PRELIMINARY REPORT.—Not later than 2 years after the date of enactment of the Better Education for Students and Teachers Act, the Secretary of Education shall submit a preliminary report to the Committee on Education and the Workforce and the Committee on Resources of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Indian Affairs of the Senate on the status of the implementation of the demonstration projects authorized under this section.

(2) FINAL REPORT.—Not later than 5 years after the date of enactment of the Better Education for Students and Teachers Act, the Secretary of Education shall submit a report to the

Committee on Education and the Workforce and the Committee on Resources of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Indian Affairs of the Senate on the results of the implementation of the demonstration projects authorized under this section. Such report shall identify statutory barriers to the ability of participants to integrate more effectively their education and related services to Indian students in a manner consistent with the objectives of this section.

(p) DEFINITION.—In this section, the term "Secretary" means—

(1) the Secretary of the Interior, in the case of an applicant that is a contract or grant school, as defined in section 1146 of the Education Amendments of 1978; or

(2) the Secretary of Education, in the case of any other applicant.

SEC. 7117. STUDENT ELIGIBILITY FORMS.

(a) IN GENERAL.—The Secretary shall require that, as part of an application for a grant under this subpart, each applicant shall maintain a file, with respect to each Indian child for whom the local educational agency provides a free public education, that contains a form that sets forth information establishing the status of the child as an Indian child eligible for assistance under this subpart, and that otherwise meets the requirements of subsection (b).

(b) FORMS.—

(1) IN GENERAL.—The form described in subsection (a) shall include—

(A) either—

(i)(I) the name of the tribe or band of Indians (as defined in section 7161(3)) with respect to which the child claims membership;

(II) the enrollment number establishing the membership of the child (if readily available); and

(III) the name and address of the organization that maintains updated and accurate membership data for such tribe or band of Indians; or

(ii) if the child is not a member of tribe or band of Indians (as so defined), the name, the enrollment number (if readily available), and the name and address of the organization responsible for maintaining updated and accurate membership rolls, of any parent or grandparent of the child from whom the child claims eligibility under this subpart;

(B) a statement of whether the tribe or band of Indians (as so defined) with respect to which the child, or parent or grandparent of the child, claims membership is federally recognized;

(C) the name and address of the parent or legal guardian of the child;

(D) a signature of the parent or legal guardian of the child that verifies the accuracy of the information supplied; and

(E) any other information that the Secretary considers necessary to provide an accurate program profile.

(2) MINIMUM INFORMATION.—In order for a child to be eligible to be counted for the purpose of computing the amount of a grant award made under section 7113, an eligibility form prepared pursuant to this section for a child shall include—

(A) the name of the child;

(B) the name of the tribe or band of Indians (as so defined) with respect to which the child claims membership; and

(C) the dated signature of the parent or guardian of the child.

(3) FAILURE.—The failure of an applicant to furnish any information described in this subsection other than the information described in paragraph (2) with respect to any child shall have no bearing on the determination of whether the child is an eligible Indian child for the purposes of computing the amount of a grant award made under section 7113.

(c) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to affect a definition contained in section 7161.

(d) FORMS AND STANDARDS OF PROOF.—The forms and the standards of proof (including the standard of good faith compliance) that were in use during the 1985–86 academic year to establish the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act shall be the forms and standards of proof used—

(1) to establish eligibility under this subpart; and

(2) to meet the requirements of subsection (a).

(e) DOCUMENTATION.—For purposes of determining whether a child is eligible to be counted for the purpose of computing the amount of a grant award under section 7113, the membership of the child, or any parent or grandparent of the child, in a tribe or band of Indians (as so defined) may be established by proof other than an enrollment number, notwithstanding the availability of an enrollment number for a member of such tribe or band. Nothing in subsection (b) shall be construed to require the furnishing of an enrollment number.

(f) MONITORING AND EVALUATION REVIEW.—

(1) IN GENERAL.—

(A) REVIEW.—For each fiscal year, in order to provide such information as is necessary to carry out the responsibility of the Secretary to provide technical assistance under this subpart, the Secretary shall conduct a monitoring and evaluation review of a sampling of the local educational agencies that are recipients of grants under this subpart. The sampling conducted under this paragraph shall take into account the size of such a local educational agency and the geographic location of such agency.

(B) EXCEPTION.—A local educational agency may not be held liable to the United States or be subject to any penalty by reason of the findings of an audit that relates to the date of completion, or the date of submission, of any forms used to establish, before April 28, 1988, the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act.

(2) FALSE INFORMATION.—Any local educational agency that provides false information in an application for a grant under this subpart shall—

(A) be ineligible to apply for any other grant under this subpart; and

(B) be liable to the United States for any funds from the grant that have not been expended.

(3) EXCLUDED CHILDREN.—A student who provides false information for the form required under subsection (a) shall not be counted for the purpose of computing the amount of a grant award under section 7113.

(g) TRIBAL GRANT AND CONTRACT SCHOOLS.—Notwithstanding any other provision of this section, the Secretary, in computing the amount of a grant award under section 7113 to a tribal school that receives a grant or contract from the Bureau of Indian Affairs, shall use only 1 of the following, as selected by the school:

(1) A count, certified by the Bureau, of the number of students in the school.

(2) A count of the number of students for whom the school has eligibility forms that comply with this section.

(h) TIMING OF CHILD COUNTS.—For purposes of determining the number of children to be counted in computing the amount of a local educational agency's grant award under section 7113 (other than in the case described in subsection (g)(1)), the local educational agency shall—

(1) establish a date on, or a period not longer than 31 consecutive days during which, the agency counts those children, if that date or period occurs before the deadline established by the Secretary for submitting an application under section 7114; and

(2) determine that each such child was enrolled, and receiving a free public education, in a school of the agency on that date or during that period, as the case may be.

SEC. 7118. PAYMENTS.

(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary shall pay to each local educational agency that submits an application that is approved by the Secretary under this subpart the amount computed under section 7113. The Secretary shall notify the local educational agency of the amount of the payment not later than June 1 of the year for which the Secretary makes the payment.

(b) PAYMENTS TAKEN INTO ACCOUNT BY THE STATE.—The Secretary may not make a grant under this subpart to a local educational agency for a fiscal year if, for such fiscal year, the State in which the local educational agency is located takes into consideration payments made under this subpart in determining the eligibility of the local educational agency for State aid, or the amount of the State aid, with respect to the free public education of children during such fiscal year or the preceding fiscal year.

(c) REDUCTION OF PAYMENT FOR FAILURE TO MAINTAIN FISCAL EFFORT.—

(1) IN GENERAL.—The Secretary may not pay a local educational agency in a State the full amount of a grant award computed under section 7113 for any fiscal year unless the State educational agency notifies the Secretary, and the Sec-

retary determines, that with respect to the provision of free public education by the local educational agency for the preceding fiscal year, that the combined fiscal effort of the local educational agency and the State, computed on either a per student or aggregate expenditure basis was not less than 90 percent of the amount of the combined fiscal effort, computed on the same basis, for the second preceding fiscal year.

(2) FAILURE.—If, for any fiscal year, the Secretary determines that a local educational agency and State failed to maintain the combined fiscal effort at the level specified in paragraph (1), the Secretary shall—

(A) reduce the amount of the grant that would otherwise be made to such agency under this subpart in the exact proportion of the failure to maintain the fiscal effort at such level; and

(B) not use the reduced amount of the combined fiscal effort for the year to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1) during the fiscal year for which the determination is made.

(3) WAIVER.—

(A) IN GENERAL.—The Secretary may waive the requirement of paragraph (1) for a local educational agency, for not more than 1 year at a time, if the Secretary determines that the failure to comply with such requirement is due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the agency's financial resources.

(B) FUTURE DETERMINATIONS.—The Secretary shall not use the reduced amount of the combined fiscal effort for the year for which the waiver is granted to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1) in the absence of the waiver during the fiscal year for which the waiver is granted.

(d) REALLOCATIONS.—The Secretary may reallocate, in a manner that the Secretary determines will best carry out the purpose of this subpart, any amounts that—

(1) based on estimates made by local educational agencies or other information, the Secretary determines will not be needed by such agencies to carry out approved programs under this subpart; or

(2) otherwise become available for reallocation under this subpart.

SEC. 7119. STATE EDUCATIONAL AGENCY REVIEW.

Before submitting an application to the Secretary under section 7114, a local educational agency shall submit the application to the State educational agency, which may comment on the application. If the State educational agency comments on the application, the agency shall comment on each such application submitted by a local educational agency in the State and shall provide the comment to

the appropriate local educational agency, with an opportunity to respond.

Subpart 2—Special Programs and Projects To Improve Educational Opportunities for Indian Children

SEC. 7121. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN.

(a) PURPOSE.—

(1) IN GENERAL.—The purpose of this section is to support projects to develop, test, and demonstrate the effectiveness of services and programs to improve educational opportunities and achievement of Indian children.

(2) COORDINATION.—The Secretary shall take such actions as are necessary to achieve the coordination of activities assisted under this subpart with—

(A) other programs funded under this Act; and

(B) other Federal programs operated for the benefit of American Indian and Alaska Native children.

(b) ELIGIBLE ENTITIES.—In this section, the term "eligible entity" means a State educational agency, local educational agency, Indian tribe, Indian organization, federally supported elementary school or secondary school for Indian students, Indian institution (including an Indian institution of higher education) or a consortium of such entities.

(c) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary shall award grants to eligible entities to enable such entities to carry out activities that meet the purpose specified in subsection (a)(1), including—

(A) innovative programs related to the educational needs of educationally disadvantaged children;

(B) educational services that are not available to such children in sufficient quantity or quality, including remedial instruction, to raise the achievement of Indian children in 1 or more of the core academic subjects of English, mathematics, science, foreign languages, art, history, and geography;

(C) bilingual and bicultural programs and projects;

(D) special health and nutrition services, and other related activities, that address the special health, social, and psychological problems of Indian children;

(E) special compensatory and other programs and projects designed to assist and encourage Indian children to enter, remain in, or reenter school, and to increase the rate of secondary school graduation for Indian children;

(F) comprehensive guidance, counseling, and testing services;

(G) early childhood and kindergarten programs, including family-based preschool programs that emphasize school readiness and parental skills, and the provision of services to Indian children with disabilities;

(H) partnership projects between local educational agencies and institutions of higher education that allow secondary school students to enroll in courses at the postsec-

ondary level to aid such students in the transition from secondary school to postsecondary education;

(I) partnership projects between schools and local businesses for school-to-work transition programs designed to provide Indian youth with the knowledge and skills the youth need to make an effective transition from school to a first job in a high-skill, high-wage career;

(J) programs designed to encourage and assist Indian students to work toward, and gain entrance into, an institution of higher education;

(K) family literacy services; or

(L) other services that meet the purpose described in subsection (a)(1).

(2) PRE-SERVICE OR IN-SERVICE TRAINING.—Pre-service or in-service training of professional and paraprofessional personnel may be a part of any program assisted under this section.

(d) GRANT REQUIREMENTS AND APPLICATIONS.—

(1) GRANT REQUIREMENTS.—

(A) IN GENERAL.—The Secretary may make multiyear grants under subsection (c) for the planning, development, pilot operation, or demonstration of any activity described in subsection (c). The Secretary shall make the grants for periods of not more than 5 years.

(B) PRIORITY.—In making multiyear grants described in this paragraph, the Secretary shall give priority to entities submitting applications that present a plan for combining 2 or more of the activities described in subsection (c) over a period of more than 1 year.

(C) PROGRESS.—The Secretary shall make a payment for a grant described in this paragraph to an eligible entity after the initial year of the multiyear grant period only if the Secretary determines that the eligible entity has made substantial progress in carrying out the activities assisted under the grant in accordance with the application submitted under paragraph (3) and any subsequent modifications to such application.

(2) DISSEMINATION GRANTS.—

(A) IN GENERAL.—In addition to awarding the multiyear grants described in paragraph (1), the Secretary may award grants under subsection (c) to eligible entities for the dissemination of exemplary materials or programs assisted under this section.

(B) DETERMINATION.—The Secretary may award a dissemination grant described in this paragraph if, prior to awarding the grant, the Secretary determines that the material or program to be disseminated—

(i) has been adequately reviewed;

(ii) has demonstrated educational merit; and

(iii) can be replicated.

(3) APPLICATION.—

(A) IN GENERAL.—Any eligible entity that desires to receive a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

(B) CONTENTS.—Each application submitted to the Secretary under subparagraph (A), other than an application for a dissemination grant under paragraph (2), shall contain—

(i) a description of how parents of Indian children and representatives of Indian tribes have been, and will be, involved in developing and implementing the activities for which assistance is sought;

(ii) assurances that the applicant will participate, at the request of the Secretary, in any national evaluation of activities assisted under this section;

(iii) information demonstrating that the proposed program for the activities is a scientifically based research program, which may include a program that has been modified to be culturally appropriate for students who will be served;

(iv) a description of how the applicant will incorporate the proposed activities into the ongoing school program involved once the grant period is over; and

(v) such other assurances and information as the Secretary may reasonably require.

(e) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds provided to a grant recipient under this subpart for any fiscal year may be used to pay for administrative costs.

SEC. 7122. PROFESSIONAL DEVELOPMENT.

(a) PURPOSES.—The purposes of this section are—

(1) to increase the number of qualified Indian individuals in teaching or other education professions that serve Indian people;

(2) to provide training to qualified Indian individuals to enable such individuals to become teachers, administrators, teacher aides, social workers, and ancillary educational personnel; and

(3) to improve the skills of qualified Indian individuals who serve in the capacities described in paragraph (2).

(b) ELIGIBLE ENTITIES.—In this section, the term "eligible entity" means a consortium of—

(1) a State or local educational agency; and

(2) an institution of higher education (including an Indian institution of higher education) or an Indian tribe or organization.

(c) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to eligible entities with applications approved under subsection (e) to enable such entities to carry out the activities described in subsection (d).

(d) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—Grant funds made available under subsection (c) shall be used for activities to provide support and training for Indian individuals in a manner consistent with the purposes of this section. Such activities may include continuing programs, symposia, workshops, conferences, and direct financial support.

(2) SPECIAL RULES.—

(A) TYPE OF TRAINING.—For education personnel, the training received pursuant to a grant awarded under subsection (c) may be in-service or pre-service training.

(B) PROGRAM.—For individuals who are being trained to enter any field other than education, the training received pursuant to a grant awarded under subsection (c) shall be in a program that results in a graduate degree.

(e) APPLICATION.—Each eligible entity desiring a grant under subsection (c) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information, as the Secretary may reasonably require.

(f) SPECIAL RULE.—In awarding grants under subsection (c), the Secretary—

(1) shall consider the prior performance of an eligible entity; and

(2) may not limit eligibility to receive a grant under subsection (c) on the basis of—

(A) the number of previous grants the Secretary has awarded such entity; or

(B) the length of any period during which such entity received such grants.

(g) GRANT PERIOD.—Each grant awarded under subsection (c) shall be awarded for a program of activities of not more than 5 years.

(h) SERVICE OBLIGATION.—

(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives pre-service training pursuant to a grant awarded under subsection (c)—

(A) perform work—

(i) related to the training received under this section; and

(ii) that benefits Indian people; or

(B) repay all or a prorated part of the assistance received for the training.

(2) REPORTING.—The Secretary shall establish, by regulation, a reporting procedure under which a recipient of the pre-service training shall, not later than 12 months after the date of completion of the training, and periodically thereafter, provide information concerning the compliance of such recipient with the work requirement described in paragraph (1).

(i) INSERVICE TRAINING FOR TEACHERS OF INDIAN CHILDREN.—

(1) GRANTS AUTHORIZED.—In addition to the grants authorized by subsection (c), the Secretary may make grants to eligible consortia for the provision of high quality in-service training. The Secretary may make such a grant to—

(A) a consortium of a tribal college and an institution of higher education that awards a degree in education; or

(B) a consortium of—

(i) a tribal college;

(ii) an institution of higher education that awards a degree in education; and

(iii) 1 or more elementary schools or secondary schools operated by the Bureau of Indian Affairs, local

educational agencies serving Indian children, or tribal educational agencies.

(2) USE OF FUNDS.—

(A) IN-SERVICE TRAINING.—A consortium that receives a grant under paragraph (1) shall use the grant funds only to provide high quality in-service training to teachers, including teachers who are not Indians, in schools of local educational agencies with substantial numbers of Indian children enrolled in their schools, in order to better meet the needs of those children.

(B) COMPONENTS.—The training described in subparagraph (A) shall include such activities as preparing teachers to use the best available scientifically based research practices and learning strategies, and to make the most effective use of curricula and materials, to respond to the unique needs of Indian children in their classrooms.

(3) PREFERENCE FOR INDIAN APPLICANTS.—In applying section 7153 to this subsection, the Secretary shall give a preference to any consortium that includes 1 or more of the entities described in that section.

SEC. 7123. FELLOWSHIPS FOR INDIAN STUDENTS.

(a) FELLOWSHIPS.—

(1) AUTHORITY.—The Secretary is authorized to award fellowships to Indian students to enable such students to study in graduate and professional programs at institutions of higher education.

(2) REQUIREMENTS.—The fellowships described in paragraph (1) shall be awarded to Indian students to enable such students to pursue a course of study—

(A) of not more than 4 academic years; and

(B) that leads—

(i) toward a postbaccalaureate degree in medicine, clinical psychology, psychology, law, education, or a related field; or

(ii) to an undergraduate or graduate degree in engineering, business administration, natural resources, or a related field.

(b) STIPENDS.—The Secretary shall pay to Indian students awarded fellowships under subsection (a) such stipends (including allowances for subsistence of such students and dependents of such students) as the Secretary determines to be consistent with prevailing practices under comparable federally supported programs.

(c) PAYMENTS TO INSTITUTIONS IN LIEU OF TUITION.—The Secretary shall pay to the institution of higher education at which such a fellowship recipient is pursuing a course of study, in lieu of tuition charged to such recipient, such amounts as the Secretary may determine to be necessary to cover the cost of education provided to such recipient.

(d) SPECIAL RULES.—

(1) IN GENERAL.—If a fellowship awarded under subsection (a) is vacated prior to the end of the period for which the fellowship is awarded, the Secretary may award an additional fellowship for the unexpired portion of the period of the first fellowship.

(2) WRITTEN NOTICE.—Not later than 45 days before the commencement of an academic term, the Secretary shall provide to each individual who is awarded a fellowship under subsection (a) for such academic term written notice of—

(A) the amount of the funding for the fellowship; and

(B) any stipends or other payments that will be made under this section to, or for the benefit of, the individual for the academic term.

(3) PRIORITY.—Not more than 10 percent of the fellowships awarded under subsection (a) shall be awarded, on a priority basis, to persons receiving training in guidance counseling with a specialty in the area of alcohol and substance abuse counseling and education.

(e) SERVICE OBLIGATION.—

(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives financial assistance under this section—

(A) perform work—

(i) related to the training for which the individual receives the assistance under this section; and

(ii) that benefits Indian people; or

(B) repay all or a prorated portion of such assistance.

(2) REPORTING.—The Secretary shall establish, by regulation, a reporting procedure under which a recipient of assistance under this section shall, not later than 12 months after the date of completion of the training, and periodically thereafter, provide information concerning the compliance of such recipient with the work requirement described in paragraph (1).

(f) ADMINISTRATION OF FELLOWSHIPS.—The Secretary may administer the fellowships authorized under this section through a grant to, or contract or cooperative agreement with, an Indian organization with demonstrated qualifications to administer all facets of the program assisted under this section.

SEC. 7124. GIFTED AND TALENTED INDIAN STUDENTS.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized to—

(1) establish 2 centers for gifted and talented Indian students at tribally controlled community colleges in accordance with this section; and

(2) support demonstration projects described in subsection (c).

(b) ELIGIBLE ENTITIES.—The Secretary shall make grants, or enter into contracts, for the activities described in subsection (a), to or with—

(1) 2 tribally controlled community colleges that—

(A) are eligible for funding under the Tribally Controlled College or University Assistance Act of 1978; and

(B) are fully accredited; or

(2) if the Secretary does not receive applications that the Secretary determines to be approvable from 2 colleges that meet the requirements of paragraph (1), the American Indian Higher Education Consortium.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Funds made available through the grants made, or contracts entered into, by the Secretary under subsection (b) shall be used for—

(A) the establishment of centers described in subsection (a); and

(B) carrying out demonstration projects designed to—

(i) address the special needs of Indian students in elementary schools and secondary schools who are gifted and talented; and

(ii) provide such support services to the families of the students described in clause (i) as are needed to enable such students to benefit from the projects.

(2) SUBCONTRACTS.—Each recipient of a grant or contract under subsection (b) to carry out a demonstration project under subsection (a) may enter into a contract with any other entity, including the Children's Television Workshop, to carry out the demonstration project.

(3) DEMONSTRATION PROJECTS.—Demonstration projects assisted under subsection (b) may include—

(A) the identification of the special needs of gifted and talented Indian students, particularly at the elementary school level, giving attention to—

(i) identifying the emotional and psychosocial needs of such students; and

(ii) providing such support services to the families of such students as are needed to enable such students to benefit from the project;

(B) the conduct of educational, psychosocial, and developmental activities that the Secretary determines hold a reasonable promise of resulting in substantial progress toward meeting the educational needs of such gifted and talented children, including—

(i) demonstrating and exploring the use of Indian languages and exposure to Indian cultural traditions; and

(ii) carrying out mentoring and apprenticeship programs;

(C) the provision of technical assistance and the coordination of activities at schools that receive grants under subsection (d) with respect to the activities assisted under such grants, the evaluation of programs assisted under such grants, or the dissemination of such evaluations;

(D) the use of public television in meeting the special educational needs of such gifted and talented children;

(E) leadership programs designed to replicate programs for such children throughout the United States, including disseminating information derived from the demonstration projects conducted under subsection (a); and

(F) appropriate research, evaluation, and related activities pertaining to the needs of such children and to the provision of such support services to the families of such children as are needed to enable such children to benefit from the project.

(4) APPLICATION.—Each entity desiring a grant or contract under subsection (b) shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

(d) ADDITIONAL GRANTS.—

(1) IN GENERAL.—The Secretary, in consultation with the Secretary of the Interior, shall award 5 grants to schools funded by the Bureau of Indian Affairs (referred to individually in this section as a 'Bureau school') for program research and development and the development and dissemination of curriculum and teacher training material, regarding—

(A) gifted and talented students;

(B) college preparatory studies (including programs for Indian students with an interest in pursuing teaching careers);

(C) students with special culturally related academic needs, including students with social, lingual, and cultural needs; or

(D) mathematics and science education.

(2) APPLICATIONS.—Each Bureau school desiring a grant to conduct 1 or more of the activities described in paragraph (1) shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

(3) SPECIAL RULE.—Each application described in paragraph (2) shall be developed, and each grant under this subsection shall be administered, jointly by the supervisor of the Bureau school and the local educational agency serving such school.

(4) REQUIREMENTS.—In awarding grants under paragraph (1), the Secretary shall achieve a mixture of the programs described in paragraph (1) that ensures that Indian students at all grade levels and in all geographic areas of the United States are able to participate in a program assisted under this subsection.

(5) GRANT PERIOD.—Subject to the availability of appropriations, a grant awarded under paragraph (1) shall be awarded for a 3-year period and may be renewed by the Secretary for additional 3-year periods if the Secretary determines that the performance of the grant recipient has been satisfactory.

(6) DISSEMINATION.—

(A) COOPERATIVE EFFORTS.—The dissemination of any materials developed from activities assisted under paragraph (1) shall be carried out in cooperation with entities that receive funds pursuant to subsection (b).

(B) REPORT.—The Secretary shall prepare and submit to the Secretary of the Interior and to Congress a report concerning any results from activities described in this subsection.

(7) EVALUATION COSTS.—

(A) DIVISION.—The costs of evaluating any activities assisted under paragraph (1) shall be divided between the Bureau schools conducting such activities and the recipients of grants or contracts under subsection (b) who conduct demonstration projects under subsection (a).

(B) GRANTS AND CONTRACTS.—If no funds are provided under subsection (b) for—

(i) the evaluation of activities assisted under paragraph (1);

(ii) technical assistance and coordination with respect to such activities; or

(iii) the dissemination of the evaluations referred to in clause (i),

the Secretary shall make such grants, or enter into such contracts, as are necessary to provide for the evaluations, technical assistance, and coordination of such activities, and the dissemination of the evaluations.

(e) INFORMATION NETWORK.—The Secretary shall encourage each recipient of a grant or contract under this section to work cooperatively as part of a national network to ensure that the information developed by the grant or contract recipient is readily available to the entire educational community.

SEC. 7125. GRANTS TO TRIBES FOR EDUCATION ADMINISTRATIVE PLANNING AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary may make grants to Indian tribes, and tribal organizations approved by Indian tribes, to plan and develop a centralized tribal administrative entity to—

(1) coordinate all education programs operated by the tribe or within the territorial jurisdiction of the tribe;

(2) develop education codes for schools within the territorial jurisdiction of the tribe;

(3) provide support services and technical assistance to schools serving children of the tribe; and

(4) perform child-find screening services for the preschool-aged children of the tribe to—

(A) ensure placement in appropriate educational facilities; and

(B) coordinate the provision of any needed special services for conditions such as disabilities and English language skill deficiencies.

(b) PERIOD OF GRANT.—Each grant awarded under this section may be awarded for a period of not more than 3 years. Such grant may be renewed upon the termination of the initial period of the grant if the grant recipient demonstrates to the satisfaction of the Secretary that renewing the grant for an additional 3-year period is necessary to carry out the objectives of the grant described in subsection (c)(2)(A).

(c) APPLICATION FOR GRANT.—

(1) IN GENERAL.—Each Indian tribe and tribal organization desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, containing such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

(2) CONTENTS.—Each application described in paragraph (1) shall contain—

(A) a statement describing the activities to be conducted, and the objectives to be achieved, under the grant; and

(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and for determining whether such objectives are achieved.

(3) APPROVAL.—The Secretary may approve an application submitted by a tribe or tribal organization pursuant to this sec-

tion only if the Secretary is satisfied that such application, including any documentation submitted with the application—

(A) demonstrates that the applicant has consulted with other education entities, if any, within the territorial jurisdiction of the applicant who will be affected by the activities to be conducted under the grant;

(B) provides for consultation with such other education entities in the operation and evaluation of the activities conducted under the grant; and

(C) demonstrates that there will be adequate resources provided under this section or from other sources to complete the activities for which assistance is sought, except that the availability of such other resources shall not be a basis for disapproval of such application.

(d) RESTRICTION.—A tribe may not receive funds under this section if such tribe receives funds under section 1144 of the Education Amendments of 1978.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Education to carry out this section $3,000,000 for each of fiscal years 2002 through 2008.

Subpart 3—Special Programs Relating to Adult Education for Indians

SEC. 7131. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR ADULT INDIANS.

(a) IN GENERAL.—The Secretary shall make grants to State and local educational agencies and to Indian tribes, institutions, and organizations—

(1) to support planning, pilot, and demonstration projects that are designed to test and demonstrate the effectiveness of programs for improving employment and educational opportunities for adult Indians;

(2) to assist in the establishment and operation of programs that are designed to stimulate—

(A) the provision of basic literacy opportunities for all nonliterate Indian adults; and

(B) the provision of opportunities to all Indian adults to qualify for a secondary school diploma, or its recognized equivalent, in the shortest period of time feasible;

(3) to support a major research and development program to develop more innovative and effective techniques for achieving literacy and secondary school equivalency for Indians;

(4) to provide for basic surveys and evaluations to define accurately the extent of the problems of illiteracy and lack of secondary school completion among Indians; and

(5) to encourage the dissemination of information and materials relating to, and the evaluation of, the effectiveness of education programs that may offer educational opportunities to Indian adults.

(b) EDUCATIONAL SERVICES.—The Secretary may make grants to Indian tribes, institutions, and organizations to develop and establish educational services and programs specifically designed to improve educational opportunities for Indian adults.

(c) INFORMATION AND EVALUATION.—The Secretary may make grants to, and enter into contracts with, public agencies and institutions and Indian tribes, institutions, and organizations, for—

(1) the dissemination of information concerning educational programs, services, and resources available to Indian adults, including evaluations of the programs, services, and resources; and

(2) the evaluation of federally assisted programs in which Indian adults may participate to determine the effectiveness of the programs in achieving the purposes of the programs with respect to Indian adults.

(d) APPLICATIONS.—

(1) IN GENERAL.—Each entity desiring a grant or contract under this section shall submit to the Secretary an application at such time, in such manner, containing such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

(2) CONTENTS.—Each application described in paragraph (1) shall contain—

(A) a statement describing the activities to be conducted and the objectives to be achieved under the grant or contract; and

(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and determining whether the objectives of the grant or contract are achieved.

(3) APPROVAL.—The Secretary shall not approve an application described in paragraph (1) unless the Secretary determines that such application, including any documentation submitted with the application, indicates that—

(A) there has been adequate participation, by the individuals to be served and the appropriate tribal communities, in the planning and development of the activities to be assisted; and

(B) the individuals and tribal communities referred to in subparagraph (A) will participate in the operation and evaluation of the activities to be assisted.

(4) PRIORITY.—In approving applications under paragraph (1), the Secretary shall give priority to applications from Indian educational agencies, organizations, and institutions.

(e) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds made available to an entity through a grant or contract made or entered into under this section for a fiscal year may be used to pay for administrative costs.

Subpart 4—National Research Activities

SEC. 7141. NATIONAL ACTIVITIES.

(a) AUTHORIZED ACTIVITIES.—The Secretary may use funds made available under section 7162(b) for each fiscal year to—

(1) conduct research related to effective approaches for the education of Indian children and adults;

(2) evaluate federally assisted education programs from which Indian children and adults may benefit;

(3) collect and analyze data on the educational status and needs of Indians; and

(4) carry out other activities that are consistent with the purpose of this part.

(b) ELIGIBILITY.—The Secretary may carry out any of the activities described in subsection (a) directly or through grants to, or contracts or cooperative agreements with, Indian tribes, Indian organizations, State educational agencies, local educational agencies, institutions of higher education, including Indian institutions of higher education, and other public and private agencies and institutions.

(c) COORDINATION.—Research activities supported under this section—

(1) shall be carried out in consultation with the Office of Educational Research and Improvement to assure that such activities are coordinated with and enhance the research and development activities supported by the Office of Educational Research and Improvement; and

(2) may include collaborative research activities that are jointly funded and carried out by the Office of Indian Education and the Office of Educational Research and Improvement.

(d) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds made available to an entity through a grant, contract, or agreement made or entered into under this subpart for a fiscal year may be used to pay for administrative costs.

Subpart 5—Federal Administration

SEC. 7151. NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION.

(a) MEMBERSHIP.—There is established a National Advisory Council on Indian Education (referred to in this section as the 'Council'), which shall—

(1) consist of 15 Indian members, who shall be appointed by the President from lists of nominees furnished, from time to time, by Indian tribes and Indian organizations; and

(2) represent different geographic areas of the United States.

(b) DUTIES.—The Council shall—

(1) advise the Secretary concerning the funding and administration (including the development of regulations and administrative policies and practices) of any program, including any program established under this part—

(A) with respect to which the Secretary has jurisdiction; and

(B)(i) that includes Indian children or adults as participants; or

(ii) that may benefit Indian children or adults;

(2) make recommendations to the Secretary for filling the position of Director of Indian Education whenever a vacancy occurs; and

(3) prepare and submit to Congress, not later than June 30 of each year, a report on the activities of the Council, including—

(A) any recommendations that the Council considers to be appropriate for the improvement of Federal education pro-

grams that include Indian children or adults as participants, or that may benefit Indian children or adults; and

(B) recommendations concerning the funding of any program described in subparagraph (A).

SEC. 7152. PEER REVIEW.

The Secretary may use a peer review process to review applications submitted to the Secretary under subpart 2, 3, or 4.

SEC. 7153. PREFERENCE FOR INDIAN APPLICANTS.

In making grants and entering into contracts or cooperative agreements under subpart 2, 3, or 4, the Secretary shall give a preference to Indian tribes, organizations, and institutions of higher education under any program with respect to which Indian tribes, organizations, and institutions are eligible to apply for grants, contracts, or cooperative agreements.

SEC. 7154. MINIMUM GRANT CRITERIA.

The Secretary may not approve an application for a grant, contract, or cooperative agreement under subpart 2 or 3 unless the application is for a grant, contract, or cooperative agreement that is—

(1) of sufficient size, scope, and quality to achieve the purpose or objectives of such grant, contract, or cooperative agreement; and

(2) based on relevant research findings.

Subpart 6—Definitions; Authorizations of Appropriations

SEC. 7161. DEFINITIONS.

In this part:

(1) ADULT.—The term 'adult' means an individual who—

(A) has attained age 16; or

(B) has attained an age that is greater than the age of compulsory school attendance under an applicable State law.

(2) FREE PUBLIC EDUCATION.—The term "free public education" means education that is—

(A) provided at public expense, under public supervision and direction, and without tuition charge; and

(B) provided as elementary or secondary education in the applicable State or to preschool children.

(3) INDIAN.—The term "Indian" means an individual who is—

(A) a member of an Indian tribe or band, as membership is defined by the tribe or band, including—

(i) any tribe or band terminated since 1940; and

(ii) any tribe or band recognized by the State in which the tribe or band resides;

(B) a descendant, in the first or second degree, of an individual described in subparagraph (A);

(C) an individual who is considered by the Secretary of the Interior to be an Indian for any purpose;

(D) an Eskimo, Aleut, or other Alaska Native (as defined in section 7306); or

(E) a member of an organized Indian group that received a grant under the Indian Education Act of 1988 as in effect

the day preceding the date of enactment of the "Improving America's Schools Act of 1994' (108 Stat. 3518).

SEC. 7162. AUTHORIZATIONS OF APPROPRIATIONS.

(a) SUBPART 1.—There are authorized to be appropriated to the Secretary of Education to carry out subpart 1 $93,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) SUBPARTS 2 THROUGH 4.—There are authorized to be appropriated to the Secretary of Education to carry out subparts 2, 3, and 4 $20,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

PART B—NATIVE HAWAIIAN EDUCATION

SEC. 7201. SHORT TITLE.

This part may be cited as the "Native Hawaiian Education Act".

SEC. 7202. FINDINGS.

Congress finds the following:

(1) Native Hawaiians are a distinct and unique indigenous people with a historical continuity to the original inhabitants of the Hawaiian archipelago, whose society was organized as a nation and internationally recognized as a nation by the United States, Britain, France, and Japan, as evidenced by treaties governing friendship, commerce, and navigation.

(2) At the time of the arrival of the first non-indigenous people in Hawai'i in 1778, the Native Hawaiian people lived in a highly organized, self-sufficient subsistence social system based on a communal land tenure system with a sophisticated language, culture, and religion.

(3) A unified monarchal government of the Hawaiian Islands was established in 1810 under Kamehameha I, the first King of Hawai'i.

(4) From 1826 until 1893, the United States recognized the sovereignty and independence of the Kingdom of Hawai'i, which was established in 1810 under Kamehameha I, extended full and complete diplomatic recognition to the Kingdom of Hawai'i, and entered into treaties and conventions with the Kingdom of Hawai'i to govern friendship, commerce and navigation in 1826, 1842, 1849, 1875, and 1887.

(5) In 1893, the sovereign, independent, internationally recognized, and indigenous government of Hawai'i, the Kingdom of Hawai'i, was overthrown by a small group of non-Hawaiians, including United States citizens, who were assisted in their efforts by the United States Minister, a United States naval representative, and armed naval forces of the United States. Because of the participation of United States agents and citizens in the overthrow of the Kingdom of Hawai'i, in 1993 the United States apologized to Native Hawaiians for the overthrow and the deprivation of the rights of Native Hawaiians to self-determination through Public Law 103–150 (107 Stat. 1510).

(6) In 1898, the joint resolution entitled "Joint Resolution to provide for annexing the Hawaiian Islands to the United States", approved July 7, 1898 (30 Stat. 750), ceded absolute

title of all lands held by the Republic of Hawai'i, including the government and crown lands of the former Kingdom of Hawai'i, to the United States, but mandated that revenue generated from the lands be used "solely for the benefit of the inhabitants of the Hawaiian Islands for educational and other public purposes".

(7) By 1919, the Native Hawaiian population had declined from an estimated 1,000,000 in 1778 to an alarming 22,600, and in recognition of this severe decline, Congress enacted the Hawaiian Homes Commission Act, 1920 (42 Stat. 108), which designated approximately 200,000 acres of ceded public lands for homesteading by Native Hawaiians.

(8) Through the enactment of the Hawaiian Homes Commission Act, 1920, Congress affirmed the special relationship between the United States and the Native Hawaiians, which was described by then Secretary of the Interior Franklin K. Lane, who said: "One thing that impressed me . . . was the fact that the natives of the island who are our wards, I should say, and for whom in a sense we are trustees, are falling off rapidly in numbers and many of them are in poverty.".

(9) In 1938, Congress again acknowledged the unique status of the Hawaiian people by including in the Act of June 20, 1938 (52 Stat. 781, chapter 530; 16 U.S.C. 391b, 391b–1, 392b, 392c, 396, 396a), a provision to lease lands within the National Parks extension to Native Hawaiians and to permit fishing in the area "only by native Hawaiian residents of said area or of adjacent villages and by visitors under their guidance.".

(10) Under the Act entitled "An Act to provide for the admission of the State of Hawai'i into the Union", approved March 18, 1959 (73 Stat. 4), the United States transferred responsibility for the administration of the Hawaiian Home Lands to the State of Hawai'i but reaffirmed the trust relationship between the United States and the Hawaiian people by retaining the exclusive power to enforce the trust, including the power to approve land exchanges and amendments to such Act affecting the rights of beneficiaries under such Act.

(11) In 1959, under the Act entitled "An Act to provide for the admission of the State of Hawai'i into the Union", the United States also ceded to the State of Hawai'i title to the public lands formerly held by the United States, but mandated that such lands be held by the State "in public trust" and reaffirmed the special relationship that existed between the United States and the Hawaiian people by retaining the legal responsibility to enforce the public trust responsibility of the State of Hawai'i for the betterment of the conditions of Native Hawaiians, as defined in section 201(a) of the Hawaiian Homes Commission Act, 1920.

(12) The United States has recognized and reaffirmed that—

(A) Native Hawaiians have a cultural, historic, and land-based link to the indigenous people who exercised sovereignty over the Hawaiian Islands, and that group has never relinquished its claims to sovereignty or its sovereign lands;

(B) Congress does not extend services to Native Hawaiians because of their race, but because of their unique sta-

tus as the indigenous people of a once sovereign nation as to whom the United States has established a trust relationship;

(C) Congress has also delegated broad authority to administer a portion of the Federal trust responsibility to the State of Hawai'i;

(D) the political status of Native Hawaiians is comparable to that of American Indians and Alaska Natives; and

(E) the aboriginal, indigenous people of the United States have—

(i) a continuing right to autonomy in their internal affairs; and

(ii) an ongoing right of self-determination and self-governance that has never been extinguished.

(13) The political relationship between the United States and the Native Hawaiian people has been recognized and reaffirmed by the United States, as evidenced by the inclusion of Native Hawaiians in—

(A) the Native American Programs Act of 1974 (42 U.S.C. 2991 et seq.);

(B) the American Indian Religious Freedom Act (42 U.S.C. 1996);

(C) the National Museum of the American Indian Act (20 U.S.C. 80q et seq.);

(D) the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001 et seq.);

(E) the National Historic Preservation Act (16 U.S.C. 470 et seq.);

(F) the Native American Languages Act (25 U.S.C. 2901 et seq.);

(G) the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4401 et seq.);

(H) the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.); and

(I) the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.).

(14) In 1981, Congress instructed the Office of Education to submit to Congress a comprehensive report on Native Hawaiian education. The report, entitled the "Native Hawaiian Educational Assessment Project", was released in 1983 and documented that Native Hawaiians scored below parity with regard to national norms on standardized achievement tests, were disproportionately represented in many negative social and physical statistics indicative of special educational needs, and had educational needs that were related to their unique cultural situation, such as different learning styles and low self-image.

(15) In recognition of the educational needs of Native Hawaiians, in 1988, Congress enacted title IV of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (102 Stat. 130) to authorize and develop supplemental educational programs to address the unique conditions of Native Hawaiians.

(16) In 1993, the Kamehameha Schools Bishop Estate released a 10-year update of findings of the Native Hawaiian Educational Assessment Project, which found that despite the successes of the programs established under title IV of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, many of the same educational needs still existed for Native Hawaiians. Subsequent reports by the Kamehameha Schools Bishop Estate and other organizations have generally confirmed those findings. For example—

(A) educational risk factors continue to start even before birth for many Native Hawaiian children, including—

(i) late or no prenatal care;

(ii) high rates of births by Native Hawaiian women who are unmarried; and

(iii) high rates of births to teenage parents;

(B) Native Hawaiian students continue to begin their school experience lagging behind other students in terms of readiness factors such as vocabulary test scores;

(C) Native Hawaiian students continue to score below national norms on standardized education achievement tests at all grade levels;

(D) both public and private schools continue to show a pattern of lower percentages of Native Hawaiian students in the uppermost achievement levels and in gifted and talented programs;

(E) Native Hawaiian students continue to be overrepresented among students qualifying for special education programs provided to students with learning disabilities, mild mental retardation, emotional impairment, and other such disabilities;

(F) Native Hawaiians continue to be underrepresented in institutions of higher education and among adults who have completed 4 or more years of college;

(G) Native Hawaiians continue to be disproportionately represented in many negative social and physical statistics indicative of special educational needs, as demonstrated by the fact that—

(i) Native Hawaiian students are more likely to be retained in grade level and to be excessively absent in secondary school;

(ii) Native Hawaiian students have the highest rates of drug and alcohol use in the State of Hawai'i; and

(iii) Native Hawaiian children continue to be disproportionately victimized by child abuse and neglect; and

(H) Native Hawaiians now comprise over 23 percent of the students served by the State of Hawai'i Department of Education, and there are and will continue to be geographically rural, isolated areas with a high Native Hawaiian population density.

(17) In the 1998 National Assessment of Educational Progress, Hawaiian fourth-graders ranked 39th among groups of students from 39 States in reading. Given that Hawaiian

students rank among the lowest groups of students nationally in reading, and that Native Hawaiian students rank the lowest among Hawaiian students in reading, it is imperative that greater focus be placed on beginning reading and early education and literacy in Hawai'i.

(18) The findings described in paragraphs (16) and (17) are inconsistent with the high rates of literacy and integration of traditional culture and Western education historically achieved by Native Hawaiians through a Hawaiian language-based public school system established in 1840 by Kamehameha III.

(19) Following the overthrow of the Kingdom of Hawai'i in 1893, Hawaiian medium schools were banned. After annexation, throughout the territorial and statehood period of Hawai'i, and until 1986, use of the Hawaiian language as an instructional medium in education in public schools was declared unlawful. The declaration caused incalculable harm to a culture that placed a very high value on the power of language, as exemplified in the traditional saying: "I ka 'ōlelo nō ke ola; I ka 'ōlelo nō ka make. In the language rests life; In the language rests death.".

(20) Despite the consequences of over 100 years of nonindigenous influence, the Native Hawaiian people are determined to preserve, develop, and transmit to future generations their ancestral territory and their cultural identity in accordance with their own spiritual and traditional beliefs, customs, practices, language, and social institutions.

(21) The State of Hawai'i, in the constitution and statutes of the State of Hawai'i—

(A) reaffirms and protects the unique right of the Native Hawaiian people to practice and perpetuate their culture and religious customs, beliefs, practices, and language;

(B) recognizes the traditional language of the Native Hawaiian people as an official language of the State of Hawai'i, which may be used as the language of instruction for all subjects and grades in the public school system; and

(C) promotes the study of the Hawaiian culture, language, and history by providing a Hawaiian education program and using community expertise as a suitable and essential means to further the program.

SEC. 7203. PURPOSES.

The purposes of this part are to—

(1) authorize and develop innovative educational programs to assist Native Hawaiians;

(2) provide direction and guidance to appropriate Federal, State, and local agencies to focus resources, including resources made available under this part, on Native Hawaiian education, and to provide periodic assessment and data collection;

(3) supplement and expand programs and authorities in the area of education to further the purposes of this title; and

(4) encourage the maximum participation of Native Hawaiians in planning and management of Native Hawaiian education programs.

SEC. 7204. NATIVE HAWAIIAN EDUCATION COUNCIL AND ISLAND COUNCILS.

(a) ESTABLISHMENT OF NATIVE HAWAIIAN EDUCATION COUNCIL.—In order to better effectuate the purposes of this part through the coordination of educational and related services and programs available to Native Hawaiians, including those programs receiving funding under this part, the Secretary is authorized to establish a Native Hawaiian Education Council (referred to in this part as the "Education Council").

(b) COMPOSITION OF EDUCATION COUNCIL.—The Education Council shall consist of not more than 21 members, unless otherwise determined by a majority of the council.

(c) CONDITIONS AND TERMS.—

(1) CONDITIONS.—At least 10 members of the Education Council shall be Native Hawaiian education service providers and 10 members of the Education Council shall be Native Hawaiians or Native Hawaiian education consumers. In addition, a representative of the State of Hawai'i Office of Hawaiian Affairs shall serve as a member of the Education Council.

(2) APPOINTMENTS.—The members of the Education Council shall be appointed by the Secretary based on recommendations received from the Native Hawaiian community.

(3) TERMS.—Members of the Education Council shall serve for staggered terms of 3 years, except as provided in paragraph (4).

(4) COUNCIL DETERMINATIONS.—Additional conditions and terms relating to membership on the Education Council, including term lengths and term renewals, shall be determined by a majority of the Education Council.

(d) NATIVE HAWAIIAN EDUCATION COUNCIL GRANT.—The Secretary shall make a direct grant to the Education Council in order to enable the Education Council to—

(1) coordinate the educational and related services and programs available to Native Hawaiians, including the programs assisted under this part;

(2) assess the extent to which such services and programs meet the needs of Native Hawaiians, and collect data on the status of Native Hawaiian education;

(3) provide direction and guidance, through the issuance of reports and recommendations, to appropriate Federal, State, and local agencies in order to focus and improve the use of resources, including resources made available under this part, relating to Native Hawaiian education, and serve, where appropriate, in an advisory capacity; and

(4) make direct grants, if such grants enable the Education Council to carry out the duties of the Education Council, as described in paragraphs (1) through (3).

(e) ADDITIONAL DUTIES OF THE EDUCATION COUNCIL.—

(1) IN GENERAL.—The Education Council shall provide copies of any reports and recommendations issued by the Education Council, including any information that the Education Council provides to the Secretary pursuant to subsection (i), to the Secretary, the Committee on Education and the Workforce of the

House of Representatives, and the Committee on Indian Affairs of the Senate.

(2) ANNUAL REPORT.—The Education Council shall prepare and submit to the Secretary an annual report on the Education Council's activities.

(3) ISLAND COUNCIL SUPPORT AND ASSISTANCE.—The Education Council shall provide such administrative support and financial assistance to the island councils established pursuant to subsection (f) as the Secretary determines to be appropriate, in a manner that supports the distinct needs of each island council.

(f) ESTABLISHMENT OF ISLAND COUNCILS.—

(1) IN GENERAL.—In order to better effectuate the purposes of this part and to ensure the adequate representation of island and community interests within the Education Council, the Secretary is authorized to facilitate the establishment of Native Hawaiian education island councils (referred to individually in this part as an "island council") for the following islands:

(A) Hawai'i.
(B) Maui.
(C) Moloka'i.
(D) Lana'i.
(E) O'ahu.
(F) Kaua'i.
(G) Ni'ihau.

(2) COMPOSITION OF ISLAND COUNCILS.—Each island council shall consist of parents, students, and other community members who have an interest in the education of Native Hawaiians, and shall be representative of individuals concerned with the educational needs of all age groups, from children in preschool through adults. At least 3/4 of the members of each island council shall be Native Hawaiians.

(g) ADMINISTRATIVE PROVISIONS RELATING TO EDUCATION COUNCIL AND ISLAND COUNCILS.—The Education Council and each island council shall meet at the call of the chairperson of the appropriate council, or upon the request of the majority of the members of the appropriate council, but in any event not less often than 4 times during each calendar year. The provisions of the Federal Advisory Committee Act shall not apply to the Education Council and each island council.

(h) COMPENSATION.—Members of the Education Council and each island council shall not receive any compensation for service on the Education Council and each island council, respectively.

(i) REPORT.—Not later than 4 years after the date of enactment of the Better Education for Students and Teachers Act, the Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Indian Affairs of the Senate a report that summarizes the annual reports of the Education Council, describes the allocation and use of funds under this part, and contains recommendations for changes in Federal, State, and local policy to advance the purposes of this part.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $300,000 for fiscal year

2002 and such sums as may be necessary for each of the 6 succeeding fiscal years. Funds appropriated under this subsection shall remain available until expended.

SEC. 7205. PROGRAM AUTHORIZED.

(a) GENERAL AUTHORITY.—

(1) GRANTS AND CONTRACTS.—The Secretary is authorized to make direct grants to, or enter into contracts with—

(A) Native Hawaiian educational organizations;

(B) Native Hawaiian community-based organizations;

(C) public and private nonprofit organizations, agencies, and institutions with experience in developing or operating Native Hawaiian programs or programs of instruction in the Native Hawaiian language; and

(D) consortia of the organizations, agencies, and institutions described in subparagraphs (A) through (C),

to carry out programs that meet the purposes of this part.

(2) PRIORITIES.—In awarding grants or contracts to carry out activities described in paragraph (3), the Secretary shall give priority to entities proposing projects that are designed to address—

(A) beginning reading and literacy among students in kindergarten through third grade;

(B) the needs of at-risk children and youth;

(C) needs in fields or disciplines in which Native Hawaiians are underemployed; and

(D) the use of the Hawaiian language in instruction.

(3) AUTHORIZED ACTIVITIES.—Activities provided through programs carried out under this part may include—

(A) the development and maintenance of a statewide Native Hawaiian early education and care system to provide a continuum of services for Native Hawaiian children from the prenatal period of the children through age 5;

(B) the operation of family-based education centers that provide such services as—

(i) programs for Native Hawaiian parents and their infants from the prenatal period of the infants through age 3;

(ii) preschool programs for Native Hawaiians; and

(iii) research on, and development and assessment of, family-based, early childhood, and preschool programs for Native Hawaiians;

(C) activities that enhance beginning reading and literacy in either the Hawaiian or the English language among Native Hawaiian students in kindergarten through third grade and assistance in addressing the distinct features of combined English and Hawaiian literacy for Hawaiian speakers in fifth and sixth grade;

(D) activities to meet the special needs of Native Hawaiian students with disabilities, including—

(i) the identification of such students and their needs;

(ii) the provision of support services to the families of those students; and

(iii) other activities consistent with the requirements of the Individuals with Disabilities Education Act;

(E) activities that address the special needs of Native Hawaiian students who are gifted and talented, including—

(i) educational, psychological, and developmental activities designed to assist in the educational progress of those students; and

(ii) activities that involve the parents of those students in a manner designed to assist in the students' educational progress;

(F) the development of academic and vocational curricula to address the needs of Native Hawaiian children and adults, including curriculum materials in the Hawaiian language and mathematics and science curricula that incorporate Native Hawaiian tradition and culture;

(G) professional development activities for educators, including—

(i) the development of programs to prepare prospective teachers to address the unique needs of Native Hawaiian students within the context of Native Hawaiian culture, language, and traditions;

(ii) in-service programs to improve the ability of teachers who teach in schools with concentrations of Native Hawaiian students to meet those students' unique needs; and

(iii) the recruitment and preparation of Native Hawaiians, and other individuals who live in communities with a high concentration of Native Hawaiians, to become teachers;

(H) the operation of community-based learning centers that address the needs of Native Hawaiian families and communities through the coordination of public and private programs and services, including—

(i) preschool programs;

(ii) after-school programs; and

(iii) vocational and adult education programs;

(I) activities to enable Native Hawaiians to enter and complete programs of postsecondary education, including—

(i) provision of full or partial scholarships for undergraduate or graduate study that are awarded to students based on their academic promise and financial need, with a priority, at the graduate level, given to students entering professions in which Native Hawaiians are underrepresented;

(ii) family literacy services;

(iii) counseling and support services for students receiving scholarship assistance;

(iv) counseling and guidance for Native Hawaiian secondary students who have the potential to receive scholarships; and

(v) faculty development activities designed to promote the matriculation of Native Hawaiian students;

(J) research and data collection activities to determine the educational status and needs of Native Hawaiian children and adults;

(K) other research and evaluation activities related to programs carried out under this part; and

(L) other activities, consistent with the purposes of this part, to meet the educational needs of Native Hawaiian children and adults.

(4) SPECIAL RULE AND CONDITIONS.—

(A) INSTITUTIONS OUTSIDE HAWAII.—The Secretary shall not establish a policy under this section that prevents a Native Hawaiian student enrolled at a 2- or 4-year degree granting institution of higher education outside of the State of Hawai'i from receiving a scholarship pursuant to paragraph (3)(I).

(B) SCHOLARSHIP CONDITIONS.—The Secretary shall establish conditions for receipt of a scholarship awarded under paragraph (3)(I). The conditions shall require that an individual seeking such a scholarship enter into a contract to provide professional services, either during the scholarship period or upon completion of a program of postsecondary education, to the Native Hawaiian community.

(b) ADMINISTRATIVE COSTS.—Not more than 5 percent of funds provided to a grant recipient under this section for any fiscal year may be used for administrative purposes.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $28,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years. Funds appropriated under this subsection shall remain available until expended.

SEC. 7206. ADMINISTRATIVE PROVISIONS.

(a) APPLICATION REQUIRED.—No grant may be made under this part, and no contract may be entered into under this part, unless the entity seeking the grant or contract submits an application to the Secretary at such time, in such manner, and containing such information as the Secretary may determine to be necessary to carry out the provisions of this part.

(b) SPECIAL RULE.—Each applicant for a grant or contract under this part shall submit the application for comment to the local educational agency serving students who will participate in the program to be carried out under the grant or contract, and include those comments, if any, with the application to the Secretary.

SEC. 7207. DEFINITIONS.

In this part:

(1) NATIVE HAWAIIAN.—The term "Native Hawaiian" means any individual who is—

(A) a citizen of the United States; and

(B) a descendant of the aboriginal people who, prior to 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawai'i, as evidenced by—

(i) genealogical records;

(ii) Kupuna (elders) or Kamaʻaina (long-term community residents) verification; or

(iii) certified birth records.

(2) NATIVE HAWAIIAN COMMUNITY-BASED ORGANIZATION.—The term "Native Hawaiian community-based organization" means any organization that is composed primarily of Native Hawaiians from a specific community and that assists in the social, cultural, and educational development of Native Hawaiians in that community.

(3) NATIVE HAWAIIAN EDUCATIONAL ORGANIZATION.—The term "Native Hawaiian educational organization" means a private nonprofit organization that—

(A) serves the interests of Native Hawaiians;

(B) has Native Hawaiians in substantive and policy-making positions within the organization;

(C) incorporates Native Hawaiian perspective, values, language, culture, and traditions into the core function of the organization;

(D) has demonstrated expertise in the education of Native Hawaiian youth; and

(E) has demonstrated expertise in research and program development.

(4) NATIVE HAWAIIAN LANGUAGE.—The term "Native Hawaiian language" means the single Native American language indigenous to the original inhabitants of the State of Hawaiʻi.

(5) NATIVE HAWAIIAN ORGANIZATION.—The term "Native Hawaiian organization" means a private nonprofit organization that—

(A) serves the interests of Native Hawaiians;

(B) has Native Hawaiians in substantive and policy-making positions within the organizations; and

(C) is recognized by the Governor of Hawaiʻi for the purpose of planning, conducting, or administering programs (or portions of programs) for the benefit of Native Hawaiians.

(6) OFFICE OF HAWAIIAN AFFAIRS.—The term "Office of Hawaiian Affairs" means the office of Hawaiian Affairs established by the Constitution of the State of Hawaiʻi.

PART C—ALASKA NATIVE EDUCATION

SEC. 7301. SHORT TITLE.

This part may be cited as the "Alaska Native Educational Equity, Support, and Assistance Act".

SEC. 7302. FINDINGS.

Congress finds the following:

(1) The attainment of educational success is critical to the betterment of the conditions, long-term well-being, and preservation of the culture of Alaska Natives.

(2) It is the policy of the Federal Government to encourage the maximum participation by Alaska Natives in the planning and the management of Alaska Native education programs.

(3) Alaska Native children enter and exit school with serious educational handicaps.

(4) The educational achievement of Alaska Native children is far below national norms. Native performance on standardized tests is low, Native student dropout rates are high, and Natives are significantly underrepresented among holders of baccalaureate degrees in the State of Alaska. As a result, Native students are being denied their opportunity to become full participants in society by grade school and high school educations that are condemning an entire generation to an underclass status and a life of limited choices.

(5) The programs authorized in this title, combined with expanded Head Start, infant learning and early childhood education programs, and parent education programs are essential if educational handicaps are to be overcome.

(6) The sheer magnitude of the geographic barriers to be overcome in delivering educational services in rural Alaska and Alaska villages should be addressed through the development and implementation of innovative, model programs in a variety of areas.

(7) Congress finds that Native children should be afforded the opportunity to begin their formal education on a par with their non-Native peers. The Federal Government should lend support to efforts developed by and undertaken within the Alaska Native community to improve educational opportunity for all students.

SEC. 7303. PURPOSES.

The purposes of this part are to—

(1) recognize the unique educational needs of Alaska Natives;

(2) authorize the development of supplemental educational programs to benefit Alaska Natives;

(3) supplement programs and authorities in the area of education to further the objectives of this part; and

(4) provide direction and guidance to appropriate Federal, State, and local agencies to focus resources, including resources made available under this part, on meeting the educational needs of Alaska Natives.

SEC. 7304. PROGRAM AUTHORIZED.

(a) GENERAL AUTHORITY.—

(1) GRANTS AND CONTRACTS.—The Secretary is authorized to make grants to, or enter into contracts with, Alaska Native organizations, educational entities with experience in developing or operating Alaska Native programs or programs of instruction conducted in Alaska Native languages, and consortia of such organizations and entities to carry out programs that meet the purposes of this part.

(2) PERMISSIBLE ACTIVITIES.—Activities provided through programs carried out under this part may include—

(A) the development and implementation of plans, methods, and strategies to improve the education of Alaska Natives;

(B) the development of curricula and educational programs that address the educational needs of Alaska Native students, including—

(i) curriculum materials that reflect the cultural diversity or the contributions of Alaska Natives;

(ii) instructional programs that make use of Native Alaskan languages; and

(iii) networks that introduce successful programs, materials, and techniques to urban and rural schools;

(C) professional development activities for educators, including—

(i) programs to prepare teachers to address the cultural diversity and unique needs of Alaska Native students;

(ii) in-service programs to improve the ability of teachers to meet the unique needs of Alaska Native students; and

(iii) recruitment and preparation of teachers who are Alaska Native, reside in communities with high concentrations of Alaska Native students, or are likely to succeed as teachers in isolated, rural communities and engage in cross-cultural instruction in Alaska;

(D) the development and operation of home instruction programs for Alaska Native preschool children, the purpose of which is to ensure the active involvement of parents in their children's education from the earliest ages;

(E) family literacy services;

(F) the development and operation of student enrichment programs in science and mathematics that—

(i) are designed to prepare Alaska Native students from rural areas, who are preparing to enter secondary school, to excel in science and math; and

(ii) provide appropriate support services to the families of such students that are needed to enable such students to benefit from the programs;

(G) research and data collection activities to determine the educational status and needs of Alaska Native children and adults;

(H) other research and evaluation activities related to programs carried out under this part; and

(I) other activities, consistent with the purposes of this part, to meet the educational needs of Alaska Native children and adults.

(3) HOME INSTRUCTION PROGRAMS.—Home instruction programs for Alaska Native preschool children carried out under paragraph (2)(D) may include—

(A) programs for parents and their infants, from the prenatal period of the infant through age 3;

(B) preschool programs; and

(C) training, education, and support for parents in such areas as reading readiness, observation, story telling, and critical thinking.

(b) ADMINISTRATIVE COSTS.—Not more than 5 percent of funds provided to a grant recipient under this section for any fiscal year may be used for administrative purposes.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $17,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

SEC. 7305. ADMINISTRATIVE PROVISIONS.

(a) APPLICATION REQUIRED.—No grant may be made under this part, and no contract may be entered into under this part, unless the entity seeking the grant or contract submits an application to the Secretary at such time, in such manner, and containing such information as the Secretary may determine to be necessary to carry out the provisions of this part.

(b) APPLICATIONS.—A State educational agency or local educational agency may apply for a grant or contract under this part only as part of a consortium involving an Alaska Native organization. The consortium may include other eligible applicants.

(c) CONSULTATION REQUIRED.—Each applicant for a grant or contract under this part shall provide for ongoing advice from and consultation with representatives of the Alaska Native community.

(d) LOCAL EDUCATIONAL AGENCY COORDINATION.—Each applicant for a grant or contract under this part shall inform each local educational agency serving students who will participate in the program to be carried out under the grant or contract about the application.

SEC. 7306. DEFINITIONS.

In this part:

(1) ALASKA NATIVE.—The term 'Alaska Native' has the meaning given the term 'Native' in section 3(b) of the Alaska Native Claims Settlement Act.

(2) ALASKA NATIVE ORGANIZATION.—The term 'Alaska Native organization' means a federally recognized tribe, consortium of tribes, regional nonprofit Native association, or another organization that—

(A) has or commits to acquire expertise in the education of Alaska Natives; and

(B) has Alaska Natives in substantive and policymaking positions within the organization.

[Titles IX through XIV are repealed.]

TITLE IX—MISCELLANEOUS PROVISIONS

PART A—INDEPENDENT EVALUATION

SEC. 9101. IN GENERAL.

The Secretary is authorized to award a grant to the Board on Testing and Assessment of the National Research Council of the National Academy of Sciences to enable the Board to conduct, in consultation with the Department (and others that the Board determines appropriate), an ongoing evaluation, not to exceed 4 years in duration, of a representative sample of State and local educational agencies regarding high stakes assessments used by the State and

local educational agencies. The evaluation shall be based on a research design determined by the Board, in consultation with others, that includes existing data, and the development of new data as feasible and advisable. The evaluation shall address, at a minimum, the 3 components described in section 9102.

SEC. 9102. COMPONENTS EVALUATED.

The 3 components of the evaluation described in section 9101 are as follows:

(1) STUDENTS, TEACHERS, PARENTS, FAMILIES, SCHOOLS, AND SCHOOL DISTRICTS.—The intended and unintended consequences of the assessments on individual students, teachers, parents, families, schools, and school districts, including—

(A) overall improvement or decline in what students are learning based on independent measures;

(B) changes in course offerings, teaching practices, course content, and instructional material;

(C) measures of teacher satisfaction with the assessments;

(D) changes in rates of teacher and administrator turnover;

(E) changes in dropout, grade retention, and graduation rates for students;

(F) the relationship of student performance on the assessments to school resources, teacher and instructional quality, or such factors as language barriers or construct-irrelevant disabilities;

(G) changes in the frequency of referrals for enrichment opportunities, remedial measures, and other consequences;

(H) changes in student post-graduation outcomes, including admission to, and signs of success (such as reduced need for remediation services) at, colleges, community colleges, or technical school training programs;

(I) cost of preparing for, conducting, and grading the assessments in terms of dollars expended by the school district and time expended by students and teachers;

(J) changes in funding levels and distribution of instructional and staffing resources for schools based on the results of the assessments;

(K) purposes for which the assessments or components of the assessments are used beyond what is required under part A of title I, and the consequences for students and teachers because of those uses;

(L) differences in the areas studied under this section between high poverty and high concentration minority schools and school districts, and schools and school districts with lower rates of poverty and minority students; and

(M) the level of involvement of parents and families in the development and implementation of the assessments and the extent to which the parents and families are informed of assessment results and consequences.

(2) STUDENTS WITH DISABILITIES.—The intended and unintended consequences of the assessments for students with disabilities, including—

(A) the overall improvement or decline in academic achievement for students with disabilities;

(B) the numbers and characteristics of students with disabilities who are excluded from the assessments, and the number and type of modifications and accommodations extended;

(C) changes in the rate of referral of students to special education;

(D) changes in attendance patterns and dropout, retention, and graduation rates for students with disabilities;

(E) changes in rates at which students with disabilities are retained in grade level;

(F) changes in rates of transfers of students with disabilities to other schools or institutions; and

(G) the level of involvement of parents and families of students with disabilities in the development and implementation of the assessments and the extent to which the parents and families are informed of assessment results and consequences.

(3) LOW SOCIO-ECONOMIC STUDENTS, LIMITED ENGLISH PROFICIENT STUDENTS, AND MINORITY STUDENTS.—The intended and unintended consequences of the assessments for low socio-economic status students, limited English proficient students, and racial and ethnic minority students, independently and as compared to middle or high socio-economic status students, nonlimited English proficient students, and white students, including—

(A) the overall improvement or decline in academic achievement for such students;

(B) the numbers and characteristics of such students excused from taking the assessments, and the number and type of modifications and accommodations extended to such students;

(C) changes in the rate of referral of such students to special education;

(D) changes in attendance patterns and dropout and graduation rates for such students;

(E) changes in rates at which such students are retained in grade level;

(F) changes in rates of transfer of such students to other schools or institutions; and

(G) the level of involvement of parents and families of low socio-economic students, limited English proficient students, and racial and ethnic minority students in the development and implementation of the assessments and the extent to which the parents and families are informed of assessment results and consequences.

SEC. 9103. REPORTING.

The Secretary shall make public annually the results of the evaluation carried out under this part and shall report the findings of the evaluation to Congress and to the States not later than 2 months after the completion of the evaluation.

SEC. 9104. DEFINITIONS.

In this part:

(1) HIGH STAKES ASSESSMENT.—The term "high stakes assessment" means a standardized test that is one of the mandated determining factors in making decisions concerning a student's promotion, graduation, or tracking.

(2) STANDARDIZED TEST.—The term "standardized test" means a test that is administered and scored under conditions uniform to all students so that the test scores are comparable across individuals.

SEC. 9105. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part $4,000,000 for fiscal year 2002. Such funds shall remain available until expended.

STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT

* * * * * * *

SEC. 701. [42 U.S.C. 11421] STATE LITERACY INITIATIVES.

(a) GENERAL AUTHORITY.—

* * * * * * *

SEC. 721. [42 U.S.C. 11431] STATEMENT OF POLICY.

It is the policy of the Congress that—

(1) * * *

* * * * * * *

(3) homelessness alone [should not be] *is not* sufficient reason to separate students from the mainstream school environment; and

* * * * * * *

SEC. 722. [42 U.S.C. 11432] GRANTS FOR STATE AND LOCAL ACTIVITIES FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

(a) GENERAL AUTHORITY.—* * *

* * * * * * *

(c) ALLOCATION AND RESERVATIONS.—

(1) IN GENERAL.—Subject to paragraph (2) and [section 724(c)] *section 724(d),* from the amounts appropriated for each fiscal year under section 726, the Secretary is authorized to allot to each State an amount that bears the same ratio to the amount appropriated for such year under section 726 as the amount allocated under section 1122 of the Elementary and Secondary Education Act of 1965 to the State for that year bears to the total amount allocated under section 1122 to all States for that year, except that no State shall receive less than $100,000.

(2) RESERVATION.—(A) The Secretary is authorized to reserve 0.1 percent of the amount appropriated for each fiscal year under section 726 to be allocated by the Secretary among the Virgin Islands, Guam, American Samoa, *and* the Commonwealth of the Northern Mariana Islands[, and Palau (until the effective date of the Compact of Free Association with the Gov-

ernment of Palau)**]**, according to their respective need for assistance under this subtitle, as determined by the Secretary.

* * * * * * *

(3) DEFINITION.—As used in this subsection, the term "State" shall not include the Virgin Islands, Guam, American Samoa, *or* the Commonwealth of the Northern Mariana Islands**[**, or Palau**]**.

* * * * * * *

(e) STATE AND LOCAL GRANTS.—

(1) IN GENERAL.—* * *

* * * * * * *

(3) PROHIBITION ON SEGREGATING HOMELESS STUDENTS.—In providing a free public education to a homeless child or youth, no State receiving funds under this subtitle shall segregate such child or youth, either in a separate school, or in a separate program within a school, based on such child or youth's status as homeless, except as provided in section 723(a)(2)(B)(ii).

[(f) FUNCTIONS OF THE OFFICE OF COORDINATOR.—The Coordinator of Education of Homeless Children and Youth established in each State shall—

[(1) estimate the number of homeless children and youth in the State and the number of such children and youth served with assistance provided under the grants or contracts under this subtitle;

[(2) gather, to the extent possible, reliable, valid and comprehensive information on the nature and extent of the problems homeless children and youth have in gaining access to public preschool programs and to public elementary and secondary schools, the difficulties in identifying the special needs of such children and youth, any progress made by the State educational agency and local educational agencies in the State in addressing such problems and difficulties, and the success of the program under this subtitle in allowing homeless children and youth to enroll in, attend, and succeed in, school;

[(3) develop and carry out the State plan described in subsection (g);

[(4) prepare and submit to the Secretary not later than October 1, 1997, and on October 1 of every third year thereafter, a report on the information gathered pursuant to paragraphs (1) and (2) and such additional information as the Secretary may require to carry out the Secretary's responsibilities under this subtitle;

[(5) facilitate coordination between the State educational agency, the State social services agency, and other agencies providing services to homeless children and youth, including homeless children and youth who are preschool age, and families of such children and youth; and

[(6) develop relationships and coordinate with other relevant education, child development, or preschool programs and providers of services to homeless children, homeless families and runaway and homeless youth (including domestic violence agencies, shelter operators, transitional housing facilities, run-

away and homeless youth centers, and transitional living programs for homeless youth), to improve the provision of comprehensive services to homeless children and youth and their families.]

(f) FUNCTIONS OF THE OFFICE OF COORDINATOR.—The Coordinator of Education of Homeless Children and Youth established in each State shall—

(1) gather reliable, valid, and comprehensive information on the nature and extent of the problems homeless children and youth have in gaining access to public preschool programs and to public elementary schools and secondary schools, the difficulties in identifying the special needs of such children and youth, any progress made by the State educational agency and local educational agencies in the State in addressing such problems and difficulties, and the success of the program under this subtitle in allowing homeless children and youth to enroll in, attend, and succeed in, school;

(2) develop and carry out the State plan described in subsection (g);

(3) collect and transmit to the Secretary, at such time and in such manner as the Secretary may require, such information as the Secretary deems necessary to assess the educational needs of homeless children and youth within the State;

(4) facilitate coordination between the State educational agency, the State social services agency, and other agencies providing services to homeless children and youth, including homeless children and youth who are preschool age, and families of such children and youth;

(5) in order to improve the provision of comprehensive education and related services to homeless children and youth and their families, coordinate and collaborate with—

(A) educators, including child development and preschool program personnel;

(B) providers of services to homeless and runaway children and youth and homeless families (including domestic violence agencies, shelter operators, transitional housing facilities, runaway and homeless youth centers, and transitional living programs for homeless youth);

(C) local educational agency liaisons for homeless children and youth; and

(D) community organizations and groups representing homeless children and youth and their families; and

(6) provide technical assistance to local educational agencies in coordination with local liaisons established under this subtitle, to ensure that local educational agencies comply with the requirements of section 722(e)(3).

(g) STATE PLAN.—

(1) IN GENERAL.— * * *

* * * * * * *

(E) address problems set forth in [the report] *the information* provided to the Secretary under subsection [(f)(4)];

* * * * * * *

[(H) contain an assurance that the State educational agency and local educational agencies in the State will adopt policies and practices to ensure that homeless children and youth are not isolated or stigmatized.]

(H) contain assurances that—

(i) the State educational agency and local educational agencies in the State will adopt policies and practices to ensure that homeless children and youth are not segregated on the basis of their status as homeless or stigmatized; and

(ii) local educational agencies serving school districts in which homeless children and youth reside or attend school will—

(I) post public notice of the educational rights of such children and youth where such children and youth receive services under this Act (such as family shelters and soup kitchens); and

(II) designate an appropriate staff person, who may also be a coordinator for other Federal programs, as a liaison for homeless children and youth.

* * * * * * *

(2) COMPLIANCE.—Each plan adopted under this subsection shall also show how the State will ensure that local educational agencies in the State will comply with the requirements of [paragraphs (3) through (9)] *paragraphs (3) through (8)*.

[(3) LOCAL EDUCATIONAL AGENCY REQUIREMENTS.—(A) The local educational agency of each homeless child and youth to be assisted under this subtitle shall, according to the child's or youth's best interest, either—

[(i) continue the child's or youth's education in the school of origin—

[(I) for the remainder of the academic year; or

[(II) in any case in which a family becomes homeless between academic years, for the following academic year; or

[(ii) enroll the child or youth in any school that nonhomeless students who live in the attendance area in which the child or youth is actually living are eligible to attend.

[(B) In determining the best interests of the child or youth under subparagraph (A), the local educational agency shall comply, to the extent feasible, with the request made by a parent or guardian regarding school selection.

[(C) For purposes of this paragraph, the term "school of origin" means the school that the child or youth attended when permanently housed, or the school in which the child or youth was last enrolled.

[(D) The choice regarding placement shall be made regardless of whether the child or youth lives with the homeless parents or has been temporarily placed elsewhere by the parents.]

(3) LOCAL EDUCATIONAL AGENCY REQUIREMENTS.—

(A) IN GENERAL.—Each local educational agency serving a homeless child or youth assisted under this subtitle shall, according to the child's or youth's best interest—

(i) continue the child's or youth's education in the school of origin—

(I) for the duration of their homelessness;

(II) if the child becomes permanently housed, for the remainder of the academic year; or

(III) in any case in which a family becomes homeless between academic years, for the following academic year; or

(ii) enroll the child or youth in any school that non-homeless students who live in the attendance area in which the child or youth is actually living are eligible to attend.

(B) BEST INTEREST.—In determining the best interest of the child or youth under subparagraph (A), the local educational agency shall—

(i) to the extent feasible, keep a homeless child or youth in the school of origin, except when doing so is contrary to the wishes of the child's or youth's parent or guardian, or in the case of an unaccompanied youth, doing so is contrary to the youth's wish; and

(ii) provide a written explanation to the homeless child's or youth's parent or guardian when the local educational agency sends such child or youth to a school other than the school of origin or a school requested by the parent or guardian.

(C) ENROLLMENT.—

(i) DOCUMENTATION.—The school selected in accordance with this paragraph shall immediately enroll the homeless child or youth even if the child or youth is unable to produce records normally required for enrollment, such as previous academic records, medical records, proof of residency, or other documentation.

(ii) SPECIAL RULE.—The enrolling school immediately shall contact the school last attended by the child or youth to obtain relevant academic and other records. If the child or youth needs to obtain immunizations, the enrolling school shall promptly refer the child or youth to the appropriate authorities for such immunizations.

(iii) DISPUTES.—If a dispute arises over school selection or enrollment in a school, the child or youth shall be admitted immediately to the school in which the parent or guardian (or in the case of an unaccompanied youth, the youth) seeks enrollment pending resolution of the dispute.

(D) DEFINITION OF SCHOOL OF ORIGIN.—For purposes of this paragraph, the term "school of origin" means the school that the child or youth attended when permanently housed, or the school in which the child or youth was last enrolled.

(E) PLACEMENT CHOICE.—The choice regarding placement shall be made regardless of whether the child or youth lives with the homeless parents or has been temporarily placed elsewhere by the parents.

* * * * * * *

[(6) COORDINATION.—Each local educational agency serving homeless children and youth that receives assistance under this subtitle shall coordinate with local social services agencies and other agencies or programs providing services to such children or youth and their families, including services and programs funded under the Runaway and Homeless Youth Act.]

(6) COORDINATION.—

(A) IN GENERAL.—Each local educational agency serving homeless children and youth that receives assistance under this subtitle shall coordinate the provision of services under this subtitle with local services agencies and other agencies or programs providing services to homeless children and youth and their families, including services and programs funded under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.).

(B) HOUSING ASSISTANCE.—If applicable, each State and local educational agency that receives assistance under this subtitle shall coordinate with State and local housing agencies responsible for developing the comprehensive housing affordability strategy described in section 105 of the Cranston-Gonzales National Affordable Housing Act (42 U.S.C. 12705) to minimize educational disruption for children and youth who become homeless.

(C) COORDINATION PURPOSE.—The coordination required under subparagraphs (A) and (B) shall be designed to—

(i) ensure that homeless children and youth have access to available education and related support services; and

(ii) raise the awareness of school personnel and service providers of the effects of short-term stays in shelters and other challenges associated with homeless children and youth.

[(7) LIAISON.—(A) Each local educational agency that receives assistance under this subtitle shall designate a homelessness liaison to ensure that—

[(i) homeless children and youth enroll and succeed in the schools of that agency; and

[(ii) homeless families, children, and youth receive educational services for which such families, children, and youth are eligible, including Head Start and Even Start programs and preschool programs administered by the local educational agency, and referrals to health care services, dental services, mental health services, and other appropriate services.

[(B) State coordinators and local educational agencies shall inform school personnel, service providers, and advocates working with homeless families of the duties of the liaisons.]

(7) LIAISON.—

(A) IN GENERAL.— Each local liaison for homeless children and youth designated pursuant to paragraph (1)(H)(ii)(II) shall ensure that—

(i) homeless children and youth enroll, and have a full and equal opportunity to succeed, in the schools of the local educational agency;

(ii) homeless families, children, and youth receive educational services for which such families, children, and youth are eligible, including Head Start and Even Start programs and preschool programs administered by the local educational agency, and referrals to health care services, dental services, mental health services, and other appropriate services;

(iii) the parents or guardians of homeless children and youth are informed of the education and related opportunities available to their children and are provided with meaningful opportunities to participate in the education of their children; and

(iv) public notice of the educational rights of homeless children and youth is posted where such children and youth receive services under this Act (such as family shelters and soup kitchens).

(B) INFORMATION.—State coordinators in States receiving assistance under this subtitle and local educational agencies receiving assistance under this subtitle shall inform school personnel, service providers, and advocates working with homeless families of the duties of the liaisons for homeless children and youth.

(C) LOCAL AND STATE COORDINATION.—Liaisons for homeless children and youth shall, as a part of their duties, coordinate and collaborate with State coordinators and community and school personnel responsible for the provision of education and related services to homeless children and youth.

(D) DISPUTE RESOLUTION.—Unless another individual is designated by State law, the local liaison for homeless children and youth shall provide resource information and assist in resolving a dispute under this subtitle if such a dispute arises.

* * * * * * *

[(9) COORDINATION.—Where applicable, each State and local educational agency that receives assistance under this subtitle shall coordinate with State and local housing agencies responsible for developing the comprehensive housing affordability strategy described in section 105 of the Cranston-Gonzalez National Affordable Housing Act to minimize educational disruption for children who become homeless.**]**

SEC. 723. [42 U.S.C. 11433] LOCAL EDUCATIONAL AGENCY GRANTS FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

(a) GENERAL AUTHORITY.—

(1) IN GENERAL.— * * *

* * * * * * *

[(2) SERVICES.—Unless otherwise specified, services under paragraph (1) may be provided through programs on school grounds or at other facilities. Where such services are provided through programs to homeless students on school grounds, schools may provide services to other children and youth who are determined by the local educational agency to be at risk of failing in, or dropping out of, schools, in the same setting or classroom. To the maximum extent practicable, such services shall be provided through existing programs and mechanisms that integrate homeless individuals with nonhomeless individuals.]

(2) SERVICES.—

(A) IN GENERAL.—Services provided under paragraph (1)—

(i) may be provided through programs on school grounds or at other facilities;

(ii) shall, to the maximum extent practicable, be provided through existing programs and mechanisms that integrate homeless individuals with nonhomeless individuals; and

(iii) shall be designed to expand or improve services provided as part of a school's regular academic program, but not replace that program.

(B) SERVICES ON SCHOOL GROUNDS.—If services under paragraph (1) are provided on school grounds, schools—

(i) may use funds under this subtitle to provide the same services to other children and youth who are determined by the local educational agency to be at risk of failing in, or dropping out of, schools, subject to clause (ii); and

(ii) shall not provide services in settings within a school that segregates homeless children and youth from other children and youth, except as is necessary for short periods of time—

(I) for health and safety emergencies; or

(II) to provide temporary, special, supplementary services to meet the unique needs of homeless children and youth.

(b) APPLICATION.— * * *

* * * * * * *

(1) an assessment of the educational and related needs of homeless children and youth in the school district (which may be undertaken as a part of needs assessments for other disadvantaged groups);

[(1)]*(2)* a description of the services and programs for which assistance is sought and the problems to be addressed through the provision of such services and programs;

[(2)]*(3)* an assurance that the local educational agency's combined fiscal effort per student or the aggregate expenditures of that agency and the State with respect to the provision of free public education by such agency for the fiscal year preceding the fiscal year for which the determination is made was not less than 90 percent of such combined fiscal effort or aggre-

gate expenditures for the second fiscal year preceding the fiscal year for which the determination is made;

[(3)]*(4)* an assurance that the applicant complies with, or will use requested funds to come into compliance with, paragraphs (3) through [(9)] *(8)* of section 722(g); and

[(4)]*(5)* a description of policies and procedures that the agency will implement to ensure that activities carried out by the agency will not isolate or stigmatize homeless children and youth.

(c) AWARDS.—

[(1) IN GENERAL.—The State educational agency shall, in accordance with section 722(g) and from amounts made available to such agency under section 726, award grants under this section to local educational agencies submitting an application under subsection (b) on the basis of the need of such agencies.]

(1) IN GENERAL.—The State educational agency, in accordance with the requirements of this subtitle and from amounts made available to the State educational agency under section 726, shall award grants, on a competitive basis, to local educational agencies that submit applications under subsection (b). Such grants shall be awarded on the basis of the need of such agencies for assistance under this subtitle and the quality of the applications submitted.

* * * * * * *

(3) QUALITY.—In determining the quality of applications under paragraph (1), the State educational agency shall consider—

(A) the local educational agency's needs assessment under subsection (b)(1) and the likelihood that the program to be assisted will meet the needs;

(B) the types, intensity, and coordination of services to be assisted under the program;

(C) the involvement of parents or guardians;

(D) the extent to which homeless children and youth will be integrated within the regular education program;

(E) the quality of the local educational agency's evaluation plan for the program;

(F) the extent to which services provided under this subtitle will be coordinated with other available services;

(G) the extent to which the local educational agency provides case management or related services to homeless children and youth who are unaccompanied by a parent or guardian; and

(H) such other measures as the State educational agency determines indicative of a high-quality program.

[(3)]*(4)* DURATION OF GRANTS.—Grants awarded under this section shall be for terms not to exceed three years.

* * * * * * *

SEC. 724. [42 U.S.C. 11434] SECRETARIAL RESPONSIBILITIES.

(a) REVIEW OF PLANS.—In reviewing the State plans submitted by [the State educational] *State educational* agencies under section 722(g), the Secretary shall use a peer review process and shall evaluate whether State laws, policies, and practices described in

such plans adequately address the problems of homeless children and youth relating to access to education and placement as described in such plans.

* * * * * * *

(c) GUIDELINES.—The Secretary shall develop, issue, and publish in the Federal Register, not later than 60 days after the date of enactment of the Better Education for Students and Teachers Act, school enrollment guidelines for States with respect to homeless children and youth. The guidelines shall describe—

(1) successful ways in which a State may assist local educational agencies to enroll immediately homeless children and youth in school; and

(2) how a State can review the State's requirements regarding immunization and medical or school records and make revisions to the requirements as are appropriate and necessary in order to enroll homeless children and youth in school more quickly.

[(c)]*(d)* EVALUATION AND DISSEMINATION.—The Secretary shall conduct evaluation and dissemination activities of programs designed to meet the educational needs of homeless elementary and secondary school students, and may use funds apropriated under section 726 to conduct such activities.

[(d)]*(e)* SUBMISSION AND DISTRIBUTION.—The Secretary shall require applications for grants under this subtitle to be submitted to the Secretary not later than the expiration of the 60-day period beginning on the date that funds are available for purposes of making such grants and shall make such grants not later than the expiration of the 120-day period beginning on such date.

[(e)]*(f)* DETERMINATION BY SECRETARY.—The Secretary, based on the information received from the States and information gathered by the Secretary under [subsection (d)] *subsection (e)*, shall determine the extent to which State educational agencies are ensuring that each homeless child and homeless youth has access to a free appropriate public education as described in section 721(1).

[(f) REPORTS.—The Secretary shall prepare and submit a report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate on the programs and activities authorized by this subtitle by December 31, 1997, and every third year thereafter.]

(g) INFORMATION.—

(1) IN GENERAL.—From funds appropriated under section 726, the Secretary, directly or through grants, contracts, or cooperative agreements, shall periodically collect and disseminate data and information regarding—

(A) the number and location of homeless children and youth;

(B) the education and related services homeless children and youth receive;

(C) the extent to which the needs of homeless children and youth are met; and

(D) such other data and information as the Secretary determines necessary and relevant to carry out this subtitle.

(2) COORDINATION.—The Secretary shall coordinate such collection and dissemination with other agencies and entities that receive assistance and administer programs under this subtitle.

(h) REPORT.—Not later than 4 years after the date of enactment of the Better Education for Students and Teachers Act, the Secretary shall prepare and submit to the President and the appropriate committees of the House of Representatives and the Senate a report on the status of the education of homeless children and youth, which shall include information regarding—

(1) the education of homeless children and youth; and

(2) the actions of the Department of Education and the effectiveness of the programs supported under this subtitle.

SEC. 725. [42 U.S.C. 11434a] DEFINITIONS.

For the purpose of this subtitle, unless otherwise stated—

(1) the terms "local educational agency" and "State educational agency" have the meanings given the terms in section 3 of the Elementary and Secondary Education Act of 1965;

[(1)**]***(2)* the term "Secretary" means the Secretary of Education; and

[(2)**]***(3)* the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

[SEC. 726. [42 U.S.C. 11435] AUTHORIZATION OF APPROPRIATIONS.

[For the purpose of carrying out this subtitle, there are authorized to be appropriated $30,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.**]**

SEC. 726. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this subtitle, there are authorized to be appropriated $70,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 6 succeeding fiscal years.

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NATIONAL CHILD PROTECTION ACT OF 1993

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SEC. 5119C. DEFINITIONS.

For the purposes of this subchapter—

(1) * * *

* * * * * * *

(9) the term "provider" means—

(A) a person who—

(i) is employed by or volunteers with a qualified entity *(including an individual who is employed by a school in any capacity, including as a child care provider, a teacher, or another member of school personnel);*

* * * * * * *

(B) a person who—

(i) seeks to be employed by or volunteer with a qualified entity *(including an individual who seeks to be employed by a school in any capacity, including as*

a child care provider, a teacher, or another member of school personnel);

* * * * * * *

HIGHER EDUCATION ACT OF 1965

* * * * * * *

SEC. 317. ALASKA NATIVE AND NATIVE HAWAIIAN-SERVING INSTITUTIONS.

(a) PROGRAM AUTHORIZED.—* * *

* * * * * * *

(b) DEFINITIONS.—For the purpose of this section—

(1) the term "Alaska Native" has the meaning given the term in [section 9308] *section 7306* of the Elementary and Secondary Education Act of 1965;

* * * * * * *

(3) the term "Native Hawaiian" has the meaning given the term in [section 9212] *section 7207* of the Elementary and Secondary Education Act of 1965; and

* * * * * * *

[The Goals 2000: Educate America Act is repealed.]

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ASSETS FOR INDEPENDENCE ACT

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SEC. 604. USE OF GRANTS.

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HISTORICAL AND STATUTORY NOTES

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SEC. 404. DEFINITIONS.

[(11) TRIBAL GOVERNMENT.—The term "tribal government" means a tribal organization, as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b) or a Native Hawaiian organization, as defined in [section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912)] *section 7207 of the Native Hawaiian Education Act*.

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WORKFORCE INVESTMENT ACT OF 1998

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SEC. 2911. NATIVE AMERICAN PROGRAMS.

[(a) PURPOSE.—

[(1) IN GENERAL * * *

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[(b) DEFINITIONS.—As used in this section:

[(1) ALASKA NATIVE * * *

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[(3) NATIVE HAWAIIAN AND NATIVE HAWAIIAN ORGANIZATION.—The terms "Native Hawaiian" and "Native Hawaiian organization" have the meanings given such terms in [paragraphs (1) and (3), respectively, of section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912)] *section 7207 of the Native Hawaiian Education Act*.

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MUSEUM AND LIBRARY SERVICES ACT

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SEC. 9161. SERVICE TO NATIVE AMERICANS.

From amounts under section 9131(a)(1)(A) of this title for any fiscal year the Director shall award grants to Indian tribes and to organizations that primarily serve and represent Native Hawaiians (as the term is defined in [section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912)] *section 7207 of the Native Hawaiian Education Act* to enable such tribes and organizations to carry out the activities described in section 9141 of this title.

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CARL D. PERKINS VOCATIONAL AND TECHNICAL EDUCATION ACT OF 1998

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SEC 2326. NATIVE AMERICAN PROGRAM.

(a) DEFINITIONS.—In this section:

(1) ALASKA NATIVE * * *

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(5) NATIVE HAWAIIAN ORGANIZATION.—The term "Native Hawaiian organization" has the meaning given the term in [section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912)] *section 7207 of the Native Hawaiian Education Act*.

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SEC. 116. NATIVE AMERICAN PROGRAM.

(a) DEFINITIONS.—In this section:

(1) * * *

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(5) NATIVE HAWAIIAN ORGANIZATION.—The term "Native Hawaiian organization" has the meaning given the term in [section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912] *section 7207 of the Native Hawaiian Education Act*.

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NATIVE AMERICAN LANGUAGES ACT

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SEC. 2902. DEFINITIONS.

For purposes of this chapter—

(1) The term "Native American" means an Indian, Native Hawaiian, or Native American Pacific Islander.

(2) The term "Indian" has the meaning given to such term under [7881(4)] *section 7161(3) of the Elementary and Secondary Education Act of 1965* of Title 20.

(3) The term "Native Hawaiian" has the meaning given to such term by [section 7912(1)] *section 7207 of the Elementary and Secondary Education Act of 1965* of Title 20.

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JOHNSON—O' MALLEY ACT

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SEC. 456 LOCAL COMMITTEE OF INDIAN PARENTS IN SCHOOL DISTRICTS HAVING SCHOOL BOARDS COMPOSED OF NON-INDIAN MAJORITY.

(a) ELECTION; FUNCTIONS.—Whenever a school district affected by a contract or contracts for the education of Indians pursuant to sections 452 to 457 of this title has a local school board not composed of a majority of Indians, the parents of the Indian children enrolled in the school or schools affected by such contract or contracts shall elect a local committee from among their number. Such committee shall fully participate in the development of, and shall have the authority to approve or disapprove programs to be conducted under such contract or contracts, and shall carry out such other duties, and be so structured, as the Secretary of the Interior shall by regulation provide: *Provided, however,* That, whenever a local Indian committee or committees established pursuant to [section 7814(c)(4)] *section 7114(c)(4)* of Title 20 or an Indian advisory school board or boards established pursuant to sections 452 to 457 of this title prior to January 4, 1975, exists in such school district, such committee or board may, in the discretion of the affected tribal governing body or bodies, be utilized for the purposes of this section

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