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SCHOOL READINESS ACT OF 2005

JUNE 16, 2005.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. BOEHNER, from the Committee on Education and the Workforce, submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 2123]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and the Workforce, to whom was referred the bill (H.R. 2123) to reauthorize the Head Start Act to improve the school readiness of disadvantaged children, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "School Readiness Act of 2005".

SEC. 2. PURPOSE.

Section 636 of the Head Start Act (42 U.S.C. 9831) is amended to read as follows:

"SEC. 636. STATEMENT OF PURPOSE.

"It is the purpose of this subchapter to promote school readiness by enhancing the development of low-income children, including development of cognitive abilities, through educational instruction in prereading skills, premathematics skills, language, and social and emotional development linked to school readiness and through the provision to low-income children and their families of health, educational, nutritional, social and other services that are determined, based on family needs assessments, to be necessary.".

SEC. 3. DEFINITIONS.

Section 637 of the Head Start Act (42 U.S.C. 9832) is amended—

(1) in paragraph (17) by striking ", but for fiscal years" and all that follows down to the period;

(2) by redesignating paragraphs (16) and (17) as paragraphs (23) and (24), respectively;

(3) by redesignating paragraph (15) as paragraph (21);

(4) by redesignating paragraphs (11) through (14) as paragraphs (16) through (19), respectively;

(5) by redesignating paragraph (10) as paragraph (14);

(6) by redesignating paragraphs (3) through (9) as paragraphs (6) through (12), respectively;

(7) by redesignating paragraph (2) as paragraph (4);

(8) by inserting after paragraph (1) the following:

"(2) The term 'challenging State developed academic content standards' has the meaning given such term in paragraphs (1) and (5) of section 1111(b) of the Elementary and Secondary Education Act of 1965.

"(3) The term 'deficient' means—

"(A) systemic or significant failure of a Head Start agency in an area of performance that the Secretary determines involves—

"(i) a threat to the health, safety, or civil rights of children or staff;

"(ii) a denial to parents of the exercise of their full roles and responsibilities related to program governance;

"(iii) a failure to perform the requirements of section 641A(a), as determined by the Secretary;

"(iv) the misuse of funds received under this subchapter;

"(v) loss of legal status (as determined by the Secretary) or financial viability, loss of permits, debarment from receiving Federal grants or contracts, or the improper use of Federal funds; or

"(vi) failure to meet any other Federal or State requirement;

"(B) failure of the board of directors of a Head Start agency to fully exercise its legal and fiduciary responsibilities;

"(C) failure of a Head Start agency to meet the administrative requirements of section 644(b); or

"(D) failure of a Head Start agency to meet the integration requirements of section 642B(a).";

(9) by inserting after paragraph (4), as so redesignated, the following:

"(5) The term 'eligible entities' means an institution of higher education or other agency with expertise in delivering training in early childhood development, family support, and other assistance designed to improve the quality of early childhood education programs.";

(10) by inserting after paragraph (12), as so redesignated, the following:

"(13) The term 'homeless children' has the meaning given such term in subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435).";

(11) by inserting after paragraph (14), as so redesignated, the following:

"(15) LIMITED ENGLISH PROFICIENT; LIMITED ENGLISH PROFICIENCY.—The terms 'limited English proficient' and 'limited English proficiency' mean with respect to an individual, that such individual—

"(A)(i) was not born in the United States or has a native language that is not English;

"(ii)(I) is a Native American, an Alaska Native, or a native resident of a territory or possession of the United States; and

"(II) comes from an environment in which a language that is not English has had a significant impact on such individual's level of English language proficiency; or

"(iii) is migratory, has a native language that is not English, and comes from an environment in which a language that is not English is dominant; and

"(B) has difficultly in speaking or understanding the English language to an extent that may be sufficient to deny such individual—

"(i) the ability to successfully achieve in classrooms in which the language of instruction is English; or

"(ii) the opportunity to fully participate in society.";

(12) by inserting after paragraph (19), as so redesignated, the following:

"(20) PROFESSIONAL DEVELOPMENT.—The term 'professional development' means high quality activities that will enhance the school readiness of eligible children and prevent such children from encountering difficulties once they enter school by improving the knowledge and skills of Head Start teachers and staff, as relevant to their roles and functions, including activities that—

"(A) provide teachers with the content knowledge and teaching strategies needed to provide effective instruction and other school readiness services in early language and literacy, early mathematics, cognitive skills, ap-

proaches to learning, creative arts, science, physical health and development, and social and emotional development linked to school readiness;

"(B) assist teachers in meeting the requirements in paragraphs (1) and (2) of section 648A(a), as appropriate;

"(C) improve teachers' classroom management skills, as appropriate;

"(D) for teachers, are sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and teachers' performance in the classroom;

"(E) are not primarily 1-day or short-term workshops or conferences, and attendance at activities that are 1-day or short-term workshops or conferences must be as part of the professional development plan defined in section 648A(f);

"(F) assist teachers and staff in increasing their knowledge and skills in program administration, program quality, and the provision of services and instruction, as appropriate, in a manner that improves service delivery to eligible children and families;

"(G) are part of a sustained effort to improve overall program quality and outcomes for eligible children and families;

"(H) advance teacher understanding of effective instructional strategies that are—

"(i) based on scientifically based research; and

"(ii) strategies for improving school readiness or substantially increasing the knowledge and teaching skills of teachers;

"(I) are, where applicable, aligned with and directly related to—

"(i) challenging State academic content standards, student academic achievement standards, assessments, and the Head Start Child Outcomes Framework developed by the Secretary;

"(ii) the curricula, ongoing assessments, and other instruction and services designed to help meet the standards described in section 641A(a)(1); and

"(iii) the Head Start Child Outcomes Framework developed by the Secretary;

"(J) are developed or selected with extensive participation of administrators and teachers from Head Start programs;

"(K) are developmentally appropriate for the children being served;

"(L) are designed to give teachers of limited English proficient children, and other teachers and instructional staff, the knowledge and skills to provide instruction and appropriate language and support services to increase the English language skills of such children;

"(M) as a whole, are regularly evaluated for their impact on increased teacher and staff effectiveness and improved ability of teachers to support learning and increase participating children's school readiness, with the findings of the evaluations used to improve the quality of professional development;

"(N) provide instruction in methods of teaching children with special needs, as appropriate;

"(O) include instruction in ways that Head Start personnel may work more effectively with parents, as appropriate; and

"(P) are designed to give teachers and staff the knowledge and skills to provide instruction and appropriate support services to children of diverse backgrounds, as appropriate.";

(13) by inserting after paragraph (21), as so redesignated, the following:

"(22) The term 'scientifically based research'—

"(A) means research that involves the application of rigorous, systematic and objective procedures to obtain reliable and valid knowledge relevant to education activities and programs; and

"(B) includes 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 reliable and valid data across evaluators and observers, across multiple measurements and observations, and across studies by the same or different investigators;

"(iv) is evaluated using experimental or quasi-experimental designs in which individuals, entities, programs or activities are assigned to different conditions and with appropriate controls to evaluate the effects of the condition of interest, with a preference for random assignment

experiments, or other designs to the extent that those designs contain within-condition or across-condition controls;

"(v) ensures that experimental studies are presented in sufficient detail and clarity to allow for replication or, at a minimum, offer the opportunity to build systematically on their findings; and

"(vi) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review."; and

(14) by inserting after paragraph (24), as so redesignated, the following:

"(25) The term 'State educational agency' has the meaning given such term in the Elementary and Secondary Education Act of 1965.

"(26) The term 'unresolved area of noncompliance' means a failure to correct a noncompliance item within 90 days, or within such additional time (if any) authorized by the Secretary, after receiving from the Secretary notice of such noncompliance item.".

SEC. 4. FINANCIAL ASSISTANCE FOR HEAD START PROGRAMS.

Section 638 of the Head Start Act (42 U.S.C. 9833) is amended by inserting "for a period of 5 years" after "provide financial assistance to such agency".

SEC. 5. AUTHORIZATION.

Section 639 of the Head Start Act (42 U.S.C. 9834) is amended to read as follows:

"SEC. 639. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated for carrying out the provisions of this subchapter $6,899,000,000 for the fiscal year 2006 and such sums as may be necessary for the fiscal years 2007 through 2011.

"(b) SPECIFIC PROGRAMS.—From the amount appropriated under subsection (a), the Secretary shall make available not more than $20,000,000 for fiscal year 2006, and such sums as may be necessary for fiscal years 2007 through 2011 to carry out such other research, demonstration, and evaluation activities, including longitudinal studies, under section 649, of which not more than $7,000,000 for each of the fiscal years 2006 through 2011 to carry out impact studies under section 649(g).".

SEC. 6. ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE.

(a) ALLOTMENTS.—Section 640(a) of the Head Start Act (42 U.S.C. 9835(a)) is amended—

(1) in paragraph (2)—

(A) by amending subparagraph (A) to read as follows:

"(A) Indian Head Start programs, services for children with disabilities, and migrant and seasonal Head Start programs, except that—

"(i) there shall be made available for each fiscal year for use by Indian Head Start programs and by migrant and seasonal Head Start programs, on a nationwide basis, not less than the amount that was obligated for use by Indian Head Start programs and by migrant and seasonal Head Start programs for fiscal year 2005;

"(ii) migrant and seasonal Head Start programs shall receive at least 5 percent of the amount appropriated for such fiscal year until such time as the Secretary can make funding decisions to ensure access to funding for eligible children of migrant and seasonal farmworkers is comparable to access to funding for other eligible children based on the data collected and reported pursuant to section 648(j), except that no future reduction in funding shall result in the termination of Head Start services provided to any eligible child 3 years of age or older who is participating in any such program on the date a reduction in funding occurs, and shall, to the extent possible, continue participation for children less than 3 years of age receiving services prior to such reduction in funding; and

"(iii) Indian Head Start programs shall receive at least 3.5 percent of the amount appropriated for such fiscal year until such time as the Secretary can make funding decisions to ensure access to funding for eligible Indian children is comparable to access to funding for other eligible children;"; and

(B) by amending subparagraph (B) to read as follows:

"(B) payments, subject to paragraph (7) to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands of the United States, and subject to the requirements of section 105(f)(1)(B)(ix) of Public Law 108–188 to Palau;";

(C) by amending (C) to read as follows:

"(C) training and technical assistance activities to foster program quality and management improvement as described in section 648, in an amount for each

fiscal year which is equal to 2 percent of the amount appropriated for such fiscal year, of which—

"(i) not less than 50 percent shall be made available to local Head Start agencies to make program improvements identified by such agencies and comply with the standards described in section 641A(a)(1), of which not less than 50 percent shall be used to comply with the standards described in section 641A(a)(1)(B) and for the uses described in clauses (iii), (iv), and (vii) of subsection (a)(3)(B);

"(ii) not less than 20 percent shall be made available to support a State system of early childhood education training and technical assistance, including the State Early Learning Council described in section 642B(b);

"(iii) not less than 30 percent shall be made available to the Secretary to assist local programs in meeting the standards described in section 641A(a)(1) and shall be allocated to address program weaknesses identified by monitoring activities conducted by the Secretary under section 641A(c); and

"(iv) not less than $3,000,000 of the amount in clause (iii) appropriated for such fiscal year shall be made available to carry out activities described in section 648(d)(4);"; and

(D) by striking the last sentence.

(2) in paragraph (3)—

(A) in subparagraph (A)—

(i) in clause (i)(I) by striking "year 1999" and all that follows down to the semicolon and inserting "years 2006 through 2011"; and

(ii) by adding at the end the following:

"(iii) After the reservation of amounts under paragraph (2) and the 60 percent amount referred to in subparagraph (A) of this paragraph, a portion of the remaining funds shall be made available—

"(I) to expand services to underserved populations, such as children receiving services under Early Head Start programs and under migrant and seasonal Head Start programs; and

"(II) to increase funding to grantees with full enrollment and whose aggregate amount of financial assistance provides funding per child that is below the national average.";

(B) by amending subparagraph (B) to read as follows:

"(B) Funds reserved under this paragraph (in this paragraph referred to as 'quality improvement funds') shall be used to accomplish the following goals:

"(i) Ensuring that Head Start programs meet or exceed standards pursuant to section 641A(a)(1).

"(ii) Ensuring that such programs have adequate numbers of qualified staff, and that such staff is furnished adequate training, including developing skills to promote the development of language skills, premathematic skills, and prereading in young children and in working with children with limited English proficiency, children referred by child welfare services, and children with disabilities, when appropriate.

"(iii) Developing and financing the salary scales described under section 644(a)(3) and section 653, in order to ensure that salary levels and benefits are adequate to attract and retain qualified staff for such programs.

"(iv) Using salary increases—

"(I) to assist with the implementation of quality programs and improve staff qualifications;

"(II) to ensure that staff can promote the language skills and literacy growth of children and can provide children with a variety of skills that have been identified, through scientifically based early reading research, as predictive of later reading achievement; and

"(III) to encourage the staff to continually improve their skills and expertise by informing the staff of the availability of Federal and State incentive and loan forgiveness programs for professional development.

"(v) Improving community-wide strategic planning and needs assessments for such programs and collaboration efforts for such programs, including collaborations to increase program participation by underserved populations of eligible children.

"(vi) Ensuring that the physical environments of Head Start programs are conducive to providing effective program services to children and families, and are accessible to children with disabilities and their parents.

"(vii) Ensuring that such programs have qualified staff that can promote language skills and literacy growth of children and that can provide children with a variety of skills that have been identified, through scientifically based reading research, as predictive of later reading achievement.

"(viii) Providing assistance to complete postsecondary course work including scholarships or other financial incentives, such as differential and merit pay, to enable Head Start teachers to improve competencies and the resulting child outcomes.

"(ix) Upgrading the qualifications and skills of educational personnel to meet the professional standards established under section 648A(a)(1), including certification and licensure as bilingual education teachers and other educational personnel who serve limited English proficient children.

"(x) Promoting the regular attendance and stability of all children participating in Head Start programs, with particular attention to highly mobile children, including children from migrant and seasonal farm worker families (if appropriate), homeless children, and children in foster care.

"(xi) Making such other improvements in the quality of such programs as the Secretary may designate."; and

(C) by amending subparagraph (C) to read as follows:

"(C) Quality improvement funds shall be used to carry out the activities in any or all of the following clauses:

"(i)(I) Not less than one-half of the amount reserved under this paragraph, to improve the compensation (including benefits) of classroom teachers and other staff of Head Start agencies providing instructional services and thereby enhancing recruitment and retention of qualified staff, including recruitment and retention pursuant to achieving the requirements set forth in section 648A(a). The expenditure of funds under this clause shall be subject to section 653. Salary increases, in excess of cost-of-living allowance, provided with such funds shall be subject to the specific standards governing salaries and salary increases established pursuant to section 644(a).

"(II) If a Head Start agency certifies to the Secretary for such fiscal year that part of the funds set aside under subclause (I) to improve wages cannot be expended by such agency to improve wages because of the operation of section 653, then such agency may expend such part for any of the uses specified in this subparagraph (other than wages).

"(III) From the remainder of the amount reserved under this paragraph (after the Secretary carries out subclause (I)), the Secretary may carry out the activities described in clauses (ii) through (vii).

"(ii) To train classroom teachers and other staff to meet the education standards described in section 641A(a)(1)(B), through activities—

"(I) to promote children's language and prereading growth, through techniques identified through scientifically based reading research;

"(II) to promote the acquisition of the English language for limited English proficient children and families, while ensuring that children are making meaningful progress in attaining the knowledge, skills, abilities, and development described in section 641A(a)(1)(B);

"(III) to foster children's school readiness through activities described in section 648A(a)(1); and

"(IV) to provide education and training necessary to improve the qualifications of Head Start staff, particularly assistance to enable more instructors to be fully competent and to meet the degree requirements under section 648A(a)(2)(A), and to support staff training, child counseling, and other services necessary to address the challenges of children participating in Head Start programs, including children from immigrant, refugee, and asylee families, children from families in crisis, children who experience chronic violence in their communities, children who experience substance abuse in their families, and children with emotional and behavioral problems.

"(iii) To employ additional Head Start staff, including staff necessary to reduce the child-staff ratio, lead instructors who meet the qualifications of section 648A(a) and staff necessary to coordinate a Head Start program with other services available to children participating in such program and to their families.

"(iv) To pay costs incurred by Head Start agencies to purchase insurance (other than employee benefits) and thereby maintain or expand Head Start services.

"(v) To supplement amounts provided under paragraph (2)(C) to provide training necessary to improve the qualifications of the staff of the Head Start agencies, and to support staff training, child counseling, and other services necessary to address the problems of children participating in Head Start programs, including children from dysfunctional families, children who experience chronic violence in their communities, and children who experience substance abuse in their families.

"(vi) To conduct outreach to homeless families in an effort to increase the program participation of homeless children.

"(vii) To conduct outreach to migrant and seasonal farm-working families and families with children with a limited English proficiency.

"(viii) Such other activities as the Secretary may designate.";

(3) in paragraph (4) by striking "1998" in subparagraph (A) and inserting "2005";

(4) in paragraph (5) by amending subparagraphs (A), (B), and (C) to read as follows:

"(A) From amounts reserved and allotted pursuant to paragraph (4), the Secretary shall award the collaboration grants described in subparagraphs (B) and (D).

"(B) From the reserved sums in paragraph (4), the Secretary shall award a collaboration grant to any State that submits a written request. Such grant shall be equal to the amount the State received under this paragraph for such activity for fiscal year 2005. Such grant shall be used by the State to facilitate collaboration regarding activities carried out in the State under this subchapter, and other activities carried out in and by the State that are designed to benefit low-income children and families and to encourage Head Start agencies to collaborate with entities involved in State and local planning processes (including the State lead agency administering the financial assistance under the Child Care and Development Block Grant Act of 1990 and the entities that provide child care resource and referral services in the State) in order to better meet the needs of low-income children and their families.

"(C) In order to improve results for children, a State that receives a grant under subparagraph (B) shall appoint an individual to serve as the State Director of Head Start Collaboration to be a liaison between the appropriate regional office of the Administration for Children and Families and agencies carrying out Head Start programs in the State. The State shall—

"(i) ensure that such Director holds a position with sufficient authority and access to ensure that the collaboration described in subparagraph (B) is effective and involves a range of State agencies and local entities, including—

"(I) the State educational agency;

"(II) the State Department of Health and Human Services;

"(III) the State agency that oversees child care;

"(IV) the State agency that assists children with developmental disabilities;

"(V) the State Head Start Association;

"(VI) the State network of child care resource and referral agencies;

"(VII) local educational agencies;

"(VIII) community-based and faith-based organizations;

"(IX) representatives of migrant and seasonal Head Start programs located in the State;

"(X)representatives of Indian Head Start programs located in the State;

"(XI) State and local providers of early childhood education and child care, including providers with experience serving children with limited English proficiency; and

"(XII) other entities carrying out programs serving low-income children and families in the State;

"(ii) involve the entities described in clause (i) to develop a strategic plan for the coordinated outreach to identify eligible children and to implement strategies based on a needs assessment, which shall include an assessment of the availability of high quality prekindergarten services for low-income children in the State. Such assessment shall be completed not later than 1 year after the date of enactment of the School Readiness Act of 2005 and be updated on an annual basis and shall be made available to the general public within the State;

"(iii) ensure that the collaboration described in subparagraph (B) involves coordination of Head Start services with health care, welfare, child care, child protective services, education, and community service activities, family literacy services, activities relating to children with disabilities (including coordination of services with those State officials who are responsible for administering part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.)), and services for homeless children (including coordination of services with the Office of Coordinator for Education of Homeless Children and Youth designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act of 2001 (42 U.S.C. 11432(g)(1)(J)(ii));

"(iv) require the State Director of Head Start Collaboration to—

"(I) serve on the Early Learning Council pursuant to section 642B(b);

"(II) consult with the Early Learning Council, chief State school officer, local educational agencies, representatives of local Head Start agencies and

providers of early childhood education and care in unified planning regarding early care and education services at both the State and local levels, including collaborative efforts to develop school readiness standards;

"(III) consult with the chief State school officer, local educational agencies, State child care administrators, State human services administrators, representatives of local child care resource and referral agencies, local early childhood councils, providers of early childhood education and care, and other relevant State and local agencies, and representatives of the State Head Start Association to plan for the provision of full-working-day, full-calendar-year early care and education services for eligible children with working parents who have a demonstrated need;

"(IV) consult with the chief State school officer, local educational agencies and Head Start agencies to improve alignment between Head Start programs and State-funded prekindergarten activities to meet shared goals of school readiness; and

"(V) establish improved linkages between Head Start agencies and other children and family agencies, including agencies that provide health, mental health or family services or other child and family support services.";

(C) in subparagraph (D)(i) by inserting "and providers of services supporting early childhood education and child care" after "Associations"; and

(D) by amending paragraph (6)(A) to read as follows:

"(A) From amounts reserved and allotted pursuant to paragraphs (2) and (4), the Secretary shall use, for grants for programs described in section 645A(a) of this subchapter, a portion of the combined total of such amounts equal to at least 10 percent for each of the fiscal years 2006 through 2011, of the amount appropriated pursuant to section 639(a), except as provided in subparagraph (B).".

(b) SERVICE DELIVERY MODELS.—Section 640(f) of the Head Start Act (42 U.S.C. 9835(f)) is amended by inserting before the period at the end the following: ", including models that leverage the existing capacity and capabilities of the delivery system of early childhood education and child care".

(c) MAINTENANCE OF SERVICE LEVELS.—Section 640(g)(2) of the Head Start Act (42 U.S.C. 9835(g)(2)) is amended—

(1) by striking "For the purpose of expanding Head Start programs, in" and inserting "In";

(2) by amending subparagraph (C) to read as follows:

"(C) the extent to which the applicant has undertaken community-wide strategic planning and needs assessments involving other community organizations and Federal, State, and local public agencies serving children and families (including organizations and agencies providing family support services and protective services to children and families and organizations serving families in whose homes English is not the language customarily spoken), and individuals, organizations, and public entities serving children with disabilities and homeless children including the local educational agency liaison designated under section 722(g)(1)(J)(ii) of the McKinney-Veto Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii));";

(3) in subparagraph (D) by striking "other local" and inserting "the State and local";

(4) in subparagraph (E) by inserting "would like to participate but" after "community who";

(5) in subparagraph (G)—

(A) by inserting "leverage the existing delivery systems of such services and" after "manner that will"; and

(B) by striking "and" at the end;

(6) in subparagraph (H)—

(A) by inserting ", including the local educational agency liaison designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii))," after "community involved";

(B) by striking "plans to coordinate" and inserting "successfully coordinated its activities"; and

(C) by striking the period at the end and inserting "; and"; and

(7) by adding at the end the following:

"(I) the amount of funds used by such agency to pay administrative expenses and the amount of available funds received by such agency under this section to serve each enrolled child.".

(d) VEHICLE SAFETY REQUIREMENTS.—Section 640(i) of the Head Start Act (42 U.S.C. 9835(i)) is amended—

(1) by striking "(i) The" and inserting the following:

"(i) TRANSPORTATION SAFETY.—

"(1) REGULATIONS.—The"; and

(2) by adding at the end the following:

"(2) WAIVER AUTHORITY.—

"(A) IN GENERAL.—The Secretary may waive for a period of up to one year the requirements of regulations promulgated under paragraph (1) for one or more vehicles used by the agency or its designee in transporting children enrolled in a Head Start program or an Early Head Start program if—

"(i) such requirements pertain to child restraint systems and bus monitors;

"(ii) the agency demonstrates that compliance with such requirements will result in a significant disruption to the Head Start program or the Early Head Start program; and

"(iii) is in the best interest of the child.

"(B) RENEWAL.—The Secretary may renew a waiver under subparagraph (A).".

(e) MIGRANT AND SEASONAL HEAD START PROGRAMS.—Section 640(l) of the Head Start Act (42 U.S.C. 9835(l)) is amended—

(1) by amending paragraph (3) to read as follows:

"(3) In carrying out this subchapter, the Secretary shall continue the administrative arrangement at the national level for meeting the needs of Indian children and children of migrant and seasonal farmworkers and shall ensure that appropriate funding is provided to meet such needs, including training and technical assistance and the appointment of a national migrant and seasonal Head Start collaboration director and a national Indian Head Start collaboration director."; and

(2) by adding at the end the following:

"(4)(A) For the purposes of paragraph (3), the Secretary shall conduct an annual consultation in each affected Head Start region, with tribal governments operating Head Start programs and Early Head Start programs.

"(B) The consultations shall be for the purpose of better meeting the needs of American Indian and Alaska Native children and families pertinent to subsections (a), (b), and (c) of section 641, taking into consideration funding allocations, distribution formulas, and other issues affecting the delivery of Head Start services within tribal communities.

"(C) The Secretary shall publish a notification of the consultations in the Federal Register prior to conducting the consultations.

"(D) A detailed report of each consultation shall be prepared and made available, on a timely basis, to all tribal governments receiving funds under this subchapter.".

(f) ENROLLMENT OF HOMELESS CHILDREN.—Section 640 of the Head Start Act (42 U.S.C. 9835) is amended by adding at the end the following:

"(m) ENROLLMENT OF HOMELESS CHILDREN.—The Secretary shall by regulation prescribe policies and procedures to remove barriers to the enrollment and participation of homeless children in Head Start programs. Such regulations shall require Head Start agencies—

"(1) to implement policies and procedures to ensure that homeless children are identified and prioritized for enrollment;

"(2) to allow homeless families to apply to, enroll in and attend Head Start programs while required documents, such as proof of residency, immunization and other medical records, birth certificates and other documents, are obtained within a reasonable time frame; and

"(3) coordinate individual Head Start centers and programs with efforts to implement subtitle B of title VII of the McKinney-Vento± Homeless Assistance Act (42 U.S.C. 11431–11435).

"(n) RULE OF CONSTRUCTION.—Nothing in this subchapter shall be construed to require a State to establish a program of early education for children in the State, to require any child to participate in a program of early education, to attend school, or to participate in any initial screening prior to participation in such program, except as provided under section 612(a)(3), (consistent with section 614(a)(1)(C)), of the Individuals with Disabilities Education Act.

"(o) MATERIALS.—All curricula and instructional materials funded under this subchapter shall be scientifically based and age appropriate. Parents shall have the ability to inspect, upon request, any curricula or instructional materials.".

SEC. 7. DESIGNATION OF AGENCIES.

(a) AUTHORITY TO DESIGNATE.— Section 641(a) of the Head Start Act (42 U.S.C. 9836(a)) is amended to read as follows:

"(a) AUTHORITY TO DESIGNATE.—

"(1) IN GENERAL.—The Secretary is authorized to designate as a Head Start agency any local public or private nonprofit or for-profit agency within a State, including a community-based or faith-based organization that—

"(A) has power and authority to carry out the purpose of this subchapter and perform the functions set forth in section 642 within a State; and

"(B) is determined to be capable of planning, conducting, administering, and evaluating, either directly or by other arrangements, a Head Start program.

"(2) DESIGNATION REQUIREMENTS.—To be designated as a Head Start agency and to receive financial assistance under this subparagraph, an entity described in sub paragraph (1) shall—

"(A) establish measurable objectives for—

"(i) the school readiness of children participating in the program under this subchapter;

"(ii) meeting the performance standards described in section 641A;

"(iii) educational instruction in prereading, premathematics, and language skills; and

"(iv) the provision of health, educational, nutritional, social and other services related to school readiness; and

"(B) align curricula to challenging State developed academic content standards and the Head Start Child Outcomes Framework developed by the Secretary.

"(3) ELIGIBILITY FOR SUBSEQUENT FINANCIAL ASSISTANCE.—In order to receive financial assistance under this subchapter subsequent to the initial financial assistance provided following the effective date of this subsection, an entity described in paragraph (1) shall demonstrate that the entity has met the measurable objectives described in paragraph (2);

"(4) MEASURING PROGRESS.—Progress in meeting such measurable objectives shall not be measured primarily or solely by the results of assessments."

(b) PRIORITY IN DESIGNATION.—Section 641(c) of the Head Start Act (42 U.S.C. 9836(c)) is amended to read as follows:

"(c) CONSULTATION.—In the administration of this section, the Secretary shall, in consultation with the chief executive officer of the State involved, give priority in the designation of Head Start agencies to Head Start agencies that—

"(1) are receiving assistance under this subchapter on the effective date of this subsection;

"(2) meet or exceed program and financial management requirements, standards described in section 641A(a);

"(3) meet or exceed the education standards and requirements described in section 641A(a)(1)(B);

"(4) have no unresolved area of noncompliance;

"(5) have not been deemed deficient since the then most recent designation;

"(6) employ qualified staff (including in center-based programs, a teaching staff of whom at least 50 percent have an associate, baccalaureate, or advanced degree in early child education or a related field), except that the Secretary may waive the application of this paragraph, for a period not to exceed 3 years, for Head Start programs operating in rural areas, for migrant and seasonal Head Start programs, and for Indian Head Start programs, on a case-by-case basis, if the program demonstrates progress in increasing the qualifications of teaching staff and demonstrates adequate instructional supervision by qualified staff;

"(7) were not deemed by the Secretary as chronically under-enrolled since the then most recent designation;

"(8) utilize curricula based on scientifically based research, that are aligned with challenging State developed academic content standards and the Head Start Child Outcomes Framework developed by the Secretary;

"(9) demonstrate active partnerships with local educational agencies serving the same communities to facilitate smooth transitions to kindergarten;

"(10) actively implement a memorandum of understanding described in section 642B(a) and additional collaborative partnerships with organizations that enhance the delivery of services to children;

"(11) demonstrate success in improving child outcomes across all domains of development, including measurable progress in language skills, prereading knowledge, and premathematics knowledge;

"(12) maintain classroom environments constructive to early learning and future school success;

"(13) demonstrate strong parental involvement and activities to develop parent skills to support their children's educational development and ability to participate effectively in decisions relating to the education of their children;

"(14) are overseen by a board described in section 642(b) that provides direction and actively oversees all program activities;

"(15) document strong fiscal controls, including—

"(A) the employment of well-qualified fiscal staff with a history of successful management of a public or private organization;

"(B) having no reportable material weaknesses with applicable laws and regulations on all annual financial audits performed since the most recent designation;

"(C) meeting or exceeding annual requirements for financial support under section 640(b); and

"(D) maintaining total administrative costs at or below 15 percent of total program costs;

"(16) are licensed to operate in accordance with all applicable State child care regulations;

"(17) conduct outreach activities to ensure that services are provided to the most at-risk families in the community;

"(18) have developed strong community partnerships with public and private organizations, such as businesses, health, and social service providers; and

"(19) provide opportunities for ongoing professional development.".

(c) DESIGNATION WHEN NO ENTITY HAS PRIORITY.—Section 641(d) of the Head Start Act (43 U.S.C. 9836(d)) is amended to read as follows:

"(d) DESIGNATION WHEN NO ENTITY HAS PRIORITY.—

"(1) IN GENERAL.—If no entity in a community is entitled to the priority specified in subsection (c), the Secretary shall, after conducting an open competition, designate for a 5-year period a Head Start agency from among qualified applicants in such community.

"(2) CONSIDERATIONS IN DESIGNATION.—In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall consider the effectiveness of each such applicant to provide Head Start services, based on—

"(A) any past performance of such applicant in providing services comparable to Head Start services, including how effectively such applicant provided such comparable services;

"(B) the plan of such applicant to provide comprehensive health (including mental and behavioral health), educational, nutritional, social, and other services needed to prepare children to succeed in school;

"(C) the capacity of such applicant to serve eligible children with curriculum and teaching practices based on scientifically based research that promote the school readiness of children participating in the program;

"(D) the plan of such applicant to meet standards set forth in section 641A(a)(1), with particular attention to the standards set forth in subparagraphs (A) and (B) of such section;

"(E) the proposed budget and plan of such applicant to maintain strong fiscal controls and cost effective fiscal management;

"(F) the plan of such applicant to coordinate the Head Start program the applicant proposes to carry out with other educational programs for young children, including—

"(i) the Early Reading First and Even Start programs under subparts 2 and 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6371 et seq., 6381 et seq.);

"(ii) programs under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.);

"(iii) State prekindergarten programs;

"(iv) child care programs;

"(v) the educational programs that the children participating in the Head Start program involved will enter at the age of compulsory school attendance; and

"(vi) reading readiness programs such as those conducted by public and school libraries;

"(G) the plan of such applicant to coordinate the Head Start program that the applicant proposes to carry out, with public and private entities that are willing to commit resources to assist the Head Start –program in meeting its program needs;

"(H) the plan of such applicant—

"(i) to seek the involvement of parents (including grandparents and kinship caregivers, as appropriate) of children participating in the proposed Head Start program, in activities (at home and, if practicable, at the location of the Head Start program) designed to help such parents become full partners in the education of their children;

"(ii) to afford such parents the opportunity to participate in the development and overall conduct of the program at the local level;

"(iii) to offer (directly or through referral to local entities, such as entities carrying out Even Start programs under subpart 3 of part B of

title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6381 et seq.), public and school libraries, and entities carrying out family support programs) to such parents—

"(I) family literacy services; and

"(II) parenting skills training;

"(iv) to offer to parents of participating children, substance abuse counseling (either directly or through referral to local entities), including information on the effect of drug exposure on infants and fetal alcohol syndrome;

"(v) at the option of such applicant, to offer (directly or through referral to local entities) to such parents—

"(I) training in basic child development (including cognitive development);

"(II) assistance in developing literacy and communication skills;

"(III) opportunities to share experiences with other parents (including parent mentor relationships);

"(IV) regular in-home visitation;

"(V) mental and behavioral health services; or

"(VI) any other activity designed to help such parents become full partners in the education of their children;

"(vi) to provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in subparagraph (H) in which such parents may choose to become involved (taking into consideration their specific family needs, work schedules, and other responsibilities); and

"(vii) to extend outreach to fathers, in appropriate cases, in order to strengthen the role of fathers in families, in the education of their young children, and in the Head Start program, by working directly with fathers and father figures through activities such as—

"(I) in appropriate cases, including fathers in home visits and providing opportunities for direct father-child interactions; and

"(II) targeting increased male participation in the conduct of the program;

"(I) the ability of such applicant to carry out the plans described in paragraphs (2), (4), and (5);

"(J) the plan of such applicant to meet the needs of limited English proficient children and their families, including procedures to identify such children, plans to provide trained personnel, and plans to provide services to assist the children in making progress toward the acquisition of the English language, while making meaningful progress in attaining the knowledge, skills, abilities, and development described in section 641A(a)(1)(B);

"(K) the plan of such applicant to meet the diverse cultural needs of the population served;

"(L) the plan of such applicant to meet the needs of children with disabilities;

"(M) the plan of such applicant who chooses to assist younger siblings of children who will participate in the Head Start program, to obtain health services from other sources;

"(N) the plan of such applicant to collaborate with other entities carrying out early childhood education and child care programs in the community;

"(O) the plan of such applicant to meet the needs of homeless children, including transportation needs, and children in foster care;

"(P) the plan of such applicant to maintain a qualified staff, including a teaching staff qualified to implement research-based educational curricula aligned with challenging State-developed academic content standards, the Head Start Child Outcomes Framework developed by the Secretary, and the State early learning standards in States in which such standards are developed;

"(Q) the plan of such applicant to enter into memoranda of understanding with local educational agencies, child care providers, and other entities within the service area; and

"(R) other factors related to the requirements of this subchapter.".

(d) SELECTION OF APPLICANTS.—Section 641(g) of the Head Start Act (43 U.S.C. 9836(g)) is amended to read as follows:

"(g) ISSUANCE OF RULES.—Not later than 180 days after the enactment of the School Readiness Act of 2005, the Secretary shall issue rules to carry out this section.".

SEC. 8. QUALITY STANDARDS; MONITORING OF HEAD START AGENCIES AND PROGRAMS.

(a) QUALITY STANDARDS.—Section 641A(a) of the Head Start Act (42 U.S.C. 9836a(a)) is amended—

(1) by amending paragraph (1)(B)—

(A) in clause (i)—

(i) by inserting "based on sound scientific evidence" after "standards"; and

(ii) by inserting "and sustained academic gains" after "readiness"; and

(B) by amending clause (ii) to read as follows:

"(ii) additional scientifically-based education standards to ensure that the children participating in the program, at a minimum develop and demonstrate—

"(I) language knowledge and skills, including oral language and listening comprehension;

"(II) prereading knowledge and skills that prepare children for early literacy in schools, including phonological awareness, print awareness and print skills, and alphabetic knowledge;

"(III) premathematics knowledge and skills, including aspects of classification, seriation, number, spatial relations, and time;

"(IV) cognitive abilities related to academic achievement and child development;

"(V) social and emotional development related to early learning, school success, and sustained academic gains; and

"(VI) in the case of limited-English proficient children, progress toward acquisition of the English language while making meaningful progress in attaining the knowledge, skills, abilities, and development described in subclauses (I) through (IV);";

(2) in paragraph (2)—

(A) by amending subparagraph (B) to read as follows:

"(B) take into consideration—

"(i) past experience with use of the standards in effect under this subchapter on October 27, 1998;

"(ii) changes over the period since October 27, 1998, in the circumstances and problems typically facing children and families served by Head Start agencies;

"(iii) developments concerning research based practices with respect to early childhood education and development, children with disabilities, family services, program administration, and financial management;

"(iv) projected needs of an expanding Head Start program;

"(v) guidelines and standards currently in effect or under consideration that promote child health services and physical development, including outdoor activity that supports children's motor development and overall health and nutrition;

"(vi) changes in the population of children who are eligible to participate in Head Start programs, including the language background and family structure of such children;

"(vii) scientifically based research to ensure that children participating in Head Start programs make a successful transition to schools that the children will be attending; and

"(viii) the unique challenges faced by individual programs, including those that are seasonal or short term, and those that serve rural populations; and"; and

(B) in subparagraph (C)(ii) by striking "the date" and all that follows through "Act of 1998", and inserting "October 27, 1998"; and

(3) by adding at the end the following:

"(4) EVALUATIONS AND CORRECTIVE ACTIONS FOR DELEGATE AGENCIES.—

"(A) PROCEDURES.—The Head Start agency shall establish procedures relating to its delegate agencies, including—

"(i) procedures for evaluating delegate agencies;

"(ii) procedures for defunding delegate agencies; and

"(iii) procedures for appealing a defunding decision relating to a delegate agency.

"(B) EVALUATIONS.—Each Head Start agency—

"(i) shall evaluate its delegate agencies using the procedures established pursuant to this section, including subparagraph (A); and

"(ii) shall inform the delegate agencies of the deficiencies identified through the evaluation that shall be corrected.

"(C) REMEDIES TO ENSURE CORRECTIVE ACTIONS.—If the Head Start agency identifies a deficiency for a delegate agency through the evaluation, the Head Start agency may—

"(i) initiate procedures to terminate the designation of the agency unless the agency corrects the deficiency;

"(ii) conduct monthly monitoring visits to such delegate agency until all deficiencies are corrected or the Head Start agency decides to defund such delegate agency; and

"(iii) release funds to such delegate agency only as reimbursements until all deficiencies are corrected or the Head Start agency decides to defund such delegate agency.

"(D) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to impact or obviate the responsibilities of the Secretary with respect to Head Start agencies or delegate agencies receiving funding under this subchapter.".

(b) RESULTS-BASED PERFORMANCE MEASURES.—Section 641A(b) of the Head Start Act (42 U.S.C. 9836a(b)) is amended—

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

"(2) CHARACTERISTICS OF MEASURES.—The performance measures developed under this subsection shall—

"(A) be used to assess the impact of the various services provided by Head Start programs and, to the extent the Secretary finds appropriate, administrative and financial management practices of such programs;

"(B) be adaptable for use in self-assessment, peer review, and program evaluation of individual Head Start agencies and programs;

"(C) be developed for other program purposes as determined by the Secretary;

"(D) be appropriate for the population served; and

"(E) be reviewed no less than every 4 years, based on advances in the science of early childhood development.

The performance measures shall include the performance standards described in subparagraphs (A) and (B) of subsection (a)(1).";

(2) by amending paragraph (3) to read as follows:

"(3) USE OF MEASURES.—

"(A) The Secretary shall use the performance measures pursuant to this subsection to identify—

"(i) strengths and weaknesses in the operation of Head Start programs nationally, regionally, and locally; and

"(ii) program areas that may require additional training and technical assistance resources.

"(B) The Secretary shall provide a detailed justification to the Congress regarding the planned uses of the data collected by the National Reporting System developed by the Secretary and shall demonstrate its scientific validity and reliability for such purposes, including its scientific validity and reliability with children with limited English proficiency for such purposes;

"(C) The Secretary shall not use the National Reporting System assessment results either as the primary method for assessing program effectiveness or as the primary method for making grantee funding determinations.

"(D) The Secretary shall develop a process to ensure that the National Reporting System shall not be used to exclude children from Head Start programs."; and

(3) by amending paragraph (4) to read as follows:

"(4) EDUCATIONAL MEASURES.—Results based measures shall be designed for the purpose of promoting the competencies of children participating in Head Start programs specified in subsection (a)(1)(B)(ii), with an emphasis on measuring those competencies that have a strong scientifically-based predictability of a child's school readiness and later performance in school.".

(c) MONITORING OF LOCAL AGENCIES AND PROGRAMS.—Section 641A(c) of the Head Start Act (42 U.S.C. 9836a(c)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A) by inserting "develop and utilize a risk-based assessment system to" after "shall";

(B) by amending subparagraph (C) to read as follows:

"(C) Followup reviews, including unannounced reviews as appropriate, of programs with 1 or more findings of deficiencies not later than 6 months after the date of such finding."; and

(C) by amending subparagraph (D) to read as follows:

"(D) Unannounced site inspections of Head Start centers and other reviews, as appropriate.";

(2) by amending paragraph (2) to read as follows:

"(2) CONDUCT OF REVIEWS.—The Secretary shall ensure that reviews described in subparagraphs (A) through (C) of paragraph (1)—

"(A) that incorporate a monitoring visit, may be done without prior notice of the visit to the local agency or program;

"(B) are conducted by review teams composed of individuals who are knowledgeable about the program areas they are reviewing and, to the maximum extent practicable, the diverse (including linguistic and cultural) needs of eligible children (including children with disabilities) and limited-English proficient children and their families;

"(C) include as part of the reviews of the programs, a review and assessment of program effectiveness, including strengths and areas for improvement, as measured in accordance with the results-based performance measures developed by the Secretary pursuant to subsection (b) and with the standards established pursuant to subparagraphs (A) and (B) of subsection (a)(1);

"(D) seek information from the communities and the States involved about the performance of the programs and the efforts of the Head Start agencies to collaborate with other entities carrying out early childhood education and child care programs in the community;

"(E) seek information from the communities where Head Start programs exist about innovative or effective collaborative efforts, barriers to collaboration, and the efforts of the Head Start agencies and programs to collaborate with the entities carrying out early childhood education and child care programs in the community;

"(F) include as part of the reviews of the programs, a review and assessment of whether a program is in conformity with the income eligibility requirements, as defined in section 645 and regulations promulgated thereunder;

"(G) include as part of the reviews of the programs, a review and assessment of whether programs have adequately addressed the population and community needs (including populations of children with a limited English proficiency and children of migrant and seasonal farm-working families);

"(H) include as part of the review the extent to which the program addresses the community needs and strategic plan identified in section 640(g)(2)(C); and

"(I) are conducted in a manner that evaluates program performance, quality, and overall operations with consistency and objectivity, and based on a transparent and reliable system of review.".

(d) CORRECTIVE ACTION; TERMINATION.—Section 641A(d) of the Head Start Act (42 U.S.C. 9836a(d)) is amended—

(1) in paragraph (1) by amending the matter preceding subparagraph (A) to read as follows:

"(1) DETERMINATION.—If the Secretary determines, on the basis of a review pursuant to subsection (c), that a Head Start agency designated pursuant to section 641 fails to meet the standards described in subsection (a) or results-based performance measures developed by the Secretary under subsection (b), or fails to adequately address the community needs and strategic plan identified in 640(g)(2)(C), the Secretary shall—";

(2) by amending paragraph (2) to read as follows:

"(2) QUALITY IMPROVEMENT PLAN.—

"(A) AGENCY AND PROGRAM RESPONSIBILITIES.—In order to retain a designation as a Head Start agency under this subchapter, or in the case of a Head Start program, in order to continue to receive funds from such agency, a Head Start agency, or Head Start program that is the subject of a determination described in paragraph (1) (other than an agency or program required to correct a deficiency immediately or during a 90-day period under clause (i) or (ii) of paragraph (1)(B)) shall—

"(i) develop in a timely manner, a quality improvement plan that shall be subject to the approval of the Secretary, or in the case of a program, the sponsoring agency, and which shall specify—

"(I) the deficiencies to be corrected;

"(II) the actions to be taken to correct such deficiencies; and

"(III) the timetable for accomplishment of the corrective actions specified; and

"(ii) eliminate each deficiency identified, not later than the date for elimination of such deficiency specified in such plan (which shall not be later than 1 year after the date the agency or program received notice of the determination and of the specific deficiency to be corrected).

"(B) SECRETARIAL RESPONSIBILITY.—Not later than 30 days after receiving from a Head Start agency a proposed quality improvement plan pursuant to subparagraph (A), the Secretary shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved.

"(C) AGENCY RESPONSIBILITY FOR PROGRAM IMPROVEMENT.—Not later than 30 days after receiving from a Head Start program, a proposed quality improvement plan pursuant to subparagraph (A), the sponsoring agency shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved."; and

(3) in paragraph (3) by inserting "and programs" after "agencies";

(4) by amending subsection (e) to read as follows:

"(e) SUMMARIES OF MONITORING OUTCOMES.—Not later than 120 days after the end of each fiscal year, the Secretary shall publish a summary report on the findings of reviews conducted under subsection (c) and on the outcomes of quality improvement plans implemented under subsection (d), during such fiscal year. Such information shall be made available to all parents with children receiving assistance under this subchapter in an understandable and uniform format, and to the extent practicable, provided in a language that the parents can understand, and in addition, make the information widely available through public means such as distribution through public agencies, and at a minimum posting such information on the Internet immediately upon publication."; and

(5) by adding at the end the following:

"(f) REDUCTION OF GRANTS AND REDISTRIBUTION OF FUNDS IN CASES OF UNDER-ENROLLMENT.—

"(1) DEFINITIONS.—In this subsection:

"(A) ACTUAL ENROLLMENT.—The term 'actual enrollment' means, with respect to the program of a Head Start agency, the actual number of children enrolled in such program and reported by the agency (as required in paragraph (2)) in a given month.

"(B) BASE GRANT.—The term 'base grant' means, with respect to a Head Start agency for a fiscal year, that portion of the grant derived—

"(i) from amounts reserved for use in accordance with section 640(a)(2)(A), for a Head Start agency administering an Indian Head Start program or migrant and seasonal Head Start program;

"(ii) from amounts reserved for payments under section 640(a)(2)(B); or

"(iii) from amounts available under section 640(a)(2)(D) or allotted among States under section 640(a)(4).

"(C) FUNDED ENROLLMENT.—The term 'funded enrollment' means, with respect to the program of a Head Start agency in a fiscal year, the number of children that the agency is funded to serve through a grant for the program during such fiscal year, as indicated in the grant agreement.

"(2) ENROLLMENT REPORTING REQUIREMENT FOR CURRENT FISCAL YEAR.—Each entity carrying out a Head Start program shall report on a monthly basis to the Secretary and the relevant Head Start agency—

"(A) the actual enrollment in such program; and

"(B) if such actual enrollment is less than the funded enrollment, any apparent reason for such enrollment shortfall.

"(3) SECRETARIAL REVIEW AND PLAN.—The Secretary shall—

"(A) on a semiannual basis, determine which Head Start agencies are operating with an actual enrollment that is less than the funded enrollment based on not less than the average of 4 consecutive months of data;

"(B) for each such Head Start agency operating a program with an actual enrollment that is less than 95 percent of its funded enrollment, as determined under subparagraph (A), develop, in collaboration with such agency, a plan and timetable for reducing or eliminating under-enrollment taking into consideration—

"(i) the quality and extent of the outreach, recruitment, and community needs assessment conducted by such agency;

"(ii) changing demographics, mobility of populations, and the identification of new underserved low-income populations;

"(iii) facilities-related issues that may impact enrollment;

"(iv) the ability to provide full-day programs, where needed, through Head Start funds or through collaboration with entities carrying out other preschool or child care programs, or programs with other funding sources (where available);

"(v) the availability and use by families of other preschool and child care options (including parental care) in the local catchment area; and

"(vi) agency management procedures that may impact enrollment; and

"(C) provide timely and ongoing technical assistance to each agency described in subparagraph (B) for the purpose of implementing the plan described in such subparagraph.

"(4) IMPLEMENTATION.—Upon receipt of the technical assistance described in paragraph (3)(C), a Head Start agency shall immediately implement the plan described in paragraph (3)(B).

"(5) SECRETARIAL ACTION FOR CONVERSION TO SERVE YOUNGER CHILDREN.—If, after implementing the plan described in paragraph (3)(B), the grantee continues to operate a program at less than full enrollment, the grantee may, upon approval by the Secretary, be permitted to use a portion of the base grant equal to the percentage difference between funded enrollment and actual enrollment for the most then recent year, to serve persons described in section 645A(c) if such agency currently operates a grant described in section 645A and submits an application containing—

"(A) evidence of community need for such services;

"(B) a description of how the needs of pregnant women, infants, and toddlers will be addressed in accordance with section 645A(b) and with regulations prescribed by the Secretary pursuant to section 641A in areas including—

"(i) the approach to childhood development and health services; and

"(ii) the approach to family and community partnerships; and approach to program design and management;

"(C) assurances that the agency will participate in technical assistance activities for newly funded and existing grantees under section 654A; and

"(D) evidence that the agency meets the eligibility criteria as grantees under section 645A.

Any grantee permitted to serve children under this paragraph shall be subject to the rules, regulations, and conditions under section 645A.

"(6) SECRETARIAL ACTION FOR CONTINUED UNDER-ENROLLMENT.—If, 1 year after the date of implementation of the plan described in paragraph (3)(B), the Head Start agency continues to operate a program at less than full enrollment, the Secretary shall, where determined appropriate, continue to provide technical assistance to such agency.

"(7) SECRETARIAL REVIEW AND ADJUSTMENT FOR CHRONIC UNDER-ENROLLMENT.—

"(A) IN GENERAL.—If, after receiving technical assistance and developing and implementing a plan to the extent described in paragraphs (3), (4), and (5) for 6 months, a Head Start agency is still operating a program with an actual enrollment that is less than 95 percent of its funded enrollment, the Secretary may—

"(i) designate such agency as chronically under-enrolled; and

"(ii) recapture, withhold, or reduce the base grant for the program by, a percentage equal to the percentage difference between funded enrollment and actual enrollment for the program for the most recent year in which the agency is determined to be under-enrolled under paragraph (2)(B).

"(B) WAIVER OR LIMITATION OF REDUCTIONS.—If the Secretary, after the implementation of the plan described in paragraph (3)(B), finds that—

"(i) the shortfall can reasonably be expected to be temporary; or

"(ii) the number of slots allotted to the agency is small enough that under-enrollment does not constitute a significant shortfall,

the Secretary may, as appropriate, waive or reduce the percentage recapturing, withholding, or reduction otherwise required by subparagraph (A).

"(C) PROCEDURAL REQUIREMENTS; EFFECTIVE DATE.—The actions taken by the Secretary under this paragraph with respect to a Head Start agency shall take effect 1 day after the date on which—

"(i) the time allowed for appeal under section 646(a) expires without an appeal by the agency; or

"(ii) the action is upheld in an administrative hearing under section 646.

"(8) REDISTRIBUTION OF FUNDS.—

"(A) IN GENERAL.—Funds held by the Secretary as a result of recapturing, withholding, or reducing a base grant in accordance with paragraph (6) in a fiscal year shall be redistributed in such fiscal year as follows:

"(i) If such funds are attributable to the portion of a base grant derived from amounts specified in paragraph (1)(B)(i) payable, but for the operation of this paragraph, to carry out an Indian Head Start pro-

gram, then such funds shall be redistributed to increase enrollment in such fiscal year in 1 or more Indian Head Start programs.

"(ii) If such funds are attributable to the portion of a base grant derived from amounts specified in paragraph (1)(B)(i) payable, but for the operation of this paragraph, to carry out a migrant and seasonal Head Start program, then such funds shall be redistributed to increase enrollment in such fiscal year in 1 or more migrant and seasonal Head Start programs.

"(iii) If such funds are attributable to the portion of a base grant derived from amounts specified in clause (ii) or (iii) of paragraph (1)(B) payable, but for the operation of this paragraph, to carry out a Head Start program (excluding Indian Head Start programs, and migrant and seasonal Head Start programs) in a State, then such funds shall be redistributed to increase enrollment in such fiscal year in 1 or more—

"(I) other Head Start programs (excluding Indian Head Start programs and migrant and seasonal Head Start programs) that are carried out in such State; or

"(II) if the Secretary determines that children eligible under section 641 are being adequately served within such State, 1 or more Early Head Start programs (excluding Indian Head Start programs and migrant and seasonal Head Start programs) or 1 or more Head Start programs for the purpose of becoming a grantee pursuant to section 645A.

"(B) ADJUSTMENT TO FUNDED ENROLLMENT.—The Secretary shall adjust as necessary the requirements relating to funded enrollment indicated in the grant agreement of a Head Start agency receiving funds redistributed under this paragraph.".

SEC. 9. POWERS AND FUNCTIONS OF HEAD START AGENCIES.

(a) QUALIFICATIONS FOR DESIGNATION.—Section 642(b) of the Head Start Act (42 U.S.C. 9837(b)) is amended to read as follows:

"(b) In order to be so designated, a Head Start agency shall do all of the following:—

"(1) Establish a program with standards set forth in section 641A(a)(1), with particular attention to the standards set forth in subparagraphs (A) and (B) of such section.

"(2) Demonstrate capacity to serve eligible children with scientifically-based curricula and other interventions that help promote the school readiness of children participating in the program.

"(3) Establish effective procedures by which parents and area residents concerned will be enabled to directly participate in decisions that influence the character of programs affecting their interests.

"(4) Establish an independent board of directors selected from among eligible individuals who shall serve on the board (or may designate an existing entity whose members are eligible individuals, that shall be such board) for a period not to exceed 5 years, except that board members who oversee a public entity and who are selected by election (or members of a board of a local educational agency or a local council, appointed by an elected official or an official of a general purpose local government), may serve for such period as may be determined by the electing or appointing authority, as the case may be. An individual who has a conflict of interest is ineligible to serve as a member of the board. Members of the board of all nonpublic entities shall include representatives of the local community (including at least 1 member with significant financial management or accounting experience and the chair of the council described in section 642(b)(4)(B)(ii)). Additional members shall be selected for their expertise in education, business administration, community affairs, government, legal affairs, and such other areas of expertise as may contribute to effective governance of the Head Start agency. All members of the board shall receive training in the management responsibilities and obligations, ethics, and financial literacy and management, and shall adopt practices that assure active, independent and informed governance of the Head Start agency, including independent oversight of the financial and management practices of such agency. The board shall provide direction to the executive director of the Head Start agency and shall operate as an entity independent of staff employed by the Head start agency, entity, or applicant and have the following duties and responsibilities:

"(A) To provide independent oversight to ensure that the Head Start agency under the direction of the executive director is delivering high qual-

ity services to children and families in compliance with all applicable standards in effect under this subchapter and with the applicable performance measures established by the Secretary under section 644.

"(B) To establish 2 or more standing committees to facilitate governance of the Head Start agency which shall include both of the following:

"(i) An audit and finance committee whose primary responsibility shall be—

"(I) to approve annually the operating budget of the Head Start agency;

"(II) to review and recommend to the board the selection of independent auditors who shall report all critical accounting policies and practices to the finance and audit committee;

"(III) to review and recommend to the board the termination or extension of the existing audit firm at least once every 5 years;

"(IV) to review and advise the board of the audit management letter provided pursuant to the chapter 75 of title 31 of the United States Code, and of any audit findings; and

"(V) to monitor agency actions to correct any such audit findings or other actions necessary to comply with applicable laws (including regulations) governing financial statements and accounting practices.

"(ii) A policy council, a majority of whose representatives shall be parents of children participating in a Head Start program or in an Early Head Start program, or of children who participated in a Head Start program or in an Early Head Start program in the then most recent 5-year period preceding the selection of the particular representative involved, and whose primary responsibility shall be to serve as a link between parents and the board of directors and to make and submit recommendations on the following activities to the Board:

"(I) The strategic direction of the program, including long and short-term planning goals and objectives.

"(II) Program operation policies, including standards of conduct for program staff and volunteers.

"(III) Activities to support the active involvement of parents in supporting program operations.

"(IV) classroom activities and staffing;

"(V) program responsiveness to community and parent needs; and

"(VI) other areas the committee identifies as necessary to improve program operations.

"(C) To approve the selection and dismissal of the Head Start director, and to review annually the human resources available to ensure the effective operation of the Head Start agency.

"(D) To consult, on a regular basis, with the policy committee and to take actions on recommendations submitted by such committee.

"(E) To review and approve the major operational policies of the Head Start agency, including policies addressing accounting, financial management, procurement, record confidentiality, and personnel (including specific standards governing salaries, salary adjustments, travel and per diem allowances, and other employee benefits).

"(F) To ensure that the Head Start agency is operated in compliance with applicable Federal, State, and local laws (including regulations), and to monitor agency implementation of any corrective action necessary to comply with applicable laws (including regulations);

"(G) To oversee the program planning of the Head Start agency, including adoption of the Head Start agency philosophy and mission statement, adoption of policies for determining community needs, setting long- and short-range goals and objectives, establishment of criteria for selecting families in Head Start programs or Early Head Start programs, and to oversee and approve the agency's applications to receive funds made available under this subchapter; and

"(H) To establish, to adopt, and to periodically update written standards of conduct that establish standards and formal procedures for disclosing, addressing, and resolving—

"(i) any conflict of interest, and any appearance of a conflict of interest, by board members, officers, employees, consultants, and agents who provide services or furnish goods to the Head Start agency;and

"(ii) complaints, including investigations, when appropriate.

"(5) To seek the involvement of parents, area residents, and local business in the design and implementation of the program.

"(6) To provide technical and other support needed to enable parents and area residents to secure on their own behalf available assistance from public and private sources.

"(7) To establish effective procedures to facilitate the involvement of parents of participating children in activities designed to help such parents become full partners in the education of their children, and to afford such parents the opportunity to participate in the development and overall conduct of the program at the local level, including a process through which parents of children currently participating in a Head Start program or an Early Head Start program select the parent representatives to serve on the council under section 642(b)(4)(B)(ii).

"(8) To conduct outreach to schools in which children participating in Head Start programs enroll, local educational agencies, the local business community, community-based organizations, faith-based organizations, museums, and libraries to generate support and leverage the resources of the entire local community in order to improve school readiness.

"(9) To offer (directly or through referral to local entities, such as entities carrying out Even Start programs under subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.)), to parents of participating children, family literacy services and parenting skills training.

"(10) To offer to parents of participating children substance abuse counseling (either directly or through referral to local entities), including information on drug-exposed infants and fetal alcohol syndrome.

"(11) At the option of such agency, to offer (directly or through referral to local entities), to such parents—

"(A) training in basic child development (including cognitive development);

"(B) assistance in developing literacy and communication skills;

"(C) opportunities to share experiences with other parents (including parent-mentor relationships);

"(D) mental and behavioral health services;

"(E) regular in-home visitation; or

"(F) any other activity designed to help such parents become full partners in the education of their children.

"(12) To provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in paragraphs (5) through (8) in which such parents may choose to be involved (taking into consideration their specific family needs, work schedules, and other responsibilities).

"(13) To consider providing services to assist younger siblings of children participating in its Head Start program to obtain health services from other sources.

"(14) To perform community outreach to encourage individuals previously unaffiliated with Head Start programs to participate in its Head Start program as volunteers.

"(15)(A) To inform custodial parents in single-parent families that participate in programs, activities, or services carried out or provided under this subchapter about the availability of child support services for purposes of establishing paternity and acquiring child support; and

"(B) refer eligible parents to the child support offices of State and local governments.

"(16) provide parents of limited English proficient children outreach and services under this subchapter, in an understandable and uniform format and, to the extent practicable, in a language that such parents can understand.".

(b) COORDINATION AND COLLABORATION.—Section 642(c) of the Head Start Act (42 U.S.C. 9837(c)) is amended to read as follows:

"(c) The head of each Head Start agency shall coordinate and collaborate with the State agency responsible for administering the State program carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), and other early childhood education and development programs, including programs under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435), Even Start programs under subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.), and programs under Part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C. 1431–1445, 1419), and the Child Abuse Prevention and Treat-

ment Act (42 U.S.C. 5106a), serving the children and families served by the Head Start agency to carry out the provisions of this subchapter.".

(c) OTHER COORDINATION.—Section 642(d) of the Head Start Act (42 U.S.C. 9837(d)) is amended—

(1) by redesignating paragraphs (2) through (4) as paragraph (5) through (7), respectively;

(2) by inserting after paragraph (1) the following:

"(2) COORDINATION.—

"(A) LOCAL EDUCATIONAL AGENCY.—In communities where both public prekindergarten programs and Head Start programs operate, a Head Start agency shall collaborate and coordinate activities with the local educational agency or other public agency responsible for the operation of the prekindergarten program and providers of prekindergarten, including outreach activities to identify eligible children.

"(B) ELEMENTARY SCHOOLS.—Head Start staff shall, with the permission of the parents of children enrolled in Head Start programs, regularly communicate with the elementary schools such children will be attending—

"(i) to share information about such children;

"(ii) to receive advice and support from the teachers in such elementary schools participating in Early Reading First programs funded under subpart 1 of part B of title I of the Elementary and Secondary Education Act of 1965 regarding scientifically based teaching strategies and options; and

"(iii) to ensure a smooth transition to elementary school for such children.

"(C) OTHER EARLY EDUCATION AND CHILD DEVELOPMENT PROGRAMS.—The head of each Head Start agency shall coordinate activities and collaborate with the State agency responsible for administering the State program carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), and other entities carrying out early childhood education and development programs, programs under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435), Even Start programs under subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6381 et seq.), and programs under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C 1419, 1431 et seq.), serving the children and families served by the Head Start agency.

"(D) OTHER PROGRAMS.—Each Head Start agency shall collaborate, as appropriate, with providers of social and community services available to children and families participating in Head Start programs, and may support such partnerships with financial agreements, when applicable, for the provision of such services.

"(3) COLLABORATION.—A Head Start agency shall take steps to coordinate activities with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, including—

"(A) collaborating on the shared use of transportation and facilities;

"(B) collaborating to enhance the efficiency of services while increasing the program participation of underserved populations of eligible children; and

"(C) exchanging information on the provision of noneducational services to such children.

"(4) PARENTAL INVOLVEMENT.—In order to promote the continued involvement of the parents (including grandparents and kinship caregivers, as appropriate) of children that participate in Head Start programs in the education of their children upon transition to school, the Head Start agency shall work with the local educational agency—

"(A) to provide training to the parents—

"(i) to inform the parents about their rights and responsibilities concerning the education of their children; and

"(ii) to enable the parents—

"(I) to understand and work with schools in order to communicate with teachers and other school personnel;

"(II) to support the schoolwork of their children; and

"(III) to participate as appropriate in decisions relating to the education of their children; and

"(B) to take other actions, as appropriate and feasible, to support the active involvement of the parents with schools, school personnel, and school-related organizations.";

(3) in paragraph (5), as so redesignated—

(A) by striking "A" and inserting "Each";

(B) by striking "may" and inserting "shall";

(C) by striking "and" at the end of subparagraph (A); and

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following:

"(B) collaborating to increase the program participation of underserved populations of eligible children; and"; and

(4) by adding at the end the following:

"(8) Head Start agencies shall implement a research-based early childhood curricula that promotes young children's school readiness in the areas of language and cognitive development, early reading and premathematics skills, socio-emotional skills, physical development, and approaches to learning. Such curricula shall be—

"(A) based on scientifically based research and have standardized training procedures and published curriculum materials to support implementation; and

"(B) comprehensive, outcomes based, and linked to ongoing assessment with instructional goals and measurable objectives.

"(9) Head Start agencies shall use ongoing, research-based assessment methods that are developmentally appropriate, culturally and linguistically responsive, and tied to children's daily activities in order to support the educational instruction of children in the program, including language skills, prereading knowledge and premathematics knowledge. Assessment instruments shall be those designed and validated for making decisions about teaching and learning and aligned with the program's curricula and Section 641A(a)(1).

"(10) For the purpose of meeting the performance standards, Head Start agencies shall use high-quality research-based developmental screening tools that have been demonstrated to be standardized, reliable, valid, and accurate for children from a range of racial, ethnic, linguistic, and cultural backgrounds.".

(d) ASSESSMENT.—Section 642 of the Head Start Act (42 U.S.C. 9837) is amended by striking subsection (e) and inserting the following:

"(e) ASSESSMENT.—Each Head Start agency shall adopt, in consultation with experts in child development and with classroom teachers, an assessment to be used when hiring or evaluating any classroom teacher in a center-based Head Start program. Such assessment shall measure whether such teacher has mastered the functions described in section 648A(a)(1) and attained a level of literacy appropriate to implement Head Start curricula.

"(f) FUNDED ENROLLMENT; WAITING LIST.—Each Head Start agency shall enroll 100 percent of its funded enrollment and maintain an active waiting list at all times with ongoing outreach to the community and activities to identify underserved populations.".

SEC. 10. LOCAL AND STATE INTEGRATION OF EARLY CHILDHOOD EDUCATION.

The Head Start Act (42 U.S.C. 9831 et. seq.) is amended by inserting after section 642A the following:

"SEC. 642B. LOCAL AND STATE INTEGRATION OF EARLY CHILDHOOD EDUCATION.

"(a) LOCAL INTEGRATION.—In general, Head Start agencies shall enter into ongoing partnerships with local educational agencies, State-funded preschool and other early childhood programs. Head Start agencies shall operate in a manner consistent with the goal of creating and expanding an efficient and effective system of early childhood and school readiness services in each State and community, while maintaining compliance with Standards under section 641A(a).

"(1) MEMORANDA OF UNDERSTANDING.—Each Head Start agency shall enter into a memorandum of understanding with any local educational agencies or local councils, responsible for managing publicly funded prekindergarten programs in the service area of the Head Start agency (or if such agencies and such councils are not applicable in the service area, with the largest provider of publicly funded prekindergarten in the service area), that shall include plans to coordinate the following activities:

"(A) Educational activities, curricula, and instruction aligned to challenging State developed educational activities, curricula, and instruction aligned to challenging State developed academic content standards.

"(B) Public information dissemination and access to programs for families contacting any of the early childhood programs.

"(C) Selection priorities for eligible children to be served by programs.

"(D) Service delivery areas.

"(E) Staff training, including opportunities for joint staff training on topics such as academic content standards and instructional methods.

"(F) Program technical assistance.

"(G) Provision of additional services to meet the child care needs of working parents.

"(H) Planning and parent education for smooth transitions to kindergarten as required in section 642A(3) and 642A(6).

"(I) Provision and use of facilities, transportation, and other program elements, and

"(J) Other elements mutually agreed to by the parties to such memorandum.

"(2) TIMING OF MEMORANDA.—Each Head Start agency shall enter into a memorandum of understanding under paragraph (1) not later than 1 year after the effective date of this section.

"(3) SECRETARIAL REVIEW.—Each memorandum of understanding entered into under paragraph (1) shall be submitted to the Secretary not later than 30 days after entering into such memorandum.

"(A) If a Head Start agency is unable to comply with the requirement in (1) the Head Start agency shall notify the Secretary and the chief executive officer of the State not later than 30 days after determining that they are unable to enter into such memorandum. The Secretary, in cooperation with the State Early Learning Council and the State Director of Head Start Collaboration, shall evaluate the causes of failure to enter into a memorandum of understanding under paragraph (1). With the assistance of the State Early Learning Council and the State Director of Head Start Collaboration, all parties shall again attempt to enter into a memorandum of understanding under paragraph (1). Then if no such memorandum of understanding is entered into, the Secretary shall make 1 of the following determinations:

"(i) The local educational agency, local council, or other appropriate entity is unable or unwilling to enter into such a memorandum despite reasonable efforts on the part of the Head Start agency; or

"(ii) The Head Start agency has not engaged in reasonable efforts to successfully negotiate and enter into a memorandum of understanding pursuant to paragraph (1).

"(iii) There is an absence of publicly funded prekindergarten in the service area of the Head Start agency.

"(B) If the Secretary determines the Head Start agency is not making reasonable efforts to enter into a memorandum of understanding pursuant to paragraph (1), the Head Start agency shall be found deficient and shall be considered by the Secretary in the same manner as other deficiency findings.

"(C) If the Secretary concludes that the local educational agency, local council, or other appropriate entity is not making reasonable efforts to reach such a memorandum of understanding, the Head Start agency shall not be found out of compliance with paragraph (1).

"(4) REVISION OF MEMORANDA.—Each memorandum of understanding shall be revised and renewed annually by the parties to such memorandum, in alignment with the beginning of the school year.

"(5) ABSENCE OF PREKINDERGARTEN.—In the absence of publicly funded prekindergarten in the service area of a Head Start agency, the Head Start agency shall submit notice to the Secretary and the chief executive officer of the State, and shall work with the State Early Learning Council and the State Director of Head Start Collaboration to improve coordination in their service area.

"(b) STATEWIDE INTEGRATION.—From the amounts reserved under section 640(a)(2)(C)(ii), the Secretary shall award an early learning collaboration grant to each State for the purposes of supporting a State Early Learning Council responsible for advancing the development of a coordinated early childhood services delivery system in the State. A State that receives a grant under this subparagraph shall—

"(1) establish a State Early Learning Council, which shall include the State Director of Head Start Collaboration, representatives from the State preschool programs, representatives of local educational agencies, the State official who oversees child care programs, the State official who oversees section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.), the State official who oversees the State educational agency, and representatives from Head Start agencies located in the State, including migrant and seasonal Head Start programs and Indian Head Start programs. The chief executive officer of the State may designate an existing entity to serve as the Early Learning Council if such entity includes representatives described in this paragraph;

"(2) ensure that allotted funds distributed to a State for a fiscal year to carry out this subsection may be used by the State to pay not more than 30 percent of the cost of carrying out this subsection;

"(3) direct the Early Learning Council—

"(A) to increase coordination and collaboration among State preschool, Head Start programs, child care programs, early childhood special education, and other early childhood programs, including in the areas of outcomes and standards, technical assistance, coordination of services, cross-sector professional development and training, community outreach, communication, and better serving the needs of working families through provision of full-day and full-year early education services;

"(B) to work with State agencies responsible for education, child care, and early intervention to provide leadership and assistance to local Head Start programs, school districts, and State and locally funded preschool and child care programs to increase integration among early childhood programs through adoption of local memoranda of understanding described in subparagraph (A) and other means;

"(C) to work with State agencies responsible for education, child care, and early intervention to provide leadership and assistance to develop a coherent sequence of standards for children age 3 through the early elementary grades to effect a smooth transition to and success in the early elementary grades;

"(D) to conduct periodic statewide needs assessments concerning early care and education programs for children from birth to school entry;

"(E) to work to identify and address barriers to and opportunities for integration between entities carrying out Federal and State child development, child care, and early childhood education programs;

"(F) to develop recommendations regarding means of establishing a unified data collection system for early care and education programs operating throughout the State;

"(G) to address coordination of early learning programs with health care (including mental and behavioral health care), welfare, family literacy and services for homeless children;

"(H) to support a State system of early childhood education, and training and technical assistance that improves the quality of early learning programs and the capacity of such programs to deliver services pursuant to section 648(b); and

"(I) to develop a plan for increasing the participation of children underrepresented in State early childhood education and child care programs, including Head Start, State preschool programs, and programs carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

"(4) Nothing in this subsection shall be construed to provide the Early Learning Council with authority to alter the provisions of this Act.

"(5) Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out the purposes of this section.".

SEC. 11. HEAD START ALIGNMENT WITH K–12 EDUCATION.

Section 642A of the Head Start Act (42 U.S.C. 9837a) is amended—

(1) by amending the heading to read as follows:

"SEC. 642A. HEAD START ALIGNMENT WITH K–12 EDUCATION.";

(2) in paragraph (2)—

(A) by inserting "ongoing" after "establishing"; and

(B) by inserting "McKinney-Vento liaisons as established under section 722 (g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii))," after "social workers,";

(3) by redesignating paragraphs (3) through (7) as paragraphs (5) through (9), respectively; and

(4) by inserting the following after paragraph (2):

"(3) developing continuity of developmentally appropriate curricula between Head Start and local educational agencies to ensure an effective transition and appropriate shared expectations for children's learning and development as they make such transition to school;

"(4) organizing and participating in joint training, including transition-related training for school staff and Head Start staff;";

(5) by amending paragraph (7), as so redesignated, to read as follows:

"(7) developing and implementing a family outreach and support program in cooperation with entities carrying out parental involvement efforts under title

I of the Elementary and Secondary Education Act of 1965 and family outreach and support efforts under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435);";

(6) in paragraph (8), as so redesignated—

(A) by inserting "and continuity in parental involvement activities" after "developmental continuity"; and

(B) by striking "and" at the end;

(7) by amending paragraph (9), as so redesignated, to read as follows:

"(9) linking the services provided in such Head Start program with the education services, including services relating to language, literacy, and numeracy, provided by such local educational agency;"; and

(8) by adding at the end the following:

"(10) helping parents (including grandparents and kinship caregivers, as appropriate) to understand the importance of parental involvement in a child's academic success while teaching them strategies for maintaining parental involvement as their child moves from Head Start to elementary school;

"(11) developing and implementing a system to increase program participation of underserved populations of eligible children; and

"(12) coordinating activities and collaborating to ensure that curricula used in the Head Start program is aligned with—

"(A) State early learning standards with regard to cognitive, social, emotional, and physical competencies that children entering kindergarten are expected to demonstrate; and

"(B) the Head Start Child Outcomes Framework developed by the Secretary.".

SEC. 12. ADMINISTRATIVE REQUIREMENTS AND STANDARDS.

Section 644 of the Head Start Act (42 U.S.C. 9839(f)(2)) is amended—

(1) in subsection (a)—

(A) by inserting "(1) STANDARDS.—" after "(a)"; and

(B) by inserting after the 3d sentence the following:

"(2) ANNUAL REPORT.—Each Head Start agency shall make available to the public a report published at least once in each fiscal year that discloses the following information from the then most recently concluded fiscal year, except that reporting such information shall not reveal personally identifiable information about an individual child:

"(A) The total amount of public and private funds received and the amount from each source.

"(B) An explanation of budgetary expenditures and proposed budget for the following fiscal year.

"(C) The total number of children and families served and percent of average monthly enrollment, including the percent of eligible children served.

"(D) The results of the most recent review by the Secretary and the financial audit.

"(E) The percentage of enrolled children that received medical and dental exams.

"(F) Information about parent involvement activities.

"(G) The agency's efforts to prepare children for kindergarten.

"(H) Any other information that describes the activities of the agency.

"(3) PROCEDURAL CONDUCT.—"; and

(2) in subsection (f)(2)

(A) by redesignating subparagraphs (A) through (E) as subparagraphs (B) through (F), respectively; and

(B) by inserting before subparagraph (B), as so redesignated, the following:

"(A) a description of the consultation conducted by the Head Start agency with the providers in the community demonstrating capacity and capability to provide services under this subchapter, and of the potential for collaboration with such providers and the cost effectiveness of such collaboration as opposed to the cost effectiveness of the purchase of a facility;".

SEC. 13. ELIGIBILITY.

Section 645(a) of the Head Start Act (42 U.S.C. 9840) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B)(i)—

(i) by striking "to a reasonable extent" and inserting "not to exceed 10 percent of the total enrollment";

(ii) by striking "benefit from such programs" and inserting "benefit from such programs, including children referred by child welfare services,"; and

(iii) by inserting "(a homeless child shall be deemed to meet the low-income criteria)" before the semicolon; and

(2) by adding at the end the following:

"(3) The amount of a basic allowance provided under section 403 of title 37, United States Code, on behalf of an individual who is a member of the uniformed services for housing that is acquired or constructed under the authority of subchapter IV of chapter 169 of title 10, United States Code, or any other related provision of law, shall not be considered to be income for purposes of determining the eligibility of a child of the individual for programs assisted under this subchapter.".

SEC. 14. EARLY HEAD START PROGRAMS.

(a) IN GENERAL.—Section 645A(b) of the Head Start Act (42 U.S.C. 9840a(b)) is amended—

(1) by amending paragraphs (4) and (5) to read as follows:

"(4) provide services to parents to support their role as parents (including parenting skills training and training in basic child development) and to help the families move toward self-sufficiency (including educational and employment services as appropriate);

"(5) coordinate services with services (including home-based services) provided by programs in the State and programs in the community (including programs for infants and toddlers with disabilities and programs for homeless infants and toddlers) to ensure a comprehensive array of services (such as health and mental health services, and family support services);";

(2) by amending paragraph (8) to read as follows:

"(8) ensure formal linkages with the agencies and entities described in section 644(b) of the Individuals with Disabilities Education Act (20 U.S.C. 1444(b)) and providers of early intervention services for infants and toddlers with disabilities under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) and the agency responsible for administering section 106 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a);".

(3) by redesignating paragraph (9) as paragraph (11);

(4) by inserting after paragraph (8) the following:

"(9) develop and implement a systematic procedure for transitioning children and parents from an Early Head Start program into a Head Start program or another local early childhood education program;

"(10) establish channels of communication between staff of Early Head Start programs and staff of Head Start programs or other local early childhood education programs, to facilitate the coordination of programs; and".

(b) MIGRANT AND SEASONAL PROGRAMS; COMMUNITY- AND FAITH-BASED ORGANIZATIONS.—Section 645A(d) of the Head Start Act (42 U.S.C. 9840a(d)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) entities operating Head Start programs under this subpart, including migrant and seasonal Head Start programs; and"; and

(2) in paragraph (2) by inserting ", including community- and faith-based organizations" after "entities" the 2d place it appears.

(c) TRAINING AND TECHNICAL ASSISTANCE ACCOUNT.—Section 645A(g)(2)(B) of the Head Start Act (42 U.S.C. 9640a(g)(2)(B)) is amended—

(1) in clause (iii) by striking "and" at the end;

(2) in clause (iv) by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(v) providing professional development designed to increase program participation for underserved populations of eligible children.".

(d) CENTER-BASED STAFF.—Section 645A of the Head Start Act (42 U.S.C. 9840a) is amended by adding at the end the following:

"(h) CENTER-BASED STAFF.—The Secretary shall ensure that, not later than September 30, 2008, all teachers providing direct services to children and families participating in Early Head Start programs located in Early Head Start centers have a minimum of a child development associate credential or an associate degree, and have been trained (or have equivalent course work) in early childhood development.".

SEC. 15. PARENTAL CONSENT REQUIREMENT FOR NONEMERGENCY INTRUSIVE PHYSICAL EXAMINATIONS.

The Head Start Act (42 U.S.C. 9831 et seq.) is amended by inserting after section 645A the following:

"SEC. 645B. PARENTAL CONSENT REQUIREMENT FOR NONEMERGENCY INTRUSIVE PHYSICAL EXAMINATIONS.

"(a) DEFINITION.—The term 'nonemergency intrusive physical examination' means, with respect to a child, a physical examination that—

"(1) is not immediately necessary to protect the health or safety of such child, or the health or safety of another individual; and

"(2) includes incision or is otherwise invasive, or includes exposure of private body parts.

"(b) REQUIREMENT.—Before administering any health care service (including any nonemergency intrusive physical examination) to a child (or referring such child to obtain such service) in connection with participation in a program under this subchapter, a Head Start agency and an entity that receives assistance under section 645A shall obtain the written consent of a parent of such child.

"(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a Head Start agency or an entity that receives assistance under section 645A from using established methods, for handling cases of suspected or known child abuse and neglect, that are in compliance with applicable Federal, State, or tribal law.".

SEC. 16. RIGHT TO APPEAL.

Section 646(a)(3) of the Head Start Act (42 U.S.C. 9841(a)(3)) is amended to read as follows:

"(3) if financial assistance under this subchapter is terminated or reduced, an application for a noncompeting continuation award is denied based on a previous failure to comply with terms applicable to financial assistance previously provided this subchapter, or suspension of financial assistance is continued for more than 30 days, the recipient with respect to whom such action is taken shall have the opportunity to appeal such action in accordance with such procedures, except that no funds made available under this subchapter may be used to reimburse any such recipient for legal fees and other costs incurred in pursuing such an appeal;".

SEC. 17. AUDITS.

Section 647 of the Head Start Act (42 U.S.C. 9842) is amended by adding at the end the following:

"(c)(1) Not later than 180 days after the end of each fiscal year, each Head Start agency, and each entity that receives assistance under section 645A, shall submit to the Secretary an independent financial audit of the Head Start program carried out with financial assistance provided under this subchapter. Such audit shall be carried out by a certified public accountant selected through a competitive process from among qualified certified accountants by the local oversight board established in accordance with section 642(b)(4) by such agency, except that no accountant may perform audits of such program for a period exceeding 5 consecutive fiscal years.

"(2) Not later than 60 days after receiving such audit, the Secretary shall provide to such agency or such entity, and to the chief executive officer of the State in which such program is operated, a notice identifying the actions such agency or such entity is required to take to correct all deficiencies identified in such audit.

"(d) Each recipient of financial assistance under this subchapter shall—

"(1) maintain, and annually submit to the Secretary, a complete accounting of its administrative expenses (including a detailed statement identifying the amount of financial assistance provided under this subchapter used to pay expenses for salaries and compensation and the amount (if any) of other funds used to pay such expenses); and

"(2) provide such additional documentation as the Secretary may require.".

SEC. 18. TECHNICAL ASSISTANCE AND TRAINING.

(a) ALLOCATION OF RESOURCES.—Section 648(c) of the Head Start Act (42 U.S.C. 9843(c)) is amended—

(1) in paragraph (2) by inserting "and for activities described in section 1221(b)(3) of the Elementary and Secondary Education Act of 1965" after "disabilities" ; and

(2) in paragraph (5) by inserting ", including the needs of homeless children and their families" after "assessment";

(3) in paragraph (10) by striking "and" at the end;

(4) in paragraph (11) by striking the period at the end and inserting a semicolon; and

(5) by adding the following at the end:

"(12) assist Head Start agencies and programs in increasing program participation of homeless children; and

"(13) assist Head Start agencies and Head Start programs in improving outreach to, and the quality of services available to, limited English proficient children and their families, particularly in communities that have experienced a large percentage increase in the population of limited English proficient individuals, as measured by the Bureau of the Census.".

(b) TRAINING IN USE OF MEDIA.—Section 648(d) of the Head Start Act (42 U.S.C. 9843(d)) is amended by inserting ", including community- and faith-based organizations" after "entities" the first place such term appears.

(c) CHILD DEVELOPMENT AND NATIONAL ASSESSMENT PROGRAM.—Section 648(e) of the Head Start Act (42 U.S.C. 9843(e)) is amended to read as follows:

"(e) The Secretary shall provide, either directly or through grants or other arrangements, funds from programs authorized under this subchapter to support an organization to administer a centralized child development and national assessment program leading to recognized credentials for personnel working in early childhood development and child care programs, training for personnel providing services to limited English proficient children (including services to promote the acquisition of the English language), training for personnel providing services to children determined to be abused or neglected, training for personnel providing services to children referred by or receiving child welfare services, training for personnel in helping children cope with community violence, and resource access projects for personnel working with disabled children.".

(d) ADDRESSING UNIQUE NEEDS.—Section 648 of the Head Start Act (42 U.S.C. 9843) is amended by adding at the end the following:

"(f) The Secretary shall provide, either directly or through grants, or other arrangements, funds for training of Head Start personnel in addressing the unique needs of migrant and seasonal working families, families with a limited English proficiency, and homeless families.

"(g) More than 50 percent of funds expended under this section shall be used to provide high quality, sustained, intensive, and classroom-focused training and technical assistance in order to have a positive and lasting impact on classroom instruction. Funds shall be used to carry out activities related to any or all of the following:

"(1) Education and early childhood development.

"(2) Child health, nutrition, and safety.

"(3) Family and community partnerships.

"(4) Other areas that impact the quality or overall effectiveness of Head Start programs.

"(h) Funds under this subchapter used for training shall be used for needs identified annually by a grant applicant or delegate agency in their program improvement plan, except that funds shall not be used for long-distance travel expenses for training activities available locally or regionally or for training activities substantially similar to locally or regionally available training activities.

"(i)(1) The Secretary shall work in collaboration with the Head Start agencies that carry out migrant and seasonal Head Start programs, State Directors of Head Start Collaboration, the migrant and seasonal Head Start collatoration director, and other appropriate entities—

"(A) to accurately determine the number of children nationwide who are eligible to participate in migrant and seasonal Head Start programs each year;

"(B) to document how many of these children are receiving Head Start services each year; and

"(C) to the extent practicable, to ensure that access to migrant and seasonal Head Start programs for eligible children is comparable to access to other Head Start programs for other eligible children;

"(2) In carrying out paragraph (1)(A), the Secretary shall consult with the Secretary of Education about the Department of Education's systems for collecting and reporting data about, and maintaining records on, students from migrant and seasonal farmworker families.

"(3) Not later than 9 months after the effective date of this subsection, the Secretary shall publish in the Federal Register a notice of how the Secretary plans to carry out paragraph (1) and shall provide a period for public comment. To the extent practicable, the Secretary shall consider comments received before submitting a report to the Congress.

"(4) Not later than 1 year after the effective date of this subsection, the Secretary shall submit a report 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, detailing how the Department of Health and Human Services plans to carry out paragraph (1).

"(5) The Secretary shall submit annually a report to the Congress detailing the number of children of migrant and seasonal farmworkers, who are eligible to participate in Head Start programs and the number of such children who are enrolled in Head Start programs.

"(6) The Secretary shall take appropriate action, consistent with section 444 of the General Education Provisions Act, to ensure the protection of the confidentiality of any personally identifiable data, information, and records collected or maintained by the Secretary, by Head Start agencies that carry out migrant and seasonal Head

Start programs, by State Directors of Head Start Collaboration, by the Migrant and Seasonal Farmworker Collaboration Project Director, and by other appropriate entities pursuant to this subsection.

"(7) Nothing in this subsection shall be construed to authorize the development of a nationwide database of personally identifiable information on individuals involved in studies or other collections of data under this subsection.

"(j) For purposes of this section, the term 'eligible entities' means an institution of higher education or other entity with expertise in delivering training in early childhood development, family support, and other assistance designed to improve the delivery of Head Start services.".

SEC. 19. STAFF QUALIFICATIONS AND DEVELOPMENT.

(a) CLASSROOM TEACHERS.—Section 648A(a)(2) of the Head Start Act (42 U.S.C. 9843a(a)(2)) is amended to read as follows:

"(2) DEGREE REQUIREMENTS.—

"(A) IN GENERAL.—The Secretary shall ensure that not later than September 30, 2011, at least 50 percent of all Head Start teachers nationwide in center-based programs have—

"(i) a baccalaureate or advanced degree in early childhood education; or

"(ii) a baccalaureate or advanced degree in a field related to early childhood education, with experience in teaching preschool children.

"(B) PROGRESS.—Each Head Start agency shall provide to the Secretary a report indicating the number and percentage of classroom instructors with child development associate credentials and associate, baccalaureate, or advanced degrees. The Secretary shall compile all program reports and make them available to the Committee on Education and the Workforce of the United States House of Representatives and the Committee on Health, Education, Labor, and Pensions of the United States Senate.

"(C) REQUIREMENT FOR NEW HEAD START TEACHERS.—Within 3 years after the effective date of this subparagraph, the Secretary shall require that all Head Start teachers nationwide in center-based programs hired following the effective date of this subparagraph—

"(i) have an associate, baccalaureate, or advanced degree in early childhood education or a related field; or

"(ii) be currently enrolled in a program of study leading to an associate degree in early childhood education and agree to complete degree requirements within 3 years from the date of hire.

"(D) SERVICE REQUIREMENTS.—The Secretary shall establish requirements to ensure that individuals who receive financial assistance under this subchapter in order to comply with the requirements under section 648A(a)(2) shall subsequently teach in a Head Start center for a period of time equivalent to the period for which they received assistance or repay the amount of the funds.

"(E) LIMITATION.—The Secretary shall require that any Federal funds provided directly or indirectly to comply with subparagraph (A) shall be used toward degrees awarded by an institution of higher education, as defined by sections 101 or 102 of the Higher Education Act (20 U.S.C. 1001–1002).". ".

(b) CLASSROOM TEACHERS.—Section 648A of the Head Start Act (42 U.S.C. 9843a) is amended by adding at the end the following:

"(f) PROFESSIONAL DEVELOPMENT PLANS.—Each Head Start agency and program shall create, in consultation with an employee, a professional development plan for all full-time employees who provide direct services to children.".

SEC. 20. RESEARCH, DEMONSTRATIONS, AND EVALUATION.

(a) NEW IDEAS AND APPROACHES.—Section 649(a)(1)(B) of the Head Start Act (42 U.S.C. 9844(a)(1)(B)) is amended to read as follows:

"(B) use the Head Start programs to develop, test, and disseminate new ideas and approaches based on existing scientifically based research, for addressing the needs of low-income preschool children (including children with disabilities and children determined to be abused or neglected) and their families and communities (including demonstrations of innovative non-center based program models such as home-based and mobile programs), and otherwise to further the purposes of this subchapter.".

(b) STUDY.—Section 649(d) of the Head Start Act (42 U.S.C. 9844(d) is amended—

(1) in paragraph (7) by adding "and" at the end;

(2) in paragraph (8) by striking the semicolon and inserting a period;

(3) by striking paragraph (9); and

(4) by striking the last sentence.

(c) EXPERT PANEL.—Section 649(g) of the Head Start Act (42 U.S.C. 9844(g)) is amended—

(1) in paragraph (1)(A)—

(A) by striking clause (i); and

(B) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively; and

(2) in paragraph (7)(C)(i) is amended to read as follows:

"(i) Not later than September 30, 2007, the Secretary shall transmit to the committees specified in clause (ii) the final report.".

(d) NAS STUDY.—Section 649(h) of the Head Start Act (42 U.S.C. 9844(h)) is amended to read as follows:

"(h) NAS STUDY.—

"(1) IN GENERAL.—The Secretary shall use funds allocated in section 640(a)(2)(C)(iii) to contract with the National Academy of Sciences for the Board on Children, Youth, and Families of the National Research Council to establish an independent panel of experts to review and synthesize research, theory and applications in the social, behavioral and biological sciences and to make recommendations on early childhood pedagogy with regard to each of the following:

"(A) Age and developmentally appropriate Head Start academic requirements and outcomes, including the domains in 641A(a)(B).

"(B) Differences in the type, length, mix and intensity of services necessary to ensure that children from challenging family and social backgrounds including: low-income children, children of color, children with special needs, and children with limited English proficiency enter kindergarten ready to succeed.

"(C) Appropriate assessments of young children (including systematic observation assessment in a child's natural environment, and parent and provider interviews) for purposes of improving instruction, services, and program quality, and accommodations for children with disabilities and appropriate assessments for children with special needs (including needs related to the acquisition of the English language).

"(D) An evaluation of the current and appropriate uses of the National Reporting System developed by the Secretary.

"(2) COMPOSITION.—The panel shall consist of multiple experts in each of the following areas:

"(A) Child development and education, including cognitive, social, emotional, physical, approaches to learning, and other domains of child development and learning.

"(B) Professional development, including teacher preparation, to individuals who teach young children in programs.

"(C) Assessment of young children, including screening, diagnostic and classroom-based instructional assessment; children with special needs, including children with disabilities and limited English proficient children.

"(3) TIMING.—The National Academy of Sciences and the Board shall establish the panel not later than 90 days after the date of the enactment of the School Readiness Act of 2005. The panel shall complete its recommendations within 18 months of its convening.

"(4) APPLICATION OF PANEL RECOMMENDATIONS.—The recommendations of the panel shall be used as guidelines by the Secretary to develop, inform and revise, where appropriate, the Head Start education performance measures and standards and the assessments utilized in the Head Start program.".

(e) STUDY OF STATUS OF LIMITED ENGLISH PROFICIENT CHILDREN.—Section 649 of the Head Start Act (42 U.S.C. 9844) is amended by adding at the end the following:

"(i) LIMITED ENGLISH PROFICIENT CHILDREN.—

"(1) STUDY.— Not later than 1 year after the date of enactment of the School Readiness Act of 2005, the Secretary shall conduct a study on the status of limited English proficient children and their families in Head Start programs and Early Head Start programs.

"(2) REPORT.—The Secretary shall prepare and submit to Congress, not later than September 2008, a report containing the results of such study, including information on—

"(A)(i) the demographics of limited English proficient children less than 5 years of age and the geographical distribution of such children; and

"(ii) the number of such children receiving Head Start services and the number of such children receiving Early Head Start services, and the geographical distribution of such children receiving such services;

"(B) the nature of the Head Start services and of the Early Head Start services provided to limited English proficient children and their families,

including the types, content, duration, intensity, and costs of family services, language assistance, and educational services;

"(C) procedures in Head Start programs for assessing language needs and for making the transition of limited English proficient children to kindergarten, including the extent to which Head Start programs meet the requirements of section 642A for limited English proficient children;

"(D) the qualifications and training provided to Head Start teachers and Early Head Start teachers who serve limited English proficient children and their families;

"(E) the rate of progress made by limited English proficient children and their families in Head Start programs and in Early Head Start programs, including—

"(i) the rate of progress made by limited English proficient children toward meeting the additional educational standards described in section 641A(a)(1)(B)(ii) while enrolled in Head Start programs;

"(ii) the correlation between such progress and the type and quality of instruction and educational programs provided to limited English proficient children; and

"(iii) the correlation between such progress and the health and family services provided by Head Start programs to limited English proficient children and their families; and

"(F) the extent to which Head Start programs make use of funds under section 640(a)(3) to improve the quality of Head Start services provided to limited English proficient children and their families.".

SEC. 21. REPORTS.

(a) REPORT.—Section 650(a) of the Head Start Act (42 U.S.C. 9845(a)) is amended—

(1) by amending the first sentence to read as follows:

"At least once during every 2-year period, the Secretary shall prepare and 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 concerning the status of children (including disabled, homeless, and limited English proficient children) in Head Start programs, including the number of children and the services being provided to such children."; and

(2) in paragraph (8) by inserting ", homelessness" after "background".

(b) NATIONAL REPORTING SYSTEM.—Section 650 of the Head Start Act (42 U.S.C. 9845) is amended by adding at the end the following:

"(c) NATIONAL REPORTING SYSTEM.—The Secretary shall submit annually 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 on the status of the National Reporting System developed by the Secretary. Such report shall include—

"(1) information on all contracts, grants, and expenses relating to the development and implementation of the National Reporting System;

"(2) information described in section 641A(b)(3)(B); and

"(3) a description of the recommendations made by the Technical Working Group, including issues of the technical adequacy, purpose, and administration of the System, and an explanation of how the Secretary plans to address these recommendations.".

SEC. 22. LIMITATION ON RATE OF FEDERAL FUNDING FOR COMPENSATION.

Section 653 of the Head Start Act (42 U.S.C. 9848) is amended—

(1) by striking the heading;

(2) by striking "SEC. 653. The" and inserting the following:

"SEC. 653. WAGES AND COMPENSATION.

"(a) COMPARABILITY OF WAGES.—The"; and

(3) by adding at the end the following:

"(b) FEDERAL RATE LIMITATION.—Notwithstanding any other provision of law, no Federal funds shall be used to pay all or any part of the compensation of an individual employed by a Head Start agency in carrying out programs under this subchapter, either as direct or indirect costs or any proration thereof, at a rate in excess of the rate then payable for level II of the Executive Schedule under section 5316 of title 5, United States Code.".

SEC. 23. LIMITATION ON USE OF FUNDS.

The Head Start Act (42 U.S.C. 9831 et seq.) is amended by inserting after section 656 the following:

"SEC. 656A. LIMITATION ON CERTAIN USES OF FUNDS.

"No funds made available to carry out this subchapter may be used—

"(1) for publicity or propaganda purposes not heretofore authorized by the Congress; or

"(2) unless authorized by law in effect on the effective date of this section, to produce any prepackaged news story intended for broadcast or distribution unless such story includes a clear notification contained within the text or audio of such story stating that the prepackaged news story was prepared or funded by the Department of Health and Human Services.".

SEC. 24. CONFORMING AMENDMENT.

Section 641A(a)(2)(A) of the Head Start Act (42 U.S.C. 9836a(a)(2)(A)) is amended by striking "non-English language background" and inserting "limited English proficient".

SEC. 25. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) GENERAL EFFECTIVE DATE.—Except as provided in subsections (b) and (c), this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—The amendments made by this Act shall not apply with respect to any fiscal year that begins before the date of the enactment of this Act.

(c) PRIORITY IN THE DESIGNATION OF HEAD START AGENCIES.—

(1) EFFECTIVE DATE.—Section 641(c), as amended by section 7(b) of this Act, shall take effect exactly twelve months from the date of the enactment of this Act, except for section 641(c)(5), which shall take effect on the date of the enactment of this Act.

(2) IMPLEMENTATION RULE.—For purposes of carrying out section 641(c) of the Head Start Act, as amended by section 7(b) of this Act, the Secretary may only consider the performance of a Head Start program in meeting the requirements described in section 641(c) of the Head Start Act, as amended by section 7(b) of this Act, from the date of enactment of this Act, except any performance that constitutes a deficiency since the then most recent designation.

PURPOSE

H.R. 2123, the School Readiness Act of 2005, amends the Head Start Act to improve the school readiness of disadvantaged children, and for other purposes.

COMMITTEE ACTION

COMMITTEE HEARINGS

On April 5, 2005, the Full Committee on Education and the Workforce held a hearing on Financial Accountability in the Head Start Early Childhood Program. The hearing discussed the financial control problems that exist within the Head Start program. The witnesses who testified before the Full Committee included: Dr. Marnie S. Shaul, Director of Education Issues, Education, Workforce, and Income Security for the United States Government Accountability Office, Washington, DC; Dr. Wade F. Horn, Assistant Secretary, Administration for Children and Families, United States Department of Health and Human Services, Washington, DC; Ms. Pamela Henry, Head Start Parent, Las Vegas, Nevada, and Ms. Olivia Golden, Senior Fellow and Director of the Assessing the New Federalism Project at the Urban Institute, Washington, DC.

On April 14, 2005 the Subcommittee on Education Reform held a hearing on The Best of Head Start: Learning from Model Programs. The hearing examined high quality Head Start grantees to understand what factors result in exemplary Head Start programs. The witnesses included Dr. Stephen W. Daeschner, Superintendent of Jefferson County Schools, Louisville, Kentucky; Mr. David Mark-

er, Chief Financial Officer of Miami Valley Child Development Centers, Inc., Dayton, Ohio; Mr. Scott Siegfried, Program Coordinator of Miami Valley Child Development Centers, Inc., Dayton, Ohio; Ms. Barbara Mainster, Executive Director, Redlands Christian Migrant Association, Immokalee, Florida; and Ms. Gayle Cunningham, Executive Director, Jefferson County Committee for Economic Opportunity Child Development Services, Birmingham, Alabama.

On April 21, 2005, the Subcommittee on Education Reform held a second hearing discussing Early Childhood Education: Improvement through Integration. Ms. Marsha Moore, Commissioner, Georgia Department of Early Care and Learning, Atlanta, Georgia; Mr. Jeffrey Alexander, Assistant Head Start Director of Big Five Community Services Inc., Durant, Oklahoma; Dr. Steven Barnett, Director, National Institute for Early Education Research, New Brunswick, New Jersey; Dr. Richard M. Clifford, Senior Scientist, Frank Porter Graham Child Development Institute, Chapel Hill, North Carolina, and Ms. Helen Blank, Director of Leadership and Public Policy at the National Women's Law Center, Washington, DC all testified before the Subcommittee.

LEGISLATIVE ACTION

On Thursday, May 5, 2005, Representative Michael N. Castle, along with Representatives Boehner (R–OH), McKeon (R–CA), Wilson (R–SC), Regula (R–OH), Cunningham (R–CA), Putnam (R–FL), and Sullivan (R–OK), introduced H.R. 2123, the School Readiness Act of 2005, a bill to reauthorize the Head Start Act through 2011.

On Wednesday, May 11, 2005, the Subcommittee on Education Reform considered H.R. 2123 in a legislative session and reported it favorably, as amended, to the Committee on Education and the Workforce by voice vote. The Subcommittee adopted the following amendments:

1. An amendment in the nature of a substitute offered by Mr. Castle, adopted by voice vote. The substitute amendment contained changes to H.R. 2123 including:

- Language reserving 5 percent of the amount appropriated for migrant and seasonal Head Start programs until such time as the Secretary can make funding decisions to ensure comparable funding to other eligible children;
- Language authorizing the appointment of a National Migrant and Seasonal Head Start Collaboration Director and the appointment of a National Indian Head Start Collaboration Director;
- Language allowing agencies operating in rural areas, migrant and seasonal Head Start programs, and Indian Head Start programs extra time to meet the staff qualification requirement for priority designation if agencies and programs demonstrate progress toward meeting the requirement;
- Language requiring agencies that are operating a program with an actual enrollment that is less than 95 percent of its funded enrollment to work with the Secretary to reduce or eliminate the under-enrollment;
- Language allowing independent auditors of Head Start agencies to provide services for up to 4 consecutive years;

- Language requiring each Head Start agency to submit to the Secretary an independent financial audit of the program not later than 180 days after the end of each fiscal year; and
- Ensuring that no funds under the Act can be used to pay journalists or media commentators to support activities for publicity or propaganda purposes

2. An amendment offered by Mr. Castle, adopted by voice vote. Mr. Castle's amendment makes technical changes to H.R. 2123.

3. An amendment offered by Mr. Kind and Mr. Osborne, adopted by voice vote. This amendment increases emphasis of Head Start programs on the importance of physical activity, nutrition, and outdoor play.

On May 18, 2005 the Committee on Education and the Workforce considered H.R. 2123 in legislative session, and reported the bill favorably, as amended, to the House of Representatives. The roll call vote was 48–0. The Committee adopted the following amendments:

1. An amendment in the nature of a substitute offered by Mr. Castle, adopted by voice vote. The substitute amendment contained the following technical and clarifying changes to H.R. 2123:

- Language reserving 3.5 percent of the total annual appropriation for Indian Head Start programs until such time as the Secretary can make funding decisions to ensure comparable funding to other eligible children;
- Language clarifying the definition of "deficiency" to ensure that it includes a "systematic or significant failure" of a Head Start agency in an area of performance as determined by the Secretary;
- Language clarifying the definition of "professional development" to ensure that teachers have access to professional development activities that will improve the school readiness of Head Start students;
- Language clarifying that the Policy Council shall serve under the Board of Directors, make recommendations to the Board, and serve as a link between parents and the Board;
- Language authorizing the Secretary to waive, on a case-by case basis, the staff qualification requirement for a limited period of time, for agencies operating in rural areas, migrant and seasonal Head Start programs, and Indian Head Start programs if such agencies and programs are demonstrating progress toward meeting the requirement;
- Language clarifying the role of the State Collaboration Director; and
- Language clarifying the limitation on the use of funds for propaganda and prepackaged news stories to ensure that the language is consistent with current law.

2. An En Bloc Amendment offered by Mr. Osborne, adopted by voice vote. This amendment does the following:

- Clarifies the role of the Policy Council and the majority of parents who serve on it;
- Clarifies and improves the definition of professional development;
- Ensures that children who are 3, 4, or 5 years old may continue to participate in migrant and seasonal Head Start programs if the temporary expansion of funding for such pro-

grams is adjusted to accurately reflect the migrant and seasonal population;

- Requires the Policy Council chair to serve on the Board of Directors;
- Requires Head Start programs nationwide to meet new degree requirements for teachers by 2011;
- Requires improved integration and coordination between Head Start and state pre-kindergarten programs;
- Clarifies funding for Palau;
- Encourages Head Start collaboration with social and community services;
- Requires the Secretary to report to Congress on the planned uses of data collected by the National Reporting System and progress toward ensuring the assessment's scientific validity and reliability;
- Establishes an effective date of 12 months from the date of enactment for grantees to comply with new criteria established to receive a priority designation; and
- Requires the Secretary to issue regulations on grantee designations within 180 days following enactment

3. An Amendment offered by Mr. Grijalva, adopted by voice vote. Mr. Grijalva's amendment encourages State Early Learning Councils to increase access to Head Start for underrepresented populations.

4. An Amendment offered by Mrs. Biggert, Mr. Platts, and Mr. Van Hollen, adopted by voice vote. This Amendment allows grantees providing both Head Start and Early Head Start to have greater flexibility in using unfilled Head Start slots for younger children in order to maximize the total number of eligible children served within a community.

5. An Amendment offered by Mr. Fortuño, Mr. Hinojosa, and Mr. Grijalva, adopted by voice vote. This Amendment does the following:

- Defines limited English proficiency (LEP) in a way that is consistent with the No Child Left Behind Act (NCLB);
- Authorizes a study to determine how well LEP students are served by Head Start;
- Ensures that parents of LEP children receive information in a clear and understandable format; and
- Ensures LEP students are receiving academic content in addition to language proficiency instruction.

SUMMARY

PURPOSE

The purpose of H.R. 2123, the School Readiness Act of 2005, is to promote school readiness by enhancing the development of low-income children, including development of cognitive abilities, through educational instruction in pre-reading skills, pre-mathematics skills, language, and social and emotional development linked to school readiness and through the provision to low-income children and their families of health, educational, nutritional, social and other services that are determined, based on family needs assessments, to be necessary.

DEFINITIONS

Adds new definitions to the Head Start Act including: challenging State developed academic content standards, the term deficient, eligible entities, homeless children, limited English proficient, professional development, scientifically based research, state educational agency, and unresolved area of noncompliance.

AUTHORIZATION LEVEL

Authorizes $6.899 billion for fiscal year 2006 and such sums as may be necessary for fiscal years 2007 through 2011. Of that amount, not more than $20 million may be used annually to carry out research, demonstration, and evaluation activities; of which not more than $7 million may be used to carry out studies on the impact of Head Start.

ALLOTMENT OF FUNDS

H.R. 2123 amends various provisions regarding the allotment of Head Start funds. Specifically, the School Readiness Act of 2005:

Reserves 5 percent of the total annual appropriation for migrant and seasonal Head Start programs until such time as the Secretary can make funding decisions to ensure comparable funding to other eligible children (except that no future reduction in funding shall result in the termination of Head Start services provided to any eligible child three years of age or older who is participating in any such program on the date a reduction in funding occurs, and shall, to the extent possible, continue participation for children less than three years of age receiving services prior to such reduction in funding).

Reserves 3.5 percent of the total annual appropriation for Indian Head Start programs until such time as the Secretary can make funding decisions to ensure comparable funding to other eligible children.

Reserves 2 percent of the total annual appropriation for training and technical assistance activities to foster program quality and management improvements, of which: 50 percent shall be made available to local Head Start agencies for use in complying with performance standards; 20 percent shall be made available to support State Early Learning Councils; and 30 percent shall be made available to the Secretary to assist local programs in meeting performance standards (of which not less than $3 million must be related to family literacy).

Of any new funding appropriated above the previous fiscal year, 60 percent (after an inflationary adjustment for grantees) must be used for quality improvement, including activities to improve the compensation of classroom teachers; provide training to improve the qualifications of classroom teachers and staff; hire additional classroom teachers and staff; and conduct outreach to families of homeless, migrant and seasonal, and limited English proficient children.

The remaining 40 percent shall be used to expand participation among underserved populations, including migrant and seasonal Head Start children, and to increase funding per child for programs that receive per child funding below the national average.

TRANSPORTATION

Under current law, regulations have been established regarding the safety features and safe operation of vehicles used by Head Start agencies to transport children. H.R. 2123 provides the Secretary with a limited waiver authority for Head Start agencies in transporting children if such requirements pertain to child restraint systems and bus monitors; the agency demonstrates that compliance with such requirements will result in a significant disruption to the Head Start or Early Head Start program; and is in the best interest of the child.

MIGRANT AND SEASONAL AND INDIAN HEAD START PROGRAMS

Authorizes the appointment of a National Migrant and Seasonal Head Start Collaboration Director and the appointment of a National Indian Head Start Collaboration Director. H.R. 2123 also requires the Secretary to continue the administrative arrangement at the national level for meeting the needs of Indian children and children of migrant and seasonal farmworkers to ensure that appropriate funding is provided to meet such needs.

ENROLLMENT OF HOMELESS CHILDREN

Requires the Secretary to prescribe policies and procedures to remove barriers to the enrollment and participation of homeless children in Head Start programs. Such procedures shall require Head Start agencies to implement policies and procedures to ensure that homeless children are identified and prioritized for enrollment; to allow homeless families to apply to, enroll in and attend Head Start programs while required documents, such as proof of residency, immunization and other medical records, birth certificates and other documents, are obtained within a reasonable time frame; and coordinate individual Head Start centers and programs with efforts to implement the McKinney-Vento Homeless Assistance Act.

ELIGIBILITY FOR INITIAL DESIGNATION AS HEAD START AGENCY

To receive an initial Head Start grant an entity must establish measurable objectives for improving the school readiness of children participating in a program and develop performance standards that include educational instruction in pre-reading, pre-mathematical, and language skills; the provision of health, educational, nutritional, social, and other services related to school readiness standards; and school readiness standards that are aligned with state-developed K–12 academic content standards and the Head Start Child Outcomes Framework.

PRIORITY DESIGNATION FOR SUBSEQUENT, NON-COMPETITIVE HEAD START GRANTS

H.R. 2123 specifies that the Secretary shall award a "priority designation" which will result in a subsequent, non-competitive grant to current Head Start agencies that: (1) have already received an initial designation as a Head Start agency; (2) meet or exceed program and financial management requirements; (3) meet or exceed the education standards and requirements in section 641A(a)(1)(B); (4) have no unresolved areas of noncompliance; (5) have not been deemed deficient since the most recent designation;

(6) employ qualified staff, including a teaching staff of whom at least 50 percent have an associate, baccalaureate, or advanced degree in early childhood education or a related field (except that the Secretary may waive these requirements, on a case-by-case basis for up to three years, for an agency operating in a rural area, Indian Head Start programs, and migrant and seasonal Head programs if the program demonstrates progress in increasing the qualifications of its teaching staff and demonstrates adequate instructional supervision by qualified staff); (7) were not deemed by the Secretary as chronically under-enrolled at any time during the previous grant; (8) utilize curricula based on scientifically based research, that are aligned with challenging state-developed academic content standards and the Head Start Child Outcomes Framework developed by the Secretary; (9) demonstrate active partnerships with local educational agencies serving the same communities to facilitate smooth transitions to kindergarten; (10) actively implement a memorandum of understanding with any local educational agency, council or other provider of publicly funded pre-kindergarten within the service area and additional partnerships with organizations that enhance the delivery of services to children; (11) demonstrate success in improving child outcomes across all domains of development, including measurable progress in language skills, pre-reading knowledge, and pre-mathematics knowledge; (12) maintain classroom environments constructive to early learning and future school success; (13) demonstrate strong parental involvement and activities to develop parent skills to support their children's educational development and ability to participate effectively in decisions relating to the education of their children; (14) are overseen by a local governance board that provides direction and actively oversees all program activities; (15) document strong fiscal controls, including the employment of well-qualified fiscal staff; no reportable material weaknesses with applicable laws and regulations on all annual financial audits; meeting or exceeding annual requirements for financial support; and maintaining total administrative costs at or below 15 percent of total program costs; (16) are licensed to operate in accordance with all applicable state child care regulations; (17) conduct outreach activities to ensure that services are provided to the most at-risk families in the community; (18) have developed strong community partnerships with public and private organizations, such as businesses, health, and social service providers; and (19) provide opportunities for ongoing professional development.

In addition, H.R. 2123 provides that any Head Start agency that does not receive a priority designation will be eligible for a subsequent Head Start grant (which would be awarded in an open competition).

QUALITY STANDARDS

Under current law, the Secretary has established quality standards that include minimum levels of overall accomplishment for Head Start agencies. H.R. 2123 adds to the current education performance standards provisions to ensure that the children participating in the program, at a minimum, develop and demonstrate language knowledge and skills; pre-reading knowledge and skills that prepare children for early literacy in schools; pre-mathematics

knowledge and skills; cognitive abilities related to academic achievement and child development; social and emotional development, early learning, and school success and sustained academic gains; and in the case of limited-English proficient children, progress toward acquisition of the English language.

When developing quality standards, H.R. 2123 requires the Secretary to take into consideration guidelines and standards that promote child health services and physical development, including outdoor activity that supports children's motor development and overall health and nutrition.

RESULTS-BASED PERFORMANCE MEASURES

Under current law, the Secretary is required to develop methods and procedures for measuring, annually and over longer periods, the quality and effectiveness of programs operated by Head Start agencies. The School Readiness Act of 2005 clarifies current law provisions with regard to use of such measures. Specifically, the Secretary shall: (1) use the performance measures to identify strengths and weaknesses in the operation of Head Start programs and program areas that may require additional training and technical assistance resources; (2) provide a detailed justification to the Congress regarding the planned uses of the data collected by the National Reporting System and shall demonstrate its scientific validity and reliability for such purposes; (3) not use the National Reporting System assessment results either as the primary method for assessing program effectiveness or as the primary method for making grantee funding determinations; and (4) develop a process to ensure that the National Reporting System shall not be used to exclude children from Head Start programs.

MONITORING OF LOCAL AGENCIES AND PROGRAMS

To determine whether Head Start agencies have met quality standards and results-based performance measures, the Secretary has developed local monitoring procedures that take into account program, administrative, financial management, and other requirements. H.R. 2123 adds a provision to current law to require the Secretary to develop and utilize a risk-based assessment system of agencies that includes unannounced site inspections of Head Start centers and follow-up reviews including a review of programs with citations that include one or more findings of deficiencies not later than six months after the date of such citation.

H.R. 2123 also requires the Secretary to ensure that such reviews of Head Start agencies: (1) are conducted by review teams composed of individuals who are knowledgeable about the program areas they are reviewing and the diverse (including linguistic and cultural) needs of eligible children (including children with disabilities) and limited-English proficient children and their families; (2) include a review and assessment of program effectiveness, including strengths and areas for improvement, as measured in accordance with the results-based performance measures developed by the Secretary; (3) seek information from the communities and the states involved about the performance of the programs and the efforts of the Head Start agencies to collaborate with other entities carrying out early childhood education and child care programs in the community; (4) include an assessment of whether a program is

in conformity with the income eligibility requirements; (5) include a review and assessment of whether programs have adequately addressed the population and community needs (including populations of children with a limited English proficiency and children of migrant and seasonal farm-working families); and (6) are conducted in a manner that evaluates program performance, quality, and overall operations with consistency and objectivity, and based on a transparent and reliable system of review.

UNDER-ENROLLMENT

Under the School Readiness Act of 2005, each entity carrying out a Head Start program must report on a monthly basis to the Secretary and the relevant Head Start agency: (1) the actual enrollment in such program; and (2) if such actual enrollment is less than the funded enrollment, any apparent reason for such enrollment shortfall.

As a result, the Secretary shall: (1) on a semiannual basis, determine which Head Start agencies are operating with an actual enrollment that is less than the funded enrollment based on not less than the average enrollment during 4 consecutive months; and (2) for each such Head Start agency operating a program with an actual enrollment that is less than 95 percent of its funded enrollment, provide technical assistance and develop a plan for reducing or eliminating under-enrollment.

If the Head Start agency continues to operate a program at less than full enrollment after the implementation of the under-enrollment plan, H.R. 2123 authorizes the Secretary to allow the agency to use funds from the enrollment shortfall to serve Early Head Start children if the agency already operates an Early Head Start program and submits an application to the Secretary. This application must contain: (1) evidence of community need for such services; (2) a description of how the needs of pregnant women, infants, and toddlers will be addressed including the agency's approach to childhood development and health services; family and community partnerships; and program design and management; (3) assurances that the agency will participate in technical assistance activities for newly funded and existing grantees; and (4) evidence that the agency meets the eligibility criteria for Early Head Start programs.

If the Head Start agency continues to operate a program at less than full enrollment for one year after the implementation of the under-enrollment plan, the Secretary shall continue to provide technical assistance to such agency. After receiving technical assistance and developing and implementing the under-enrollment plan the Secretary is authorized to: (1) designate such agency as chronically under-enrolled; and (2) recapture, withhold, or reduce the base grant for the program by a percentage equal to the percentage difference between funded enrollment and actual enrollment for the program for the most recent year in which the agency is determined to be under-enrolled.

INDEPENDENT BOARD OF DIRECTORS

To be designated as a Head Start agency, the grantee must establish an independent board of directors (or may designate an existing entity to serve as the board) for a period not to exceed five years (except that board members who are elected to oversee a pub-

lic entity that administers a Head Start program may serve for the duration of their elected office).

Members of the board of all nonpublic entities shall include representatives of the local community, including at least one member with significant financial management or accounting experience, and the policy council chair. Additional members shall be selected for their expertise in education, business administration, community affairs, government, legal affairs, and such other areas of expertise as may contribute to effective governance of the Head Start agency.

All board members shall receive training in management responsibilities and obligations, ethics, and financial literacy and management and must adopt practices that assure active, independent and informed governance of the Head Start agency, including independent oversight of the financial and management practices of such agency.

The board shall provide direction to the executive director of the Head Start agency and: (1) provide independent oversight to ensure that the Head Start agency is delivering high quality services to children and families in compliance with all applicable standards and performance measures; (2) establish two or more standing committees to facilitate governance of the Head Start agency which shall include an audit and finance committee and a policy council, a majority of whose representatives shall be parents of children participating in a Head Start program or in an Early Head Start program; (3) approve the selection and dismissal of the Head Start director and to review annually the human resources available to ensure the effective operation of the Head Start agency; (4) consult, on a regular basis, with the policy committee and to take actions on recommendations submitted by such committee; (5) review and approve the major operational policies of the Head Start agency, including policies addressing accounting, financial management, procurement, record confidentiality, and personnel (including specific standards governing salaries, salary adjustments, travel and per diem allowances, and other employee benefits); (6) ensure that the Head Start agency is operated in compliance with applicable federal, state, and local laws; (7) oversee the program planning of the Head Start agency; and (8) establish, adopt, and periodically update a written "Standards of Conduct" that establishes standards and procedures for disclosing and addressing conflicts of interest, and the appearance of conflicts of interest, by board members, officers, employees, consultants, and agents who provide services or furnish goods to the Head Start agency.

LOCAL INTEGRATION

H.R. 2123 requires Head Start grantees to enter into a memorandum of understanding (MOU) with local educational agencies or other providers of publicly funded pre-kindergarten programs in their service area to better align their educational activities with state academic standards, improve the delivery of services to children, and better train all staff. Specifically, Head Start grantees will be required to coordinate the following activities with local providers of public pre-kindergarten: (1) educational activities, curricula, and instruction aligned to challenging state developed academic content standards; (2) public information dissemination and

access to programs for families; (3) selection priorities for eligible children to be served by programs; (4) service delivery areas; (5) staff training, including opportunities for joint staff training on topics such as academic content standards and instructional methods; (6) program technical assistance; (7) provision of additional services to meet the child care needs of working parents; (8) planning and parent education for smooth transitions to kindergarten; (9) provision and use of facilities, transportation, and other program elements; and (10) other elements mutually agreed to by the parties to such memorandum.

If Head Start grantees fail to enter into an MOU with state-funded pre-kindergarten programs operating in their service area, they will be deemed deficient (unless the Secretary determines that Head Start has not complied because there is no state funded pre-kindergarten in the service area or the agency has not complied because the local pre-kindergarten agency is unwilling or unable) and will have to compete for funding against other applicants.

STATEWIDE INTEGRATION

H.R. 2123 authorizes State Early Learning Councils to advance the development of a coordinated delivery system for early childhood services within a state. State Early Learning Councils will bring together Head Start, state pre-kindergarten programs, state child care programs and the schools that will one day serve the children enrolled in Head Start so that these programs can: (1) increase coordination and collaboration among state preschool, Head Start programs, child care programs, special education, and other early childhood programs in the state; (2) work with state agencies responsible for education, child care, and early intervention to provide leadership and assistance to local Head Start programs, school districts, and state and locally funded preschool and childcare programs to increase integration among early childhood programs; (3) conduct periodic statewide needs assessments concerning early care and education programs for children; (4) work to identify and address barriers to and opportunities for integration between entities carrying out federal and state child development, child care, and early childhood education programs; (5) address coordination of early learning programs with health care, welfare, family literacy and services for homeless children; (6) support a state system of early childhood education, and training and technical assistance that improves the quality of early learning programs and the capacity of such programs to deliver services; and (7) develop a plan for increasing the participation of children underrepresented in state early childhood education and child care programs.

HEAD START ALIGNMENT WITH K–12 EDUCATION

Under current law, each Head Start agency is required to coordinate with the LEA serving the community involved and with schools in which children participating in a Head Start program will enroll. The School Readiness Act of 2005 adds provisions to this coordination which include: (1) developing continuity of developmentally appropriate curricula between Head Start and local educational agencies to ensure an effective transition for children's learning and development as they make such transition to school; (2) organizing and participating in joint training; (3) developing

and implementing a family outreach and support program; (4) linking the services provided in such Head Start program with the education services, including services relating to language, literacy, and numeracy, provided by such LEA; (5) helping parents (including grandparent and kinship caregivers, as appropriate) to understand the importance of parental involvement in a child's academic success; (6) developing and implementing a system to increase program participation of underserved populations of eligible children; and (7) coordinating activities to ensure that curricula used in the Head Start program are aligned with state early learning standards.

ANNUAL REPORT

H.R. 2123 requires that each Head Start agency make available to the public an annual report that discloses: (1) the total amount of public and private funds received and the amount from each source; (2) an explanation of budgetary expenditures and a proposed budget for the following fiscal year; (3) the total number of children and families served and percent of average monthly enrollment, including the percent of eligible children served; (4) the results of the most recent review by the Secretary and the financial audit; (5) the percentage of enrolled children that received medical and dental exams; (6) information about parent involvement activities; (7) the performance of the agency in preparing children for kindergarten; and (8) other information that describes the activities of the agency.

PARENTAL CONSENT FOR NON-EMERGENCY INTRUSIVE PHYSICAL EXAMINATIONS

Before administering any health care service (including any non-emergency intrusive physical examination) to a child (or referring such child to obtain such service) in connection with participation in a program, a Head Start agency must obtain the written consent of a parent of such child.

AUDITS

The School Readiness Act of 2005 updates current law provisions regarding records and audits by requiring each Head Start agency to submit to the Secretary an independent financial audit of the program not later than 180 days after the end of each fiscal year. The audit must be carried out by a certified public accountant selected through a competitive process from among qualified certified accountants by the local oversight board. H.R. 2123 also requires that each grantee maintain, and annually submit to the Secretary, a complete accounting of its administrative expenses (including a detailed statement identifying the amount of financial assistance used to pay expenses for salaries).

TRAINING AND TECHNICAL ASSISTANCE FOR SPECIAL POPULATIONS

H.R. 2123 updates current law training and technical assistance provisions to better address the unique needs of migrant and seasonal working families, families with a limited English proficiency, and homeless families.

The Secretary is required to work in collaboration with the Head Start agencies that carry out migrant and seasonal Head Start programs, State Collaboration Directors, the Migrant and Seasonal Farm Worker Collaboration Project Director, and other appropriate entities to: accurately determine the number of children nationwide who are eligible to participate in migrant and seasonal Head Start programs each year; document how many of these children are receiving Head Start services each year; and ensure that access to migrant and seasonal Head Start programs for eligible children is comparable to access to other Head Start programs for other eligible children.

QUALIFICATIONS FOR CLASSROOM TEACHERS

The School Readiness Act of 2005 requires that at least 50 percent of all Head Start teachers nationwide have a baccalaureate or advanced degree in early childhood education or related field by September 30, 2011. H.R. 2123 also requires that within three years all Head Start teachers hired after the date of enactment of this Act must have at least an associate degree in early childhood education or related field; or be enrolled in a program of study leading to an associate degree in early childhood education or related field within three years from the date of hire.

NATIONAL ACADEMY OF SCIENCES STUDY

Requires the Secretary to contract with the National Academy of Sciences to establish an independent panel of experts which shall review and synthesize research, theory and applications in the social, behavioral and biological sciences and shall make recommendations on early childhood pedagogy with regard to: (1) age and developmentally appropriate Head Start academic requirements and outcomes; (2) differences in the type, length, mix and intensity of services necessary to ensure that children from challenging family and social backgrounds enter kindergarten ready to succeed; (3) appropriate assessments of young children for purposes of improving instruction, services, program quality, and accommodations for children with disabilities and appropriate assessments for children with special needs (including needs related to the acquisition of the English language); and (4) an evaluation of the current and appropriate uses of the National Reporting System.

STUDY OF STATUS OF LIMITED ENGLISH PROFICIENT CHILDREN

Not later than one year after the date of enactment of the School Readiness Act of 2005, the Secretary is required to conduct a study on the status of limited English proficient children and their families in Head Start programs and Early Head Start programs including information on: (1) the demographics of limited English proficient children less than five years of age and the geographical distribution of such children; (2) the number of such children receiving Head Start services and the number of such children receiving Early Head Start services, and the geographical distribution of such children receiving such services; (3) the nature of the Head Start services and of the Early Head Start services provided to limited English proficient children and their families; (4) procedures in Head Start programs for assessing language needs and for making

the transition of limited English proficient children to kindergarten; (5) the qualifications and training provided to Head Start teachers and Early Head Start teachers who serve limited English proficient children and their families; (6) the rate of progress made by limited English proficient children and their families in Head Start programs and in Early Head Start programs; and (7) the extent to which Head Start programs make use of funds to improve the quality of Head Start services provided to limited English proficient children and their families.

LIMITATION ON RATE OF FEDERAL FUNDING FOR COMPENSATION

The School Readiness Act of 2005 ensures that no federal funds can be used to pay all or any part of the compensation of an individual employed by a Head Start agency at a rate in excess of the Secretary of Health and Human Services.

LIMITATION ON CERTAIN USES OF FUNDS

H.R. 2123 ensures that no funds under the Act can be used: (1) for publicity or propaganda purposes not authorized by the Congress; or (2) unless authorized by law, to produce any prepackaged news story intended for broadcast or distribution unless such story includes a clear notification contained within the text or audio of such story stating that the prepackaged news story was prepared or funded by the Department of Health and Human Services.

COMMITTEE VIEWS

OVERVIEW

Head Start was established in 1965 by President Lyndon B. Johnson as part of the War on Poverty and is one of the nation's most popular domestic programs. The program provides educational and other support services to prepare extremely low-income children for school. Strengthening early childhood education programs, including Head Start, is one of President George W. Bush's top domestic policy agenda items. Head Start is the federal government's largest effort to prepare the nation's most disadvantaged children for school.

Head Start provides a range of services, including education, nutrition, health, and parent training, to over 900,000 children and their families living in poverty. Federal Head Start funds are provided directly to local grantees, rather than through states. Programs are locally designed and administered by a network of more than 1,600 public and private non-profit and for-profit agencies, or grantees operating about 2,600 programs nation-wide. Grantees are required to reserve at least ten percent of their slots for children with disabilities. In 1994, Early Head Start was established to serve pre-natal mothers and infants and toddlers under the age of three.

The School Readiness Act of 2005, H.R. 2123, reforms Head Start to improve the overall school readiness of disadvantaged children through an increased focus on academic performance. Improving school preparedness and teacher quality are key components of H.R. 2123 since Head Start research consistently shows that participating children are making progress yet continuing to fall short of expectations by lagging behind their more affluent peers in some

domains of achievement. Eliminating academic and developmental disparities early on is an important goal of this legislation given the requirements of the No Child Left Behind Act, which mandate that children read on grade level by the end of third grade.

The School Readiness Act is based upon the Bush Administration's principles for Head Start that build upon the themes and conceptual framework for early childhood education outlined in the Good Start, Grow Smart plan introduced by the President in 2002. It includes provisions to strengthen program accountability, enhance the school readiness of participating children, and improve the integration of Head Start educational instruction with state pre-kindergarten programs. The School Readiness Act does *not* move the program's administrative functions from the Department of Health and Human Services to the Department of Education or authorize states to administer the Head Start program.

ENHANCING THE SCHOOL READINESS OF HEAD START CHILDREN

Knowledge about children's learning has expanded greatly during the past two decades. Research in the neurobiological and behavioral sciences suggests the importance of a child's experiences during the first years of life for healthy brain development. From birth through age five, children rapidly develop the capabilities on which subsequent development builds. According to child development expert Dr. T. Berry Brazeleton, "A child's experiences in the first months and years of life determine whether he or she will enter school eager to learn or not."

Given all that has been learned about the development of young children, there is not a single definition of school readiness that is consistently used across this country. A group of researchers at the Frank Porter Graham Child Development Center at the University of North Carolina have defined school readiness as the condition of children when they enter school, and the capacity of schools to educate the children enrolled. According to the research team, "the readiness puzzle can only be solved if the two pieces fit together" (Bailey, 1999).

While the resources to fund Head Start are significant, more work is needed to achieve the ultimate program goal of closing the readiness gap between Head Start children and their more advantaged peers when they enter kindergarten. Studies indicate that children who are enrolled in Head Start make some progress, but still are lagging behind national norms in all aspects of school readiness. Data from the Family and Child Experiences Survey (FACES) and the first year findings of the Head Start Impact study both suggest that Head Start participants show progress on some measures after completion of a year in Head Start, but not in others, and on balance remain below the national average. However, FACES data find the achievement gap has been closed in the areas of pre-reading and pre-writing by the time Head Start children complete kindergarten. The Committee looks forward to future reports from the Impact study to see if these results are replicated.

These data indicate that Head Start children are entering kindergarten without the full set of knowledge and skills that are good predictors of later school success. The problems that so many of these children will experience later in their academic careers are beginning well before they enter school. Although some variation in

development can be expected among children, the importance of all children achieving academic parity upon entry into kindergarten is critical since children who start behind have been shown to stay behind.

According to a 2001 report published by the Brookings Institution, huge developmental disparities, including sizable racial and ethnic gaps, already exist among young children at the time that formal education begins (Rouse, 2005). To accomplish the goal of ensuring that Head Start children develop the cognitive competencies necessary to succeed, the School Readiness Act significantly enhances program emphasis on the academic components of school readiness, while retaining the commitment to providing comprehensive early learning and social services. It is the Committee's view that Head Start, a program to enhance school readiness, has historically placed an unbalanced emphasis on providing health and social services to children and their families, which has resulted in Head Start children not making the cognitive gains necessary to begin school with an equal opportunity to succeed. The Committee recognizes the importance of all domains of development in order for a child to be school ready, however Head Start is not making good on its promise if Head Start children are not fully prepared to enter school.

There is a growing body of research and understanding of the early foundations of children's positive development and learning. Though no one curricula has been identified as clearly more effective than others, research does suggest that use of comprehensive, research-based curricula is critical to preparing to succeed in school and in life. H.R. 2123 does *not* mandate a federal curriculum. Children's readiness for school and positive overall development will be enhanced by teachers using a well-planned, research-based curriculum selected at the local level and implemented by teachers with education and training in child development and in the chosen curriculum.

Research suggests that learning will be most effective if it builds on children's existing understanding so it is critical that implementation attends to the individual developmental level of the child. Curricula should promote learning of concepts as well as information and skills. Curricula should increase in complexity and challenge of activities as children develop and should take into account and support the different ways children learn. It should be challenging, engaging, developmentally appropriate, culturally and linguistically responsive, and inclusive of children with disabilities. Curricula should be results-based and linked to instructional goals and measurable objectives.

A critical component of school readiness is the attainment of prereading abilities. As such, Head Start programs should provide children from low income families a high-quality, oral language and literature-rich environment. Through scientific research, much has been learned about the way children learn to read, and the strong foundation that is important before children are given formal reading instruction in kindergarten and first grade. Consistent with the Early Reading First initiative launched as part of the No Child Left Behind Act, Head Start must play a pivotal role in this effort. In addition to supporting the socio-emotional development of children under their care, Head Start programs must encourage and

promote cognitive development activities along with professional development for teachers and staff based on scientific research in reading.

Children who have poor beginning reading skills are less likely to develop better reading skills through their school careers. There are several generalizations about reading instruction that should be taken into account by Head Start teachers. For example, if children can correctly identify letters of the alphabet before they enter kindergarten, it is more likely that they will learn to read words in school faster than children who do not possess this knowledge. Experimental findings consistently confirm that children's knowledge of the alphabet is a strong predictor of their later progress in learning to read words accurately, quickly and automatically. Professional development and instructional activities should include an understanding of semiotic concepts, a term to describe the general theory of signs and symbols that represent written language, comprised of syntactics, semantics and pragmatics.

Head Start programs, in seeking to achieve the best pre-reading outcomes for children, are encouraged to access scientific, research-based screening tools in order to assist Head Start children by fashioning activities and instruction to meet their specific needs. One such screening tool is the National Center for Learning Disabilities' Get Ready to Read! pre-reading program. This allows teachers to screen four-year-olds to determine their familiarity with pre-reading concepts and provide parents, early childhood teachers, and caregivers with research-based information about how to build young children's pre-reading abilities.

The Committee urges the Secretary to encourage grantees to implement innovative methods that provide individualized instruction to children aimed at closing the school readiness gap. The Committee recognizes the one-to-one reading model developed and delivered in certain Head Start programs throughout the nation by Jumpstart. Jumpstart deploys 2100 college students each school year to mentor Head Start students by devoting an average of 15 hours per week to their partner child. In addition, time is spent assisting the teacher and entire classroom. An independent evaluation commissioned by Jumpstart found that one-to-one reading instruction provided by Jumpstart mentors helped to narrow the language and literacy gap. Gains were seen in the areas of using letters and sounds, writing, using vocabulary, using complex patterns of speech, listening to and understanding speech, and awareness of sounds in words. The Committee encourages Head Start centers to partner with programs such as Jumpstart that provide individualized reading instruction and recognizes such mentors as a potentially useful way of supplementing the language and literacy skills of Head Start children.

The Committee also recognizes the importance of pre-mathematics skills for young children. Promoting pre-mathematics and pre-science knowledge and abilities is important for school readiness. These competencies may be promoted through early science and math experiences, including observing with senses, predicting, inferring, defining and controlling variables, working in teams, and communicating discoveries. Examples of science and math experiences may include planting different seeds, with various types of growing medium, light, and water; building towers with various

block sizes; employing ramps and different balls; watching ice melt in different environments, etc.

The School Readiness Act updates the Head Start quality standards and performance measures to reflect scientific advances relating to the core areas of competence fundamental to children's school readiness. The new quality standards will require Head Start teachers to ensure that children enrolled in the program develop and demonstrate the following: language knowledge and skills; pre-reading knowledge and skills, including phonological awareness, print awareness and skills, and alphabetic knowledge; pre-mathematics knowledge and skills, such as aspects of classification, seriation, number, spatial relations and time; cognitive abilities related to academic achievement; social and emotional development related to early learning, school success and sustained academic gains; and for limited English proficient children, progress toward acquisition of the English language while making meaningful progress towards attaining the same school readiness knowledge and skills as other participating children. Additionally, the School Readiness Act eliminates the previous educational performance measures that were arbitrary and misaligned with the school readiness competencies specified under the quality and educational standards section.

Finally, the School Readiness Act defines scientifically based research and requires Head Start grantees to demonstrate the capacity to serve eligible children with programs based on scientifically based research that promote school readiness and meet quality standards. Consistent with the No Child Left Behind Act, the Committee strongly believes that Head Start programs should be utilizing sound scientifically-based research when making program decisions. The language in H.R. 2123 will ensure that instructional strategies have resulted from the application of rigorous, systematic, and objective procedures; employ systematic empirical methods that draw on observation or experiment; involve rigorous data analyses; rely upon measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations; and have been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review. These requirements will lead to improved program quality and better outcomes for the children participating in Head Start.

While the statutory improvements of H.R. 2123 are expected to improve the cognitive abilities of Head Start children, the Committee believes that the Head Start academic performance measures defined in regulations by the Secretary of Health and Human Services also need revision. The performance standards provided in regulations appear to be in many cases redundant, burdensome, and not measurable. Additionally, the regulations disproportionately address health and social development relative to standards for cognitive development and learning. For this reason, H.R. 2123 requires that the results-based performance measures be updated no less than every four years, based on advances in the science of early childhood development.

TEACHER QUALITY

According to the National Research Council report, Eager to Learn, all preschool programs should have a teacher with at least a bachelor's degree in early childhood education or a related field (National Research Council, 2000). Well-educated teachers are a key to early childhood program quality and outcomes for children. Research consistently demonstrates a link between the learning potential of children and the level of education and training of classroom teachers. A lack of professional preparation and low compensation affect a host of outcomes that may hamper a child's readiness to succeed in school.

Since its inception, the Head Start program has been providing training and professional development to its workers. Today, a certified Child Development Associate, or CDA, is the minimum teacher requirement in every Head Start classroom, and three-quarters of all Head Start teachers have at least an associate's degree in child development or a related field. This is good progress, but the program must build upon this progress to advance the qualifications of educational staff. Improved academic achievement in Head Start cannot be accomplished without well-qualified Head Start teachers who are trained in child development, utilize research-based literacy techniques, and understand the importance of a language-rich, interactive environment for children.

Research shows that teachers with a minimum of a bachelor's degree and specialized training in early childhood development are significantly more engaged with children, less critical, and less detached—characteristics related to better child outcomes—from students in their classrooms than teachers with less formal education. Research also demonstrates that higher teacher qualifications directly translate into better results for children in critical areas of development, including the attainment of the competencies needed to be successful in school. The three most renowned early childhood programs for low-income children—the Perry Preschool Project, Chicago Child Parent Centers, and Abecedarian Preschool—all were staffed by teachers with a minimum of a bachelor's degree and specialized training in early childhood education.

The School Readiness Act requires that a greater number of Head Start teachers are adequately trained and educated in early childhood development. In 1998, Congress required 50 percent of Head Start teachers nationwide to acquire a minimum of an associate degree by 2008—a goal that Head Start has successfully met.

The School Readiness Act of 2005 sets a new target for teacher qualifications. It requires that by three years after enactment all newly hired Head Start teachers have at least an associate degree or be enrolled in a program leading to an associate degree within three years. Additionally, it would require that half of all Head Start teachers nationwide have a minimum of a baccalaureate degree by 2011. This revised requirement would help to make teacher qualifications more consistent with K–12 schools and many state pre-kindergarten programs. Twenty-seven state pre-kindergarten programs, and the District of Columbia, require that all preschool teachers have at least a bachelor's degree, yet only about 34 percent of Head Start teachers have more than a two-year degree. In some states, the difference in the teacher requirements between

Head Start and state school readiness programs can be a barrier to collaboration and integration between the two programs.

Among the requirements for priority designation, H.R. 2123 would require grantees receiving priority designation to employ teachers of which at least half have an associate degree or higher. The Committee strongly believes all Head Start programs should meet this minimum standard but recognizes there can be logistical limitations to meeting the standard for certain programs that cannot access a workforce with these credentials for reasons outside of their control (such as regional isolation, provision of short-term services, and lack of an accessible institution of higher education that offers associate's degrees in the area of early childhood education or a related field). For this reason, the School Readiness Act permits rural, Migrant and Seasonal, and Indian Head Start programs to apply to the Secretary for a three-year waiver that can be renewed. In these cases, the Committee encourages the Secretary to grant waivers to eligible grantees who are demonstrating effort and improvement toward better professional development.

The School Readiness Act aims to increase the qualifications of educational staff with expertise and skills in providing academic services to limited English proficient (LEP) children. In order to effectively monitor progress towards the goal of increasing the qualifications of Head Start teachers with skills in serving LEP children, the Committee recommends that the Head Start Bureau include, as part of the annual program information report, information on the educational levels of Head Start teachers disaggregated by race, ethnicity, and primary language.

H.R. 2123 also requires all Head Start grantees to create a professional development plan for all full-time employees who provide direct educational services to children. The Committee believes that this activity will result in high quality professional development that directly benefits the individual instructor, Head Start students, and the overall program.

Navigating the maze of student aid can be a daunting task, and can be especially difficult for non-traditional students attending school part-time. While there are multiple authorities within the Head Start program to provide financial assistance for teachers obtaining higher education, budgetary constraints within Head Start programs may limit scholarship assistance under the Act. However, financial assistance is available under other federal programs (such as Pell Grants and student loans), under state programs, and from private foundations and organizations, and every effort should be made to raise awareness of financial assistance opportunities for Head Start teachers. The Secretary of Education is charged with overseeing outreach efforts to inform students about the availability of student financial assistance. The Secretary of Health and Human Services, in cooperation with the Secretary of Education, is encouraged to provide information to Head Start grantees informing teachers how to find and access various state, federal, and private funds to obtain Associate's or Bachelor's degrees.

It is important that Head Start teachers receive their post-secondary education from credible institutions of higher education that will provide high quality teacher preparation. The Committee is troubled by reports that some Head Start teachers may have purchased college degrees from diploma mills. Although no formal

legal definition exists, a diploma mill is generally regarded as an entity that lacks accreditation from a state or professional accreditation organization, but that sells college and graduate degrees that are fraudulent or worthless because of lack of standards in curriculum, instruction and completion. The Committee is concerned that diploma mills have proliferated in recent years due to the rise in Internet education. Although many diploma mills use the Internet to operate illegitimate institutions of higher education, it is sometimes difficult to distinguish between phony degrees and legitimate on-line institutions that operate accredited distance education programs. Although the federal government has been successful in keeping phony institutions out of the federal student aid programs, it is less clear whether federal assistance through the Head Start Act has been used to attain degrees from illegitimate institutions. For this reason, H.R. 2123 contains language that prohibits Head Start funds from being used to support the attainment of higher education unless the institution is accredited by an independent agency or association recognized by the U.S. Department of Education. Further, the Committee does not condone the hiring of new teachers with degrees received from diploma mills, and urges the Secretary to raise grantee awareness of these bogus institutions.

MEASURING PROGRESS

Head Start programs are currently required to measure children's progress in key aspects of development, including language development, literacy, mathematics, science, creative arts, social and emotional development, approaches toward learning, and physical health and development. Programs are required to evaluate each child's progress three times per year and use the results to help make decisions about staff training, mentoring and supervision; needed improvements in curriculum; reallocation of program resources; and plans for transitions of children from Head Start into elementary schools.

The Committee believes that monitoring children's growth and development throughout the Head Start year can be very helpful to continuous improvement in program quality. But in order for these assessments to provide teachers with useful information that can serve as a basis for teaching decisions, it is important that the self-assessment methods in the areas of emergent literacy and mathematics be research-based, developmentally appropriate, and culturally and linguistically responsive. The Committee believes it is important that these assessments be tied to children's daily activities in order to better support educational instruction and decisions about teaching and curricula.

NATIONAL REPORTING SYSTEM

The Department of Health and Human Services developed and implemented the Head Start National Reporting System (NRS) assessment nearly two years ago as a means to measure children's progress in four basic areas: understanding spoken English, vocabulary, letter recognition, and early math. The NRS is a brief, standardized assessment administered by local grantees at the beginning and end of each program year to all four and five year old children enrolled in Head Start. It is the first common assessment instru-

ment to evaluate how well individual Head Start programs are doing in preparing children for kindergarten.

According to the Department of Health and Human Services, the NRS is the largest assessment of preschool children in history. During the first year of its administration, the NRS was completed by nearly 437,000 preschool children participating in Head Start, including 35,000 children with disabilities and 125,000 children with limited English proficiency. The assessment was developed with limited Congressional authority and input, and despite recognized merits of a common assessment tool for Head Start, the Committee is aware that the NRS has been the subject of great concern for many child development and educational assessment experts and early childhood educators. Concerns raised by experts of the Technical Work Group of the NRS, which was selected by the Administration, include insufficient validity and reliability, issues of cultural and linguistic inappropriateness, unnecessary assessment of every child, and lack of clarity about its purpose and the use of the data. The Committee is additionally concerned about reports that the Spanish version of the NRS is not comparable or parallel to the English assessment. For this reason, the Committee commends the Secretary for convening panels to review and make recommendations to improve the NRS and recommends that sufficient time is taken to ensure the scientific validity and reliability of the NRS before its data are used to evaluate the progress of children participating in individual Head Start programs.

There is general agreement by early childhood experts on the value of assessment, and children are assessed regularly in nearly every preschool program across the country, including all Head Start classrooms. Currently, Head Start children participate in assessments that are locally selected and implemented. These local assessments may be useful to inform the instructional needs of individual children, but they often cannot be used to evaluate program effectiveness and cannot be used to compare rates of progress and the readiness of children in Head Start programs nationwide. H.R. 2123 requires *no* new testing.

Evaluating children's progress for the purposes of evaluating the effectiveness of early education programs is a relatively new concept that needs further study. Experts convened by the National Research Council state that young children inherently have developmental limitations that can affect the interpretation and use of assessments. For example, as discussed in Eager to Learn, young children still are developing the ability to focus, the capacity to be purposeful and intentional, and the ability to self-regulate. Furthermore, assessment results may be influenced by the fact that a preschool child may not fully understand what is being required of them during an assessment. In this 2001 report, experts under the National Research Council stated:

> All assessments, and particularly assessments for accountability, must be used carefully and appropriately if they are to resolve, and not create, educational problems. Assessment of young children poses greater challenges than people generally realize . . . Consequently, assessment results—in particular, standardized test scores that reflect a given point in time—can easily misrepresent children's learning . . . . If the use of external standardized

> tests increases in the preschool environment for reasons of public policy, it is essential that they meet the highest standards of reliability and validity.

The U.S Government Accountability Office (GAO) published a May 2005 study on the Head Start assessment, which notes that some changes have been made to the test and its administration to address concerns voiced by child development and assessment experts. However, the GAO states that:

> The Bureau has yet to address other potential implementation problems, such as whether all 4- and 5-year olds eligible to participate in the NRS are assessed and whether assessors have narrowed the curriculum they teach in response to the NRS . . . Analysis of the NRS is currently incomplete to support its use for the purposes of accountability and targeting training and technical assistance.

Therefore, this Committee intends to ensure that legislation to reauthorize the Head Start program includes directions to the Secretary regarding the development, implementation, and further use of the NRS. H.R. 2123 directs the Secretary to report to Congress all costs associated with the NRS and requires annual reports on its status.

DEVELOPMENTAL SCREENING

Head Start currently requires a timely and systematic approach toward diagnostic screening of participating children in order to identify which children require more formal assessments of their developmental needs and follow-up services. The Head Start Program Performance Standards require all grantees and delegate agencies to perform or obtain linguistically and age appropriate screening procedures to identify concerns regarding a child's developmental, sensory, behavioral, motor, language, social, cognitive, perceptual, and emotional skills (CFR 1304.20(b)(1)) within 45 days of the child's entry into the program. However, screenings may be conducted only after a program files a written parental authorization for such services. Though the HHS Performance Standards provide important guidance on characteristics of screening tools, no particular strategy, instrument, or technique is required.

The School Readiness Act reinforces that Head Start program must in every circumstance obtain written parental consent prior to conducting any health related service, including developmental and mental health screenings, and physical examinations.

The Committee is concerned that some programs may be using outdated and inadequate screening instruments even though several evidence-based, quick, inexpensive, and accurate tools already exist. Given the great importance of identifying developmental delays early, it is critical that grantees utilize high-quality research-based developmental screening tools. The Secretary is encouraged to help grantees that are not already doing so, to incorporate high-quality screening tools into their program.

High-quality research-based developmental screening tools are those that have been demonstrated to be reliable, valid, and accurate (that is, both sensitive and specific, correctly detecting children with and without delays) for children from a range of racial,

ethnic, linguistic and cultural backgrounds. In addition, high-quality developmental screening tools have been rigorously peer-reviewed, including publication in a refereed professional journal, to assure that their reliability, validity, sensitivity, and specificity are accurately reported. Finally, high-quality developmental screening tools have been demonstrated to work well with children from a wide range of racial, ethnic, linguistic and cultural backgrounds.

PROGRAM ACCOUNTABILITY

While 85 percent of Head Start grantees provide quality services according to the latest monitoring report issued by the U.S. Department of Health and Human Services, there are some grantees that are not fulfilling their obligation to ensure that our nation's neediest children enter school with the knowledge they need to succeed. This is evidenced by the approximately 170 Head Start programs that have been terminated by the Department due to concerns over their quality over the past 10 years.

Since January 2003, media accounts in numerous U.S. cities and communities alleged serious financial abuses and irregularities by local individuals and/or entities entrusted with managing local Head Start programs. Other reports involving financial mismanagement suggested that often Head Start grantees have good intentions, yet lack strong fiscal controls and the skills needed to effectively manage complex, multi-million dollar non-profit organizations. The incidents identified in these media reports collectively involve the use of tens of millions in federal Head Start funds that were intended to serve more than 10,000 disadvantaged U.S. children.

These reports suggest that an unacceptable share of Head Start funding never reaches the disadvantaged children the money is intended to serve, and is instead lost to financial abuse, mismanagement, impropriety, or outright theft within the Head Start system. In each instance, abuse takes place at the expense of children served by the many quality Head Start grantees. Of equal concern, there appears to be little ability on the part of the federal Head Start Bureau within the Administration on Children and Families to independently verify that the abuses reported by the media in the past two years are in fact "isolated incidents" and not the symptoms of a more widespread accountability problem.

In light of these reports, the Committee is concerned about the degree to which Head Start grantees are held accountable at both the federal and local levels. The Committee believes the current Head Start monitoring system is not adequate to ensure that programs are consistently delivering the level of high quality services necessary for children to advance in all areas of development. It is the Committee's view that the scheduled triennial review process, coupled with an automatic renewal of grants on an annual basis, does not provide adequate assurances to the Congress and the public about Head Start program operations. This is confirmed by a March 2005 report published by the Government Accountability Office that evaluated federal financial controls that exist in the Head Start system.

In its report, GAO aimed to provide information on whether the Administration for Children and Families (ACF) could consistently identify financial management weaknesses and whether ACF en-

sures that grantees effectively resolve problems in a timely manner when they are detected. The GAO report concluded that, at the federal level, Head Start's financial control system is flawed and failing to prevent financial abuse and mismanagement. The report stated:

> Ultimately, enforcing all the program's requirements—especially financial management requirements—strengthens the federal commitment to poor children and their families by effectively managing scarce federal resources and making sure as many eligible families as possible can participate in the program.

GAO provided a series of recommendations to hold grantees more fiscally accountable for federal Head Start funds. The GAO urged changes that could be made by HHS/ACF to improve the oversight of the Head Start program. These changes include: (1) implementing a comprehensive risk assessment of the Head Start Program; (2) improving the processes used to collect information on program risks; and (3) making greater use of authority to re-compete the grants that are currently awarded to poorly performing grantees (GAO, 2005).

The School Readiness Act includes several new provisions to ensure greater public disclosure of information, including the authority of the Secretary to conduct unscheduled reviews of Head Start programs. It is the Committee's view that unscheduled reviews will help to ensure that all programs are performing at the highest levels possible at all times. While recognizing that, at certain times, HHS may need to make scheduling arrangements with grantees in advance of a triennial review, the Department should have the authority to visit any Head Start program at any time and without prior notice.

However, in addition to being a method of accountability, the Committee encourages the Secretary to use the monitoring process as a critical program support tool. The Committee believes close monitoring of Head Start programs is a key opportunity and useful method for identifying program strengths and weaknesses. Therefore, program monitoring should be used both to bolster program accountability and to better identify areas for program improvement so that resources can be effectively targeted.

The School Readiness Act also requests an analysis of the income eligibility of participating children as part of the program reviews. While this is currently a fairly common practice, the Committee feels that adding specific statutory authority will help to better ensure that Head Start services are being targeted to those children who are most in need of them.

To help ensure that Head Start programs are providing the highest quality services to students, the School Readiness Act also allows the U.S. Department of Health and Human Services to utilize the services of third parties to conduct monitoring activities and adds a requirement that review teams include members with expertise in specific content areas. Monitoring is an important part of the Department's responsibility for overseeing Head Start. In order to ensure the integrity of the monitoring process, the Committee believes that HHS should be allowed to contract out monitoring responsibilities to impartial third parties as needed. The use

of independent evaluators will assure the public that the monitoring process will not be influenced, even unintentionally, by the personal relationships between grantees and the regional offices that grantees rely on for guidance and assistance.

The School Readiness Act strengthens federal authority to initiate grantee termination proceedings at any time. The Committee encourages the Secretary to use his authority under current law and new authorities under this legislation to expeditiously terminate any grantee that is found to have recurring deficiencies. In cases where the Secretary issues a letter of termination, H.R. 2123 prohibits grantees from using federal monies to fund the appeal process. Furthermore, the Committee recognizes the Secretary's existing authority to issue immediate suspensions of funding to any agency in emergency situations. In such instances, funding to the grantee is suspended and an interim organization provides services until a replacement agency can be identified or the Secretary determines it is appropriate to resume funding to such agency.

The Committee recognizes the rights of a grantee to appeal a termination decision, but is concerned that some reviews have been reported to last several years. The Committee notes that seven months or several years is too long for children to endure programs with demonstrated deficiencies and urges the Departmental Administrative Boards to move swiftly to render decisions on such matters.

INCREASING COMPETITION FOR HEAD START GRANTS

Evidence shows that competition fosters continuous program improvement and high expectations. The School Readiness Act ensures high quality programs continue to provide services in their communities, while providing the Secretary greater authority to replace grantees that are not meeting expectations. In the view of this Committee, programs that are not in compliance with federal law must not be given a free pass to continue receiving taxpayer funds.

President George W. Bush has made competitive bidding for the provision of government services a priority of his Administration. This is good policy because when competition increases, the consumer generally benefits. Competitive bidding for federal monies promote basic fairness and encourages greater efficiencies and cost savings. With billions of dollars awarded each year in federal grants, the need for efficiency and accountability is significant.

The Committee recognizes that the primary principles of government contracting and grant-making should be to purchase the best product, provide the best service, and fund the best operation at the best price for the American taxpayer. The federal Head Start program should not depart from these basic principles. Increased competition in Head Start will lead to cost savings and greater efficiencies, while delivering a better value to Americans taxpayers and better results for Head Start children and families.

The Committee also recognizes the value of supporting the ongoing provision of Head Start services by high-performing grantees. Evidence shows that continuity of program services by high-quality grantees best serves children and families in Head Start. The most effective way of fighting the effects of poverty within a community is to provide a sustained and continual effort. Moreover, the exist-

ing stability within Head Start, in most instances, promotes better quality and more efficiency. It helps the organization become trusted within the community it is trying to serve, creating better community relations and better outreach to eligible children and families. Continuity and stability provided by high-quality grantees helps programs to recruit and retain better teachers and better plan professional development. It can have a significant impact on cost effective resource allocation by affecting a program's ability to leverage funds in their community and negotiate lower facilities costs and business loans. It also better ensures that taxpayer monies spent on professional development and facilities are investments that continue to benefit children served by Head Start. Thus, re-competition of high quality programs could have the unintended effect of undermining program quality and decreasing the efficiency of Head Start expenditures.

Under H.R. 2123, grantees identified by federal authorities as being significantly or systemically deficient or those not meeting one or more of 18 specific federal guidelines will be required to recompete for their federal grants. Increasing the role of competition, in concert with other provisions contained in the School Readiness Act, H.R. 2123 will enhance grantee accountability and performance.

LOCAL ACCOUNTABILITY

The School Readiness Act requires each grantee to establish or maintain an independent board of directors that includes representatives of the local community (including at least 1 member with significant financial management or accounting experience and the Chair of the Policy Council). Additional members shall be selected for their expertise in education, business administration, community affairs, government, legal affairs, and such other areas of expertise as may contribute to effective governance of the Head Start agency. The Committee does not intend this provision to require grantees with existing boards to set up a secondary board of director structure, but rather to set forth qualifications and responsibilities for existing boards to meet. Certain exceptions are granted to the board of directors of grantees that are public entities and subject to state and local laws that contradict these requirements.

All members of the board shall receive training in the management responsibilities and obligations, ethics, and financial literacy and management, and shall adopt practices that assure active, objective, and informed governance of the Head Start agency, including independent oversight of the financial and management practices of such agency. The board shall provide direction to the executive director of the Head Start agency and shall operate as an entity independent of the staff employed by the Head Start agency.

To foster improved local accountability, local governing boards must provide strong oversight to ensure that the Head Start agency is delivering high quality services to children and families in compliance with all applicable standards and performance measures. To accomplish this goal, H.R. 2123 requires the operation of two or more standing committees to facilitate governance of the Head Start agency, including an audit and finance committee and a policy council.

The audit and finance committee should have the lead responsibility in ensuring the financial health of the grantee, and should approve the program's operating budget; review and recommend to the board the selection of independent auditors; review and recommend to the board the termination or extension of the existing audit firm at least once every 5 years; review and advise the board on audit issues and findings; and monitor agency actions to correct any such audit findings or other actions necessary to comply with applicable laws.

The policy council, a majority of whose representatives must be parents of children participating in a Head Start or Early Head Start program serve as a link between parents and the board of directors and submit recommendations to the governing board. The policy council shall provide input to the governing board and may make recommendations on any aspect of program operations including: the strategic direction of the program, including long and short-term planning goals and objectives; program operation policies, including standards of conduct for program staff and volunteers; activities to support the active involvement of parents in supporting program operations; classroom activities and staffing; and program responsiveness to community and parent needs.

It is the Committee's intent that all legal and fiduciary responsibilities shall rest with the governing board. However, parents of children in the program need to have a meaningful say in how the program is run. As such, the Committee fully expects the governing board to regularly consult with the policy council on all issues and take action on recommendations submitted by the policy council. It is the Committee's expectation that the governing board will set up an appropriate process for handling recommendations made by the policy council and that such recommendations will be handled in an open and timely manner. In those instances where the governing board disagrees with a recommendation of the policy council, the governing board should communicate their reasoning to the policy council.

HEAD START ALIGNMENT WITH K–12 EDUCATION

The landmark No Child Left Behind Act dramatically reformed the Elementary and Secondary Education Act of 1965 by increasing resources and demanding results from our nation's educational system. More specifically, the law required a narrowing of the achievement gap that exists between disadvantaged students and their more advantaged peers so that all children are able to read on grade level by the end of the third grade.

Research shows that children who read well in the early grades are far more successful in later years. According to the National Institute for Child Health and Development, school readiness consists of a broad set of competencies. These academic and social competencies that define school readiness start developing long before children enter the elementary classroom. However, studies show that many children enter school without the necessary knowledge and abilities to succeed. States report that between 20 percent to nearly half of all children entering school are not prepared to succeed in school. Evidence further suggests that children who start behind tend to stay behind. For these reasons, the Committee recognizes the importance of coordinating preschool programs, includ-

ing Head Start, with K–12 education goals and standards. It is critical that Head Start programs work closely with local educational agencies to coordinate curricula and facilitate a smooth transition from Head Start into school.

The Language Enrichment Activities Program, or LEAP, developed for the Cone Head Start Center in Dallas has proven that the right curriculum and a strong relationship with a community's local elementary school can successfully strengthen the cognitive and communications skills of low-income children. Children attending the Cone Head Start Center have proven that children from low-income families can perform at levels comparable to children from a higher socioeconomic level when given a quality preschool experience that includes a strong curriculum aligned with the K–12 system.

In an effort to ensure that all children are proficient readers by a young age, the No Child Left Behind Act dedicates significant resources to reading programs such as Early Reading First and Reading First. These programs establish clear and specific expectations for what can and should happen for all students by insisting that they have the necessary language, cognitive, and early reading skills for continued success in school.

The Committee recognizes that the No Child Left Behind Act and Head Start share the same goal of ensuring that all of our nation's students are able to succeed in school. Therefore the School Readiness Act updates the Head Start performance standards in accordance with the latest scientifically based research regarding the knowledge children need to have in order to be successful in school.

The School Readiness Act also helps to ensure a seamless system of education for children of all ages by requiring states to consult with their chief state school officer, local educational agencies, and local Head Start agencies when developing school readiness standards and general plans for the coordinated delivery of early care and education services at both the state and local level.

IMPROVING COORDINATION, COLLABORATION, AND INTEGRATION

The Committee believes it is critically important to ensure continuity between Head Start and other early childhood programs that exist with increasing frequency in states and local communities in order to ensure that all children have the necessary knowledge to enter school ready to learn. This is why the School Readiness Act improves local and state integration of early childhood education by requiring Head Start agencies and local providers of state pre-kindergarten to enter into ongoing partnerships to create an efficient and effective system of early childhood and school readiness services in each state; and authorizing State Early Learning Councils to advance the development of a coordinated early childhood services delivery system in each state.

H.R. 2123 requires Head Start grantees to enter into a memorandum of understanding (MOU) with providers, such as LEAs, of state pre-kindergarten programs in their service area in order to better align their activities. Specifically, Head Start grantees, LEAs, and providers of state pre-kindergarten programs are required to coordinate: educational activities, curricula, and instruction aligned to state developed K–12 academic standards; public information dissemination and access to programs for families; selec-

tion priorities for eligible children to be served by programs; service delivery areas; staff training, including opportunities for joint staff training on topics such as academic content standards and instructional methods; program technical assistance; provision of additional services to meet the child care needs of working parents; planning and parent education for smooth transitions to kindergarten; provision and use of facilities, transportation, and other program elements; and other elements mutually agreed to by the parties to such memorandum. If Head Start grantees fail to effectively implement an MOU with state-funded pre-kindergarten programs in their service area, they will be deemed deficient and will have to compete for funding against other applicants.

The School Readiness Act also attempts to improve the integration of Head Start with other early education services by authorizing funds for establishing or expanding State Early Learning Councils to advance the development of a coordinated delivery system for early childhood services within a state. These State Early Learning Councils will bring together Head Start, state pre-kindergarten programs, state child care programs and the schools that will one day serve the children enrolled in Head Start and other preschool programs. The goals of the Early Learning Councils include: increasing coordination and collaboration among state preschool, Head Start programs, child care programs, early childhood special education, and other early childhood programs; working with state agencies responsible for education, child care, and early intervention to provide leadership and assistance to local Head Start programs, school districts, and state and locally funded preschool and childcare programs to increase integration among early childhood programs; conducting periodic statewide needs assessments concerning early care and education programs for children; working to identify and address barriers to and opportunities for integration between entities carrying out federal and state child development, child care, and early childhood education programs; addressing coordination of early learning programs with health care, welfare, family literacy and services for homeless children; and supporting a state system of early childhood education, and training and technical assistance that improves the quality of early learning programs and the capacity of such programs to deliver services.

The School Readiness Act builds upon current law in the area of coordination between Head Start programs and other entities. Specifically, the language requires collaboration, as appropriate, with providers of social and community services. Furthermore, the language clarifies that Head Start programs may support such partnerships with financial agreements, when applicable, for the provision of such services. The Committee emphasizes that when appropriate, Head Start programs should make every effort to develop partnerships that expand the level and quality of services available to children.

An example of such partnerships is with public libraries, which already are involved in Head Start programs throughout the nation, providing services such as taking children to the library for story hour; promoting the use of library cards for families so that children can bring books home; developing lending libraries and using a mobile library van, especially in rural areas where libraries

are otherwise not available. In some cases, such partnerships could be expanded through financial agreements with libraries to provide for services such as: ensuring a sufficient number of appropriate books are available on a regular basis at the library (or library vans) for use by Head Start students and their caregivers; to enable librarians to visit Head Start classrooms and provide services related to literacy and; where appropriate, expanding hours of libraries to ensure they are open during hours in which head start classes are in operation. The Committee is aware that certain partnerships may include local arrangements that provide financial support to Head Start or require a local Head Start program to compensate a partner for services rendered.

TRAINING AND TECHNICAL ASSISTANCE

This bill reserves two percent of annual Head Start appropriations for the purposes of training and technical assistance (T/TA). These funds are intended to help agencies make continuous improvements in the quality of their programs and services. Regular, ongoing training and professional development for all Head Start staff is essential to the program's continued success and the T/TA system is integral to this process. In addition, the science associated with preparing children for a lifetime of learning continues to evolve and inform best practices, and must be integrated into the Head Start classroom. The Committee encourages the Secretary, through T/TA specialists, to work with local grantees to ensure that grantees prepare annually a comprehensive assessment of their program needs prior to the development of their T/TA budget. Grantees' T/TA activities should reflect the key areas of improvement identified by such assessment and be part of a comprehensive plan to improve program quality.

Under the current system, the Secretary gives approximately half of these funds directly to grantees for the purposes of locally-determined T/TA needs and uses the other half for meeting T/TA needs prioritized by the Secretary. H.R. 2123 formalizes the process of sending half of these funds to local grantees and provides 20 percent of the 2 percent set-aside to states willing to provide a state match for the purposes of establishing or supporting an Early Learning Council. If a state chooses not to accept their allotted funds, it is the Committee's intent that the funds be used by the Secretary for other T/TA priorities. The Committee provides the Secretary with the remaining 30 percent of the set-aside to operate a nation-wide T/TA system and to fund additional T/TA priorities that would enhance program quality. The Committee believes a main goal of the Head Start monitoring system should be to identify grantee weaknesses and to use this information to better target T/TA resources.

The Committee encourages the Secretary to improve the integration of the monitoring system with the T/TA system in light of evidence that insufficient coordination between these two systems currently takes place. The recent GAO report on financial management weaknesses in Head Start suggests that HHS is not adequately using the information collected through program monitoring for program improvements. The Committee recognizes that Head Start program monitoring should be improved to ensure that programs accurately document the demographics of their targeted

service area in annual community assessments, and the populations identified in such assessments are reflected in the programs' enrollment.

The School Readiness Act provides for the use of training and technical assistance funds to improve access to and quality of Head Start services for LEP populations. The Committee believes that this is particularly important in States that have experienced a growth in the limited-English-proficient population of the States of at least 100 percent between the years 1990 and 2000, as measured by the census.

The School Readiness Act also restricts the use of training and technical assistance funds for travel expenditures associated with attending conferences when similar training and technical assistance is not available locally. It is the Committee's view that occasional travel may be necessary, but that excessive travel to Head Start conferences or events is generally not an appropriate or effective use of training and technical assistance funds. Whenever possible, Head Start programs should utilize local or regionally based training opportunities and should restrict travel to occasions when an identified training need cannot be met through local or regional resources. All training and technical assistance expenditures should be consistent with the training and technical assistance needs identified in a grantee's annual plan for training and technical assistance.

The Committee believes that better information is needed on how funds for training and technical assistance are spent, and better accountability mechanisms for their use are needed. The Committee urges the Department of Health and Human Services to require better data reporting on the use of training and technical assistance dollars so that Congress has access to more complete information when assessing the amount of funds needed for this purpose. Better data reporting also will help the Department of Health and Human Services and Congress identify the most effective uses of these funds so that Head Start instructors and administrators are gaining the knowledge needed to improve program management and the delivery of services to children and their families.

FUNDS FOR QUALITY IMPROVEMENT

The School Readiness Act provides greater support for improving program quality by significantly increasing the percentage of new dollars that must be spent on quality improvement. Research has demonstrated that the experiences of young children greatly affect all aspects of their development, including cognitive development. The level of commitment to quality improvement demonstrated in the School Readiness Act is critical if Head Start is to succeed in improving overall program quality and the school readiness of participating children.

In an effort to ensure that Head Start programs are of the highest possible quality, and to ensure that funds are available to assist Head Start reach new goals for teacher quality, the School Readiness Act requires the Secretary of Health and Human Services to reserve 60 percent of all new Head Start funds for purposes of quality improvement. Not less than half of that 60 percent must be used to increase teacher salaries and assist programs in recruiting and retaining quality staff. When new monies are made available,

these funds should be used to improve the salaries of classroom teachers and other staff who provide direct services to children before any salary increases are provided to management staff.

Funds may also be spent on other functions that have been determined to improve program performance, such as providing ongoing professional development based on the latest early childhood research on curriculum and teaching methods, or improving communication with and outreach to families and external partners. The remaining 40 percent of new funds is to be used to expand Head Start services to more eligible children, particularly underserved populations.

TRANSPORTATION WAIVER

Head Start regulations stipulate that Head Start, Early Head Start, and delegate agencies shall make "reasonable efforts to coordinate transportation resources to control costs and to improve the quality and the availability of transportation services." The Committee encourages grantees, to the extent practicable, to facilitate the safe transport of children to Head Start programs and when possible, to leverage appropriate transportation services available in the community. However, the Committee does not intend for these regulations to be such an undue financial burden that programs limit transportation services or must dedicate substantial portions of their budgets to meet them.

H.R. 2123 includes a waiver of Head Start transportation regulations to permit Head Start grantees to continue coordinated transportation arrangements with local school systems that allow Head Start children to be transported on school buses to and from their local Head Start center. The Committee is concerned that the Head Start transportation regulation could lead to other key services being reduced or result in some Head Start programs no longer having access to transportation services, often at no or reduced costs, by local school systems. The waiver authority provided in H.R. 2123 is intended to prevent a "significant disruption" in transportation services that may include the suspension of school bus services for Head Start grantees. It is the Committee's expectations that Head Start agencies will make every practicable effort to meet the transportation regulations but that HHS would grant waivers in situations where doing so is in the best interest of the children enrolled in the program.

FACILITIES MANAGEMENT

The Committee understands that Head Start grantees may be experiencing difficulties in meeting the Department's grant period for facility-related funding in situations where grantees are governed by an alternate fiscal year. In cases where a grantee is awarded funds after the start of its fiscal year, grantees have been faced with a limited time period in which to obligate funds. Such grantees are working under an inadequate time period in order to meet all review and approval processes required at the local or state level. Under current rules, a grantee must submit a formal request to carry over funds, which can take several months to approve. The Committee recommends that the Department consider the needs of some grantees to obligate funds over a reasonable period of time that may exceed the current rules, and provide addi-

tional time to grantees in certain situations. In addition, the Committee understands that some portable facilities being used by Head Start grantees are well over 30 years old and are deteriorating to the point of no longer being suitable and the costs to repair these aging facilities often exceeds the cost of replacing them. The Committee encourages the Department to work closely with grantees to explore innovative solutions to this problem recognizing current budgetary constraints.

The Committee also urges the Department to evaluate the location of Head Start facilities to ensure that services are located in the areas of most need and are conveniently located to the population served by Head Start. The Committee recognizes that over time low-income communities may shift locations, particularly within urban areas, and that in some cases Head Start programs have not moved along with the population. In an effort to reduce the chronic under-enrollment experienced by approximately seven percent of Head Start programs nationwide, the Committee encourages the Department to use its resources efficiently by re-locating programs to areas with the greatest need, and/or reducing funding for programs that continue to operate under-capacity, as appropriate.

FAITH-BASED INITIATIVE

Approximately five percent of Head Start programs are operated by faith-based organizations. The Committee will propose an amendment to the School Readiness Act to provide consistent requirements for a religious organization with respect to the employment of individuals of a particular religion to perform work connected with activities for which they receive Head Start funding. This change will incorporate into Head Start the current exemption in hiring by religious organizations contained in Title VII of the Civil Rights Act. Currently under federal law, religious organizations may hire on a religious basis, and any federal legislation governing federal social service funds should continue to protect the rights of religious organizations to hire on a religious basis when they take part in federal social service efforts. However, the current Head Start act requires faith-based organizations to compromise their identity to compete for federal funds.

There is a long history of making social service legislation more inclusive by extending the Title VII exemptions in various federal programs. During the Clinton Administration, four separate pieces of legislation were signed into law that explicitly allow religious organizations providing social services to make employment decisions based on religion, including the Welfare Reform Act of 1996 and the Community Services Block Grant Act of 1998. The addition of this language to the School Readiness Act will make Head Start consistent with the legislation governing other major social service programs.

As President George W. Bush said on April 1, 2005, "[p]art of making sure you can do your job is to make sure regulations don't stand in the way of doing your job. Congress needs to make sure that faith-based groups are not forced to give up their right to hire people of their own faith as a price for competing for federal money. I'm pleased that the House voted a month ago [on the Workforce Investment Act reauthorization] to protect the civil rights of faith-

based groups." President Bush has called on his Administration and Congress to remove these barriers, and the Committee intends to allow the full House the opportunity to step up to that challenge when this bill receives floor consideration.

HEAD START RESEARCH AND EVALUATION

There is an ongoing need for high quality research about the effectiveness of Head Start. During the last reauthorization, the Congress commissioned a national study on the impact of Head Start services. This study is the first of its kind comparing the outcomes of children in Head Start with similar children who do not participate in this program. The Family and Child Experiences Survey (known as FACES) provides valuable information on program performance over time, yet it is not designed to assess the overall quality or success of Head Start relative to other preschool programs serving a similar population.

First year findings from the Impact study were released in June 2005. Generally consistent with previously-released data from the FACES study, findings from the new research suggest that children participating in Head Start make small to moderate gains in some aspects of school readiness, but not in others. Preliminary findings relating to pre-reading, vocabulary, access to health care, and some parent skills showed positive gains from Head Start. However, Head Start children did not demonstrate significant improvement in other key constructs such as oral comprehension, phonological awareness, and pre-mathematics. Additional findings from the Impact study are expected by 2007, and should provide a more complete picture of the strengths and weaknesses of the current program, and identify areas in need of overall improvement. In particular, the Committee awaits additional information that might explain why children with disabilities showed no measurable improvement after participating in Head Start. In addition to current research, with input from the Head Start community, research needs should be continually assessed so that Congress can identify ways in which Head Start can be strengthened to best meet the needs of the children it serves.

The Committee supports a one-time directive to the Board of Children, Youth, and Families of the National Research Council to establish an independent panel of experts to review the current body of early childhood research. This review is needed to determine age and developmentally appropriate academic standards and measurable benchmarks for achievement, the types of services (including classroom instruction) necessary to ensure school readiness, and appropriate methods to assess child progress in preparing for school. This study also is needed to ensure a well-informed approach to developing school readiness standards and will assist states in the process of developing and/or implementing such standards.

UNDER-ENROLLMENT

The Committee believes that while small fluctuations in enrollment may occur, it is important that grantees meet the funded enrollment levels agreed upon in their annual budget renewals. According to the 2003 GAO report, Head Start: Better Data and Processes Needed to Monitor Underenrollment, the Administration on

Children and Families (ACF) identified seven percent of Head Start grantees as having an unacceptable level of unused slots during the 2001–2002 program year. GAO reported that under-enrollment often resulted from a combination of factors, including increased parental demand for full-day services, difficulty in acquiring adequate facilitates, and an increase in parents seeking services from other early care and education programs. The report also concluded that the degree to which Head Start programs are under-enrolled is unknown because of flaws in ACF's procedures to collect such information, including regional differences in definitions of unacceptable under-enrollment. GAO recommended ACF develop a more systematic process for assessing program enrollment and the Committee understands ACF has made important changes.

The Committee urges the Secretary to utilize clear and consistent guidelines when calculating and defining under-enrollment and for recapturing and redistributing unused funded slots. To facilitate this goal, the School Readiness Act requires more frequent reporting by grantees on their enrollment levels and a clear process for defining chronic under-enrollment. The bill also creates a process for the Secretary to provide technical assistance to programs with under-enrollment as well as a process for reducing and redistributing grants in cases of chronic under-enrollment. The Committee does not intend this provision to create a disincentive for programs to serve homeless children or other underserved eligible children and families who are likely to be transitory and mobile and encourages the Secretary to design a process that will foster efficient use of Head Start funds without lessening agencies' ability to reach the hardest to serve.

IMPORTANCE OF PARENTAL INVOLVEMENT

Because parents are a child's first teachers, parental involvement is a critical factor in determining a child's educational success. For many children, particularly low-income children who are eligible for Head Start, having involved parents who are engaged in their education is critical to their future success.

This Committee recognizes the valuable role that parents, grandparents, and kinship caregivers play in the success of the Head Start program. Parents (and their children) also benefit from the development of leadership and communication skills and the attainment of self-confidence that often result from their participation in the Head Start program. Most importantly, Head Start programs help parents learn strategies to maintain parental involvement in their children's academic progression as the child transitions from Head Start to elementary school. These provisions are further strengthened by a new provision to ensure that Head Start grantees actively encourage fathers, grandparents, and other kinship providers to take a strong interest in their children's lives and education. The School Readiness Act ensures that limited English proficient parents benefit from the broad array of Head Start family services and parent involvement opportunities by requiring that all information be provided to parents in their native language, to the extent practicable.

H.R. 2123 maintains the vital role of parents in ensuring the success of Head Start. The reforms contained in the School Readiness Act will preserve and enhance this essential role in Head Start.

Under H.R. 2123, any grantee that denies parents their full roles and responsibilities related to program governance must be deemed deficient by the Secretary and required to compete for their next Head Start grant. Additionally, in order to receive a priority designation, the School Readiness Act requires grantees demonstrate strong parental involvement, the availability of activities to develop parent skills that support their children's educational development, and the ability of parents to participate in decisions relating to the education of their children.

The School Readiness Act maintains policy councils as part of the local Head Start governance structure, which must involve parents who are selected for participation by parents. The Committee recognizes the vital role of policy councils in local Head Start programs and reaffirms the meaningful contribution of these councils to local decisions regarding program operations. The Committee encourages Head Start grantees to train personnel in the development and implementation of strategies to work effectively with parents and policy councils.

FAMILY LITERACY

Efforts to improve family literacy also are an important component of Head Start. Family literacy activities are critical to ensure the cohesive delivery of services to families and to enhance parental involvement in their child's education, which is significantly challenged if parents cannot read. In keeping with the goal of improving school readiness and valuing the role of parents in their children's education, the Committee bill renews its support for training and technical assistance in the area of family literacy services. Since the 1998 reauthorization of Head Start, grantees have received exemplary service from the Head Start Family Literacy Project. As a result, more than 8,500 Head Start staff has received training in providing comprehensive family literacy services and nearly 50,000 children's books have been placed in Head Start classrooms. In addition, nearly 2,000 Head Start parent-mentors have received training to better prepare them to support their child's language and literacy development and to encourage other parents to do the same. The Committee commends the work of the Head Start Bureau and the National Center for Family Literacy in its conduct of the Head Start Family Literacy Project. Not only have program grantees found the project's training and technical assistance useful, but evaluations have proven the merit of this important work. The Committee encourages the Secretary to ensure the continuity of these important services so that Head Start children will be better prepared for school and Head Start parents will be better able to fulfill their role as their child's first and best teacher.

EARLY HEAD START

Neuroscience suggests that the ages of birth to three is the most critical period for a child's brain growth. It is during this period that children acquire the ability to think, speak, learn, and reason. According to many brain researchers, the development between the prenatal period and the first years of life is more extensive than previously thought and susceptible to long-lasting early environmental influences (Moughty, 2003). Disparities in children's cog-

nitive and social abilities become evident well before they enter Head Start or pre-kindergarten programs at age four. Early Head Start minimizes these disparities and helps to establish the foundation needed for children to enter school ready to learn. The ground-breaking report Starting Points: Meeting the Needs of Our Youngest Children cites, "Babies raised by caring, attentive adults in safe, predictable environments are better learners than those raised with less attention in less secure settings" (Carnegie Corporation of New York, 1994).

The Committee is encouraged by the positive effects of Early Head Start on child development and parent self-sufficiency, as documented in the evaluation mandated by Congress and completed in 2002. The strong and careful implementation effort from Early Head Start's inception, supported by a national and regional training and technical assistance system with expertise in infant and toddler development, contributed to these positive outcomes. Given the continued demands on the program, the dearth of trainers available with expertise in infant and toddler development, and the additional professional development requirements, a strong training and technical assistance effort should be sustained over time and Early Head Start program staff should seek effective professional development opportunities that focus specifically on the needs of infants and toddlers.

Further, it is critical that training for Early Head Start programs continues to focus on the unique social and emotional development of infants and toddlers. Research indicates that early intervention programs that enhance social and emotional development are just as important as the components that enhance linguistic and cognitive competence in helping young children prepare for school. When the social and emotional development of very young children is ignored, it can have devastating effects on children's overall functioning, their ability to form and maintain relationships, their ability to learn, and their future success in school and life.

Currently, 10 percent of Head Start funds are allocated specifically for funding the Early Head Start program. Since infants and toddlers have needs different than three and four year olds, operating Early Head Start programs requires different environments and staff trained with the needed expertise in infant and toddler development. Seven hundred Early Head Start programs serve over 71,000 low-income families with infants and toddlers.

The Committee agrees that Early Head Start services are critically important. H.R. 2123 establishes the current 10 percent set-aside as a floor and permits the Secretary of Health and Human Services to expand the allocation at his discretion. Even if the Secretary does not exercise his discretion, as levels of funding appropriated for Head Start grow over time, so will the overall amount of funds available for Early Head Start. The School Readiness Act, for the first time, directs the Department of Health and Human Services to give priority to Early Head Start and other underserved populations of Head Start-eligible children when allocating Head Start expansion funds.

While waiting lists continue for Early Head Start services, in many communities, there are an increasing number of grantees that are not achieving and maintaining full Head Start enrollment for preschool age children. According to a December 2003 report by

the Government Accountability Office, as many as 50 percent of all Head Start grantees could be under-enrolled. Under the School Readiness Act, under-enrolled Head Start grantees could transfer unused slots to Early Head Start programs that could accommodate additional infants and toddlers who are eligible and not being served by Early Head Start programs.

The Committee adopted an amendment that would permit Early Head Start grantees to serve additional infants and toddlers with funding for preschool slots that remain unfilled in certain circumstances where the needs of preschoolers are already met in a community. In the event a preschool grantee is under-enrolled, the Secretary could permit services to infants and toddlers to fill the gap. And, in the event of recapture of preschool funds as a result of chronic under-enrollment of preschoolers, funds can be reallocated to other Head Start grantees or Early Head Start grantees in the state or even new Early Head Start services in the state before being reallocated to grantees in other states. Because services for infants and toddlers are not identical to services for preschool age children, the Committee expects that the number of infants and toddlers served would not necessarily match the number of preschool age children served. Head Start funds used to serve infants and toddlers under this amendment would not be counted towards the statutory set-aside for Early Head Start.

In order to maintain the success of the Early Head Start program, the Committee intends that preschool Head Start programs only be permitted to serve infants and toddlers under this amendment as long as the program: (1) shows evidence of community need for such services; (2) meets the same eligibility criteria as Early Head Start programs; (3) addresses the needs of pregnant women, infants and toddlers in the same matter as Early Head Start and in accordance with Sections 645A(b) [Scope and Design of EHS Programs] and 641A [Head Start Performance Standards]; and (4) participates in the same technical assistance activities as newly funded Early Head Start grantees. The Committee intends that the technical assistance activities for these programs be paid from funds specified in Section 640(2)(C).

AT-RISK POPULATIONS

While all children served by Head Start are economically and academically in need, there are some subgroups within the eligible Head Start population that are at a heightened risk, and often underserved. The School Readiness Act includes several provisions to improve access to Head Start services by children who may be especially at-risk, including children with limited English proficiency, children of migrant and seasonal farm workers, and Indians and Alaskan natives.

The Head Start Act requires that 13 percent of Head Start funding be set aside for five priorities that include funding for especially at-risk or underserved populations. The Committee is concerned that funding for these priorities has been reduced as a result of funds being transferred from the set-aside established by Congress to other purposes. The Committee is aware that for several years the Secretary has used his authority to transfer nearly three percent of the 13 percent set-aside back to traditional Head Start programs in order to supplement allotments to States. Fur-

ther, the Committee understands that this activity has effectively reduced the 13 percent set-aside to approximately 10 percent. The Committee seeks greater transparency regarding the future expenditure of funds under the 13 percent set-aside and directs the Secretary to report annually to Congress on how these funds are spent.

LIMITED ENGLISH PROFICIENT CHILDREN

The Committee recognizes that limited English proficient (LEP) children account for a large and growing share of the children in Head Start. In fact, 28 percent of all Head Start children are limited English proficient. The Committee recognizes that LEP children have unique needs that must be addressed in order to effectively prepare these children for the first day of school. The School Readiness Act improves Head Start for LEP children and their families in several key areas, including the academic skills necessary for school readiness, program training and technical assistance, parent involvement, teacher quality, and accountability. The School Readiness Act requires LEP children to make progress towards English language acquisition and other school readiness indicators as outlined in the education performance standards. The Committee intends for LEP children to receive high-quality academic services aimed at supporting their school readiness, including through the use of appropriate instructional and home language support for second language learning.

Additionally, H.R. 2123 requires the Secretary to study the status of services to LEP children and their families in Head Start so that such children and families have meaningful opportunities to participate in Head Start programs. It is the intent of this Committee that the study provide demographic information on LEP children ages birth to five, including the number of such children receiving Head Start services and the geographic distribution of such children; provide information on the extent to which Head Start programs set policies to identify and serve LEP children through linguistically appropriate approaches; provide information on the extent to which Head Start programs adopt linguistically appropriate language instruction educational programs, including information on the rate of progress made by LEP children toward meeting educational standards described in section 641A(a)(1)(B)(ii) while enrolled in Head Start, and the correlation between such progress and the type of language instruction and educational program provided to LEP children; information on the extent to which LEP children are provided trained personnel (including bilingual staff to serve LEP children and families); provide information on the use of training and technical assistance and quality improvement funds to improve the quality of Head Start services provided to LEP children and their families; and, provide information on procedures used in Head Start for the assessment of language needs and the transition of LEP children to kindergarten, including the extent to which programs meet the requirements of section 642A for LEP children.

INDIAN HEAD START

Over the last 40 years, the Indian Head Start program has played a major role in the education of Indian children and in the

well-being of many tribal communities. Of the approximately 575 federally recognized Tribes, 28 percent participate in Head Start/Early Head Start Programs, with a funded enrollment of 23,374 children. These programs employ approximately 6,449 individuals, of whom 3,263 are either former or current Head Start/Early Head Start parents. There are another 35,395 volunteers, 22,095 of whom are parents. Under the No Child Left Behind Act, the federal government recognizes the role and responsibilities of Indian tribal governments for the education of Indian people. H.R. 2123 makes the education of eligible children under the Head Start Act consistent with other federal education laws.

The Committee recognizes the significant hardships of many eligible children living on Indian reservations, and this legislation seeks to address the unique educational and culturally related academic needs of Native American children. As such, H.R. 2123 requires the inclusion of representatives of Indian Head Start programs in the state collaboration grant program and maintains a separate Indian Head Start branch. H.R. 2123 also includes a requirement that the Secretary consult annually with tribal governments in each affected Head Start region for the purpose of better meeting the needs of American Indian and Alaska Native children and families, and the Committee understands that in many cases the Secretary has already made arrangements for such consultations. Finally, the Committee encourages the Secretary to consult with American Indian and Alaska Native experts in early childhood development, linguists, and representatives from Indian Head Start programs on the review and promulgation of any revised program standards and measures (including standards and measures for language acquisition and school readiness) developed by the Secretary.

While the Indian Head Start program serves over 23,000 children each year, there still exists a need to expand services to serve additional eligible children. The Committee is concerned about a lack of quantifiable data on the number of children eligible for Indian Head Start services. For this reason, the Committee has directed the Secretary to establish a system by which the need for services by eligible children can be determined accurately. Until such a system is available, the Committee has required that not less than 3.5 percent of the annual Head Start appropriation be made available for the Indian Head Start program. The Committee is aware that providing minimum funding requirements for both Migrant and Seasonal and Indian Head Start may require a reduction in future funds transferred by the Secretary to support traditional Head Start grants. However, funding increases for both the Indian and Migrant and Seasonal Head Start programs are critical to enable these populations to reach children currently on waiting lists and to establish new programs in areas that lack services to these populations of children.

H.R. 2123 allows for training and technical assistance funds to support a regional or State system of early childhood education training and technical assistance. The Committee encourages the Secretary to include in its regional system, assistance for the Migrant Seasonal Head Start program and the American Indian/Alaska Native programs. The Committee encourages the Secretary to provide the training and technical assistance for these two pro-

grams through national awards by contractors with knowledge of, and experience in, working with the populations served by these programs.

The Committee encourages the Secretary, in awarding collaboration grants to the States, to award funds for designation of a Migrant and Seasonal Farm Worker Collaboration Project Director and an Indian Head Start Collaboration Project Director. Such positions should be assigned the same responsibilities assigned to the State Directors of Head Start Collaboration. While it is important that the State Directors of Head Start Collaboration engage with the migrant and Indian populations in their respective States, these special Project Directors will ensure that the specific issues faced by children and families served by Migrant and Seasonal Head Start and Indian Head Start programs are addressed. These positions will also serve as a conduit for knowledge and understanding of these special populations served by the Head Start and Early Head Start programs.

The Committee notes with some concern that there exists a paucity of research focusing on American Indian and Alaska Native Head Start programs, and therefore scant information is available on these programs. The Committee urges the Secretary to undertake a study or set of studies designed to focus on this population, with a focus on issues such as curriculum development, availability and need for services, appropriate research methodologies and measures for these populations, and best practices for teaching and educating American Indian and Alaska Native Head Start students. Furthermore, the Committee underscores the importance of providing tribes and tribal organizations the opportunity to contribute to and collaborate on this research, with tribes retaining as much local control over this process as is practicable.

MIGRANT AND SEASONAL HEAD START

The children of migrant and seasonal workers are one of the most vulnerable populations of Head Start eligible children. Migrant and Seasonal Head Start (MSHS) was founded in 1969 as a direct response to the unique seasonal needs of migrant farm worker families—to ensure that these families and their children can enjoy the same advantages made available to other low income children through Head Start as they move across the country with their families to pursue seasonal work in agriculture.

Migrant and Seasonal Head Start programs must address the unique challenges and opportunities faced by migrant farm worker families and their children. Because of the nature of farm labor, children need full day services—often from 6 a.m. to 6 p.m. and often 6 days a week. In many states, MSHS programs operate from May to October, rather than the typical school year schedule, and of course, many of the families and children are on the move for much of the year and need services at different times, in different states and locations. In addition, the primary language spoken by most farm workers is Spanish, and programs need to have bilingual staff available in order to be able to communicate.

Currently operating in 39 states, MSHS programs strive to provide coordinated services to mobile families as they migrate from state to state. Programs work to ensure that academic and medical records are transferred with the families and children and when

possible that children are placed in a MSHS Program in the next state before they move on. MSHS Programs partner with other social and health service organizations and with agencies throughout the country that serve children and families working in seasonal agriculture.

The School Readiness Act contains several provisions that will assist migrant and seasonal Head Start in better serving eligible children. It temporarily reserves 5 percent of the total annual appropriation for migrant and seasonal Head Start programs and requires the Department of Health and Human Services, in conjunction with the U.S. Department of Education, to develop a data system that will more accurately determine the number of eligible migrant and seasonal children being served. Once such a data system is up and running it will be used by the Secretary to make funding decisions to ensure comparable funding to other eligible children. H.R. 2123 also allows migrant and seasonal programs to operate Early Head Start, clarifies that migrant and seasonal students should be making progress toward the acquisition of the English language, while making meaningful progress in attaining other academic skills, and makes it clear that migrant and seasonal Head Start programs should be included in the planning and coordination of state systems of training and technical assistance.

The School Readiness Act also clarifies the unique nature of Migrant and Seasonal Head Start and ensures the Federal Programs Branch for Migrant and Seasonal Head Start is preserved. This is critical since the majority of children served by MSHS programs are migrants who reside in more than one state through the course of a year and therefore could not be served through a state formula. H.R. 2123 recognizes the importance of having a national migrant and seasonal head start collaboration director in place and given the same standing as state collaboration directors. It is through the services and resources provided by the Migrant and Seasonal Head Start Collaboration Director that states have knowledge and understanding of the MSHS programs and understand how they can work to ensure that farm worker families have access to critical resources in the state. The position provides critical services to the MSHS programs and facilitates the development of critical partnerships between service providers.

H.R. 2123 also recognizes that the national training and technical assistance funds for MSHS be maintained. These funds enable MSHS Program Directors and staff to come together for trainings specifically designed to meet the unique needs and challenges faced in serving migrant and seasonal farm worker families. The mobility of families served by MSHS and the specific linguistic and culturally relevant needs of these families are among the factors that must be considered when designing training models.

ENROLLMENT OF HOMELESS CHILDREN

Homeless children also face substantial barriers when it comes to gaining and maintaining access to Head Start services. The Department of Education's fiscal year 2000 Report to Congress on the Education of Homeless Children and Youth identified Head Start as a program presenting significant barriers to access for homeless children. The School Readiness Act attempts to address this issue by increasing efforts to conduct outreach to homeless families, and

leveraging the experience of the homeless liaisons in public schools that are required under the McKinney-Vento Homeless Education Improvement Act. This coordination assists in identifying barriers to serving homeless children and facilitates a smooth transition when homeless children move from Head Start to elementary schools. The School Readiness Act also addresses the issue of required paperwork, which is one of the biggest barriers to enrolling homeless children in Head Start. Homeless families often have difficulty producing the necessary documents, such as birth certificates and immunization records. The School Readiness Act models provisions in the No Child Left Behind Act, that allow eligible homeless students to enroll in Head Start while those documents are being obtained. This will allow needy children to begin accessing critical Head Start services at the earliest possible opportunity.

Consistent with HHS' June 1992 Memorandum ACF–IM–92–12, the Committee directs the Secretary to create regulations that prioritize homeless children for enrollment by making available a percentage of slots that corresponds with the percentage of homeless pre-school age children in the service area (as determined through a community needs assessment). This new regulation should be modeled on current HHS regulations that make available slots for children with special needs. The Secretary is directed to create other appropriate regulations that remove barriers and facilitate enrollment, including requiring that homeless families receive priority on waiting lists and that homelessness be expressly incorporated as a priority consideration in determining which children are most in need of Head Start services. To the extent feasible, homeless children should maintain their placements until the end of the year, even if they move out of the program's service area. Family transportation needs should be addressed in Head Start planning efforts.

Concerns about the regular attendance of homeless children may discourage Head Start programs from prioritizing homeless children for enrollment and reserving slots for their benefit. Therefore, regulations should clarify that provisions designed to reduce under enrollment are not meant to prohibit or discourage Head Start grantees from prioritizing homeless children for enrollment or reserving slots for their benefit. HHS should work to insure that plans to prioritize homeless students do not interfere with the imperative to maximize overall student enrollment and attendance.

To reduce barriers posed by enrollment documentation requirements, regulations should allow a 45–day grace period for families to produce required material (e.g. proof of age, proof of residency) or evidence that they are in the process of obtaining such documents from a relevant agency. Regulations should allow homeless families to produce alternative proofs of residency, as they may not possess items such as lease agreements and utility bills. To facilitate effective transitions, grantees should immediately request records from previous service providers and immediately transfer the records of former program participants. Such regulations are consistent with the McKinney-Vento Act and current Head Start regulations that allow children to enroll without medical records while grantees and parents assess children's medical needs.

PREVENTING ABUSE AND NEGLECT

Through the comprehensive services provided to young children and their families, Head Start and Early Head Start programs can play an important role in preventing the abuse and neglect of children and in protecting children and ameliorating the affects of maltreatment they may have already suffered. Ensuring that children are ready to learn means ensuring that children are safe at home and receive the kind of nurturing and care that all children deserve.

Research shows that abused and neglected children are more likely to suffer poor prospects for success in school; sexually abused and neglected children are at a higher risk for academic failure; that maltreatment appears to be an additional factor over and above poverty that affects the academic achievement of children; and a higher frequency of academic difficulties and school behavior problems is reported among abused children.

The Committee recognizes that abused and neglected children and children at-risk of maltreatment are in need of preventive services and may benefit from Head Start and Early Head Start services. The School Readiness Act builds upon provisions already existing in the Head Start statute that provide for 1) home-based services to Head Start children and their families, 2) staff training in working with children who experience violence, 3) training to parents in parenting skills and basic child development, and 4) collaboration with other agencies and organizations involved in child and family services.

CONCLUSION

Head Start is an important program that aims to eliminate the school readiness gap between low-income children and their economically more advantaged peers. Recent findings from the Head Start Impact study suggest that after one year in Head Start, participating children make significant improvements in some domains of early learning and healthy development. However, additional work is needed to close the readiness gap so that no child starts school behind. In addition, a March 2005 report from the independent Government Accountability Office (GAO) warned that the Department of Health and Human Services is failing to adequately identify and swiftly resolve financial management problems that often occur when a lack of strong financial controls are implemented at the local level. Moreover, states are increasingly focused on preparing young children for school success, and over 40 states now offer pre-kindergarten programs that often compete for Head Start children and operate under eligibility guidelines and program standards that differ from Head Start. In an effort to maximize the number of children served, eliminate potential gaps and duplication in service, and prepare all children to attain a comparable foundation for kindergarten, more must be done to coordinate and integrate Head Start and state pre-kindergarten programs.

To close the readiness gap, the School Readiness Act will strengthen Head Start's academic standards by emphasizing cognitive development and the results of scientifically-based research in topics critical to children's school readiness (including language, pre-reading, pre-mathematics, and English language acquisition).

By strengthening the academic components of Head Start and maintaining comprehensive services, the legislation improves upon the good work that Head Start is doing in many centers across the country. The bill also will improve teacher quality by requiring a greater number of Head Start teachers to be adequately trained and educated in early childhood development, particularly in teaching the fundamental skills of language, pre-reading, and pre-mathematics.

To address weaknesses in the Head Start financial control system, the School Readiness Act requires stronger safeguards against financial mismanagement and abuse. The legislation requires Head Start operators to meet a range of financial disclosure requirements as a condition of receiving and keeping their federal Head Start grants. Grantees will have to be overseen by a local governance board that provides direction and actively oversees all program activities, and will be required to document that they have strong fiscal controls in place, including the employment of well-qualified financial personnel. Grantees will also have to maintain administrative costs that do not exceed 15 percent of total program costs.

As recommend by the Government Accountability Office, the School Readiness Act requires the Secretary to terminate poorly performing grantees or require them to compete in an open grant competition. Local Head Start operators identified as having one deficiency or more during the five-year grant cycle will be required to compete against other potential grantees when their grants come up for renewal. The U.S. Secretary of Health & Human Services, who oversees the Head Start program, will retain the right to terminate a Head Start grant at any time during the five-year grant cycle. Grantees that meet all requirements will be designated as "priority" grantees.

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SECTION-BY-SECTION ANALYSIS

Section 1. Short title

Cites the short title as the "School Readiness Act of 2005."

Section 2. Purpose

Amends Section 636 of the Head Start Act (42 U.S.C. 9831). Sets forth the purpose this bill.

Section 3. Definitions

Amends Section 637 of the Head Start Act (42 U.S.C. 9832). Modifies and adds to the definitions under this act, including a definition of "Limited English Proficient".

Section 4. Financial assistance for Head Start programs

Amends Section 638 of the Head Start Act (42 U.S.C. 9833). Adds language to specify that the Secretary shall provide financial assistance to eligible agencies for a period of 5 years.

Section 5. Authorization

Amends Section 639 of the Head Start Act (42 U.S.C. 9834). Authorizes funds to carry out this act, including specific programs and administrative expenses.

Section 6. Allotment of funds; limitations on assistance

Amends Section 640 of the Head Start Act (42 U.S.C. 9835). Designates the purposes and percentages for funding. Adds further requirements for salary increases for Head Start staff and promotes the regular attendance and stability of Head Start children, especially highly mobile children.

Section 7. Designation of agencies

Amends Section 641 of the Head Start Act (42 U.S.C. 9836). Adds language naming faith-based organizations as eligible grantees. Declares that grantees must establish goals for enhancing the school readiness of children participating in that program. Adds details and further requirements for the plans submitted by grantees.

Section 8. Quality standards; monitoring of Head Start agencies and programs

Amends Section 641A of the Head Start Act (42 U.S.C. 9836a). Changes the quality standards, adds specific dates of reference, and adds language requiring the review to assess grantees compliance with income eligibility requirements and to seek information regarding general collaboration efforts, and efforts to address the needs the children of limited English proficient and migrant and seasonal farm-working families. Includes language to promote child health services and physical development as well as language to permit programs continually operating at less than full enrollment to use a portion of the base grant to serve persons described in section 645A.

Section 9. Powers and functions of Head Start agencies

Amends Section 642 of the Head Start Act (42 U.S.C. 9837). Adds language requiring the grantees to establish a program with standards referenced in Section 641A, demonstrate capacity to serve children with scientifically-based curricula, conduct outreach to various organizations to generate support and coordinate the recruitment of children, including outreach and services to parents of limited English proficient children.

Section 10. Local and State integration of early childhood education

Section 10 inserts Section 642B after section 642A, and amends the heading to read as follows: "Sec. 642B. Local and State Integra-

tion of Early Childhood Education.". Adds Language to address the Local and Statewide integration of Head Start with local educational agencies and inserts language under Local Integration to include a memorandum of understanding between Head Start programs and local educational agencies. Also includes language to help increase the participation of children underrepresented in State early childhood education and childhood programs, including Head Start, State pre-school programs, and programs carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

Section 11. Head Start alignment with K–12 education

Amends the heading for Section 642A of the Head Start Act (42 U.S.C. 9837a). Changes the heading to read as follows: "Sec. 642A. Head Start Alignment with K–12 Education.". Adds Language to include McKinney-Vento liaisons among the school staff to be communicated.

Section 12. Administrative requirements and standards

Amends section 644 of the Head Start Act (42 U.S.C. 9839 (f)(2)). Changes language to require that each Head Start agency make public, an annual report at least once each fiscal year disclosing budgetary, enrollment, and performance information and any other information describing the activities of the agency.

Section 13. Eligibility

Amends Section 645(a) of the Head Start Act (42 U.S.C. 9840). Adds language regarding homeless children as meeting the low-income criteria to make them eligible for the Head Start Program.

Section 14. Early Head Start programs

Amends Section 645A of the Head Start Act (42 U.S.C. 9640a). Adds language to ensure a systematic procedure is in place to help in the transition between Early Head Start and Head Start. Adds language to include migrant and seasonal Head Start programs, community- and faith-based organizations as eligible service providers for Early Head Start.

Section 15. Parental consent requirement for nonemergency intrusive physical examinations

Amends Section 645A of the Head Start Act (42 U.S.C. 9831 et seq.) to insert after section 645A the following: "Sec. 645B. Parental Consent Requirement for Non-Emergency Intrusive Physical Examinations.". Adds language specifying the definition, requirements, and rules of construction regarding a nonemergency intrusive physical examination.

Section 16. Right to appeal

Amends Section 646(a)(3) of the Head Start Act (42 U.S.C. 9841(a)(3)). Changes financial assistance language in regard to the appeal process denying an application for a noncompeting continuation award based on previous failure to comply with terms applicable to financial assistance and specifies no funds be made available to reimburse any Head Start grantee for legal fees or costs while pursuing an appeal.

Section 17. Audits

Amends section 647 of the Head Start Act (42 U.S.C. 9842). Adds language requiring each Head Start program to submit to the Secretary an independent financial audit of the Head Start program carried out by a certified public accountant who has been chosen through a competitive process. Specifies that no accountant may perform audits for more than 2 consecutive years.

Section 18. Technical assistance and training

Amends Section 648 of the Head Start Act (42 U.S.C. 9843). Adds language allowing, depending on a State's financial contribution, a state-based system that delivers training and technical assistance to both Head Start Agencies (including migrant and seasonal Head Start programs and limited English proficient children and their families), and other providers of early childhood services in the state.

Section 19. Staff qualifications and development

Amends Section 648A of the Head Start Act (42 U.S.C. 9843a. Adds language requiring Head Start teachers to do the following: all new hires must have at least an Associate degree or be enrolled in a program working towards that degree within three years of enactment, 50 percent nationwide to have a Baccalaureate degree by 2011, and those that have received financial assistance under Section 648A to teach in a Head Start Center for an amount of time equal to the time period in which they received financial assistance. Also requires all Head Start agencies to create professional development plans for all full-time employees who provide direct services to children.

Section 20. Research, demonstrations, and evaluation

Amends Section 649 of the Head Start Act (42 U.S.C. 9844). Eliminates language regarding completed research, demonstration, and evaluations. Eliminates additional language regarding a study comparing the experiences of Head Start children to those who did not participate in a Head Start program. Adds language requiring the Secretary to contract with the National Academy of Sciences and the National Research Council to establish an independent panel of experts to research and make recommendations on early childhood pedagogy, derived from the research. The Secretary shall use these recommendations, where appropriate, in relation to Head Start education performance standards, measures, and assessments. Adds language directing the Secretary to conduct a study on the status of limited English proficient children and their families in Head Start and Early Head Start programs and report on the study no later than September 2008.

Section 21. Reports

Amends Section 650 of the Head Start Act (42 U.S.C. 9845). Adds language requiring the Secretary to include the status of homeless children in his bi-annual report to the Committee on Education and the Workforce (House of Representatives), and to the Committee on Health, Education, Labor, and Pensions (Senate).

Section 22. Limitation on rate of Federal funding for compensation

Amends heading of Section 653 of the Head Start Act (42 U.S.C. 9848) to read as follows: "Sec. 653. Wages and Compensation.". Adds language clarifying that no federal funds shall be used to pay all or any part of the compensation of an individual at a rate higher than that of the Secretary of Health and Human Services.

Section 23. Limitation on use of funds

Inserts section 656A after Section 656 of the Head Start Act (42 U.S.C. 9831) to be read as follows: "Sec. 656A. Limitation on Certain Uses of Funds.". Adds language to clarify that no funds may be used to pay any person from the media to conduct or support activities for publicity or propaganda and that no funds may be used to produce any prepackaged news stories for broadcast or distribution.

Section 24. Conforming amendment

Amends sections of the Early Childhood Education Act by striking "non-English language background" and inserting "limited English proficient".

Section 25. Effective date; application of amendments

Sets forth the effective date of the act and states that amendments made by the act shall not apply to any fiscal year that begins before the date of the enactment of this Act.

EXPLANATION OF AMENDMENTS

The Amendment in the Nature of a Substitute is explained in the body of this report.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch. H.R. 2123 amends and improves the Head Start Act to improve the school readiness of disadvantaged children. The bill does not prevent legislative branch employees' coverage under this legislation.

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104–4) requires a statement of whether the provisions of the reported bill include unfunded mandates. H.R. 2123 amends and improves the Head Start Act to improve the school readiness of disadvantaged children. As such, the bill does not contain any unfunded mandates.

ROLLCALL VOTES

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 1 BILL H.R. 2123 DATE May 18, 2005

AMENDMENT NUMBER 4 DEFEATED 22 – 26

SPONSOR/AMENDMENT Ms. Woolsey / amendment to increase the authorization by approximately $1.6 billion annually

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. BOEHNER, Chairman		X		
Mr. PETRI, Vice Chairman		X		
Mr. McKEON		X		
Mr. CASTLE		X		
Mr. JOHNSON		X		
Mr. SOUDER		X		
Mr. NORWOOD		X		
Mr. EHLERS		X		
Mrs. BIGGERT		X		
Mr. PLATTS		X		
Mr. TIBERI		X		
Mr. KELLER				X
Mr. OSBORNE		X		
Mr. WILSON		X		
Mr. PORTER		X		
Mr. KLINE		X		
Mrs. MUSGRAVE		X		
Mr. INGLIS		X		
Ms. McMORRIS		X		
Mr. MARCHANT		X		
Mr. PRICE		X		
Mr. FORTUNO		X		
Mr. JINDAL		X		
Mr. BOUSTANY		X		
Mrs. FOXX		X		
Mrs. DRAKE		X		
Mr. KUHL		X		
Mr. MILLER	X			
Mr. KILDEE	X			
Mr. OWENS	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Mr. SCOTT	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY	X			
Mr. TIERNEY	X			
Mr. KIND	X			
Mr. KUCINICH	X			
Mr. WU	X			
Mr. HOLT	X			
Mrs. DAVIS	X			
Ms. McCOLLUM	X			
Mr. DAVIS	X			
Mr. GRIJALVA	X			
Mr. VAN HOLLEN	X			
Mr. RYAN	X			
Mr. BISHOP	X			
Mr. BARROW	X			
TOTALS	22	26		1

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 2 BILL H.R. 2123 DATE May 18, 2005

AMENDMENT NUMBER 8 DEFEATED 23 - 25

SPONSOR/AMENDMENT Mr. Davis / amendment to create a new $350 million program to provide funding for teachers

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. BOEHNER, Chairman		X		
Mr. PETRI, Vice Chairman		X		
Mr. McKEON				X
Mr. CASTLE		X		
Mr. JOHNSON		X		
Mr. SOUDER		X		
Mr. NORWOOD		X		
Mr. EHLERS		X		
Mrs. BIGGERT		X		
Mr. PLATTS	X			
Mr. TIBERI		X		
Mr. KELLER		X		
Mr. OSBORNE		X		
Mr. WILSON		X		
Mr. PORTER		X		
Mr. KLINE		X		
Mrs. MUSGRAVE		X		
Mr. INGLIS		X		
Ms. McMORRIS		X		
Mr. MARCHANT		X		
Mr. PRICE		X		
Mr. FORTUNO		X		
Mr. JINDAL		X		
Mr. BOUSTANY		X		
Mrs. FOXX		X		
Mrs. DRAKE		X		
Mr. KUHL		X		
Mr. MILLER	X			
Mr. KILDEE	X			
Mr. OWENS	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Mr. SCOTT	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY	X			
Mr. TIERNEY	X			
Mr. KIND	X			
Mr. KUCINICH	X			
Mr. WU	X			
Mr. HOLT	X			
Mrs. DAVIS	X			
Ms. McCOLLUM	X			
Mr. DAVIS	X			
Mr. GRIJALVA	X			
Mr. VAN HOLLEN	X			
Mr. RYAN	X			
Mr. BISHOP	X			
Mr. BARROW	X			
TOTALS	23	25		1

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 3 BILL H.R. 2123 DATE May 18, 2005

AMENDMENT NUMBER 9 DEFEATED 22 - 26

SPONSOR/AMENDMENT Mr. Kucinich / amendment to expand the income eligibility for Head Start by requiring that adjustments in the poverty line be tied to the Employment Cost Index instead of the Consumer Price Index

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. BOEHNER, Chairman		X		
Mr. PETRI, Vice Chairman		X		
Mr. McKEON				X
Mr. CASTLE		X		
Mr. JOHNSON		X		
Mr. SOUDER		X		
Mr. NORWOOD		X		
Mr. EHLERS		X		
Mrs. BIGGERT		X		
Mr. PLATTS		X		
Mr. TIBERI		X		
Mr. KELLER		X		
Mr. OSBORNE		X		
Mr. WILSON		X		
Mr. PORTER		X		
Mr. KLINE		X		
Mrs. MUSGRAVE		X		
Mr. INGLIS		X		
Ms. McMORRIS		X		
Mr. MARCHANT		X		
Mr. PRICE		X		
Mr. FORTUNO		X		
Mr. JINDAL		X		
Mr. BOUSTANY		X		
Mrs. FOXX		X		
Mrs. DRAKE		X		
Mr. KUHL		X		
Mr. MILLER	X			
Mr. KILDEE	X			
Mr. OWENS	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Mr. SCOTT	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY	X			
Mr. TIERNEY	X			
Mr. KIND	X			
Mr. KUCINICH	X			
Mr. WU	X			
Mr. HOLT	X			
Mrs. DAVIS	X			
Ms. McCOLLUM	X			
Mr. DAVIS	X			
Mr. GRIJALVA	X			
Mr. VAN HOLLEN	X			
Mr. RYAN	X			
Mr. BISHOP	X			
Mr. BARROW	X			
TOTALS	22	26		1

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 4 BILL H.R. 2123 DATE May 18, 2005

AMENDMENT NUMBER 12 DEFEATED 18 - 29

SPONSOR/AMENDMENT Ms. McCollum / amendment to require certain grantees to meet the requirements of section 501(c)(3) under the Internal Revenue Code

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. BOEHNER, Chairman		X		
Mr. PETRI, Vice Chairman		X		
Mr. McKEON				X
Mr. CASTLE		X		
Mr. JOHNSON		X		
Mr. SOUDER		X		
Mr. NORWOOD		X		
Mr. EHLERS		X		
Mrs. BIGGERT		X		
Mr. PLATTS		X		
Mr. TIBERI		X		
Mr. KELLER		X		
Mr. OSBORNE		X		
Mr. WILSON		X		
Mr. PORTER		X		
Mr. KLINE		X		
Mrs. MUSGRAVE		X		
Mr. INGLIS		X		
Ms. McMORRIS		X		
Mr. MARCHANT		X		
Mr. PRICE		X		
Mr. FORTUNO		X		
Mr. JINDAL		X		
Mr. BOUSTANY		X		
Mrs. FOXX		X		
Mrs. DRAKE		X		
Mr. KUHL		X		
Mr. MILLER	X			
Mr. KILDEE	X			
Mr. OWENS	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Mr. SCOTT	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY	X			
Mr. TIERNEY	X			
Mr. KIND		X		
Mr. KUCINICH	X			
Mr. WU		X		
Mr. HOLT	X			
Mrs. DAVIS				X
Ms. McCOLLUM	X			
Mr. DAVIS	X			
Mr. GRIJALVA	X			
Mr. VAN HOLLEN	X			
Mr. RYAN	X			
Mr. BISHOP	X			
Mr. BARROW		X		
TOTALS	18	29		2

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 5 BILL H.R. 2123 DATE May 18, 2005

H.R. 2123 was ordered favorably reported, as amended, by a vote of 48 – 0

SPONSOR/AMENDMENT Mr. Petri / motion to report the bill to the House with an amendment and with the recommendation that the bill as amended do pass

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. BOEHNER, Chairman	X			
Mr. PETRI, Vice Chairman	X			
Mr. McKEON				X
Mr. CASTLE	X			
Mr. JOHNSON	X			
Mr. SOUDER	X			
Mr. NORWOOD	X			
Mr. EHLERS	X			
Mrs. BIGGERT	X			
Mr. PLATTS	X			
Mr. TIBERI	X			
Mr. KELLER	X			
Mr. OSBORNE	X			
Mr. WILSON	X			
Mr. PORTER	X			
Mr. KLINE	X			
Mrs. MUSGRAVE	X			
Mr. INGLIS	X			
Ms. McMORRIS	X			
Mr. MARCHANT	X			
Mr. PRICE	X			
Mr. FORTUNO	X			
Mr. JINDAL	X			
Mr. BOUSTANY	X			
Mrs. FOXX	X			
Mrs. DRAKE	X			
Mr. KUHL	X			
Mr. MILLER	X			
Mr. KILDEE	X			
Mr. OWENS	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Mr. SCOTT	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY	X			
Mr. TIERNEY	X			
Mr. KIND	X			
Mr. KUCINICH	X			
Mr. WU	X			
Mr. HOLT	X			
Mrs. DAVIS	X			
Ms. McCOLLUM	X			
Mr. DAVIS	X			
Mr. GRIJALVA	X			
Mr. VAN HOLLEN	X			
Mr. RYAN	X			
Mr. BISHOP	X			
Mr. BARROW	X			
TOTALS	48	0		1

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the body of this report.

NEW BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of 3(c)(3) of rule XIII of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 2123 from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 3, 2005.

Hon. JOHN A. BOEHNER,
Chairman, Committee on Education and the Workforce,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: As you requested, the Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2123, the School Readiness Act of 2005.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Kathleen FitzGerald.

Sincerely,

ELIZABETH M. ROBINSON
(For Douglas Holtz-Eakin, Director).

Enclosure.

HR. 2123—School Readiness Act of 2005

Summary: H.R. 2123 would reauthorize the Head Start program through 2011. The program was authorized through 2003 by the Coats Human Services Reauthorization Act of 1998 (Public Law 105–285) and has since been extended through annual appropriation acts.

CBO estimates that the bill would authorize the appropriation of $6.9 billion in 2006 and about $35.7 billion over the 2006–2010 period, assuming that annual levels are adjusted for inflation when specific annual authorization levels are not provided. (Without such inflation adjustments, the authorizations would total about $34.5 billion over the 2006–2010 period.) CBO estimates that appropriation of the authorized amounts would result in additional outlays of $32.3 billion over the 2006–2010 period, assuming annual adjustments for inflation (and about $31.3 billion without adjustments for inflation). Enacting H.R. 2123 would not affect direct spending or receipts.

H.R. 2123 contains no intergovernmental or private-sector mandates as defined by the Unfunded Mandates Reform Act (UMRA). Any costs to state, local, or tribal governments would result from complying with conditions for receiving federal assistance.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 2123 is shown in the following table. The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

	By fiscal year, in millions of dollars—					
	2005	2006	2007	2008	2009	2010
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law:						
Budget Authority[1]	6,843	1,400	0	0	0	0
Estimated Outlays	6,810	3,735	765	96	14	0
Proposed Changes:						
Estimated Authorization Level	0	6,899	7,010	7,142	7,273	7,404
Estimated Outlays	0	3,932	6,755	7,013	7,211	7,342
Total Spending Under H.R. 2123:						
Estimated Authorization Level	6,843	8,299	7,010	7,142	7,273	7,404
Estimated Outlays	6,810	7,668	7,520	7,109	7,225	7,342

[1] The 2005 level is the amount appropriated for the Head Start program including an advance of $1.389 billion for the 2004–2005 academic year. The 2006 level is the amount appropriated in an advance appropriation for the 2005–2006 academic year.

Basis of estimate: H.R. 2123 would revise and reauthorize the Head Start program through 2011. For this estimate, CBO assumes that the bill will be enacted near the start of fiscal year 2006, that the estimated amounts shown in the table will be appropriated for each year, and that outlays will follow historical spending patterns.

The Head Start program provides comprehensive child development services to low-income children. Services include education, health, nutrition, and social services with the overall goal of increasing the school readiness of young children in low-income families.

The bill would authorize the appropriation of $6.9 billion in 2006 and such sums as may be necessary in 2007 through 2011 for the Head Start program. CBO estimates that the total authorizations for the 2006–2010 period would be about $35.7 billion, assuming adjustments for inflation, with resulting outlays of $32.3 billion over those five years.

Funding for this program currently is provided on a program-year basis through appropriations in two separate fiscal years: a current fiscal year appropriation and an advance appropriation available October 1 of the next fiscal year. Although the program has been funded by two separate appropriations since 2001, funding does not need to be authorized separately because all of the funds for a program year could be provided in one appropriation.

Intergovernmental and private-sector impact: H.R. 2123 contains no intergovernmental or private-sector mandates as defined by UMRA. The bill would authorize $6.9 million to support Head Start and Early Head Start program activities, including new standards for the education and professional development of teachers serving program participants. Any costs incurred by state, local, or tribal governments would result from complying with conditions for receiving federal assistance.

Estimate prepared by: Federal Costs: Kathleen FitzGerald. Impact on State, Local, and Tribal Governments: Lisa Ramirez-Branum. Impact on the Private Sector: Meena Fernandes.

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

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause (3)(c) of House rule XIII, the goal of H.R. 2123 is to improve the Head Start Act to improve the school readiness of disadvantaged children. The Committee expects the Department of Health and Human Services to comply with H.R. 2123 and implement the changes to the law in accordance with the changes.

CONSTITUTIONAL AUTHORITY STATEMENT

Under clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee must include a statement citing the specific powers granted to Congress in the Constitution to enact the law proposed by H.R. 2123. The Committee believes that the amendments made by this bill, which authorize appropriations for Head Start programs, are within Congress' authority under Article I, section 8, clause 1 of the Constitution.

COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 2123. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (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):

HEAD START ACT

Subchapter B—Head Start Programs

SHORT TITLE

SEC. 635. This subchapter may be cited as the "Head Start Act".

[SEC. 636. STATEMENT OF PURPOSE.

[It is the purpose of this subchapter to promote school readiness by enhancing the social and cognitive development of low-income children through the provision, to low-income children and their families, of health, educational, nutritional, social, and other services that are determined, based on family needs assessments, to be necessary.]

SEC. 636. STATEMENT OF PURPOSE.

It is the purpose of this subchapter to promote school readiness by enhancing the development of low-income children, including development of cognitive abilities, through educational instruction in prereading skills, premathematics skills, language, and social and emotional development linked to school readiness and through the

provision to low-income children and their families of health, educational, nutritional, social and other services that are determined, based on family needs assessments, to be necessary.

DEFINITIONS

SEC. 637. For purposes of this subchapter:

(1) * * *

(2) The term "challenging State developed academic content standards" has the meaning given such term in paragraphs (1) and (5) of section 1111(b) of the Elementary and Secondary Education Act of 1965.

(3) The term "deficient" means—

(A) systemic or significant failure of a Head Start agency in an area of performance that the Secretary determines involves—

(i) a threat to the health, safety, or civil rights of children or staff;

(ii) a denial to parents of the exercise of their full roles and responsibilities related to program governance;

(iii) a failure to perform the requirements of section 641A(a), as determined by the Secretary;

(iv) the misuse of funds received under this subchapter;

(v) loss of legal status (as determined by the Secretary) or financial viability, loss of permits, debarment from receiving Federal grants or contracts, or the improper use of Federal funds; or

(vi) failure to meet any other Federal or State requirement;

(B) failure of the board of directors of a Head Start agency to fully exercise its legal and fiduciary responsibilities;

(C) failure of a Head Start agency to meet the administrative requirements of section 644(b); or

(D) failure of a Head Start agency to meet the integration requirements of section 642B(a).

[(2)**]** *(4)* The term "delegate agency" means a public, private nonprofit, or for-profit organization or agency to which a grantee has delegated all or part of the responsibility of the grantee for operating a Head Start program.

(5) The term "eligible entities" means an institution of higher education or other agency with expertise in delivering training in early childhood development, family support, and other assistance designed to improve the quality of early childhood education programs.

[(3)**]** *(6)* The term "family literacy services" means services 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) * * *

* * * * * * *

[(4)**]** *(7)* The term "financial assistance" includes assistance provided by grant, agreement, or contract, and payments may be made in installments and in advance or by way of reim-

bursement with necessary adjustments on account of overpayments or underpayments.

[(5)**]** *(8)* The term "full calendar year" means all days of the year other than Saturday, Sunday, and a legal public holiday.

[(6)**]** *(9)* The term "full-working-day" means not less than 10 hours per day. Nothing in this paragraph shall be construed to require an agency to provide services to a child who has not reached the age of compulsory school attendance for more than the number of hours per day permitted by State law (including regulation) for the provision of services to such a child.

[(7)**]** *(10)* The term "Head Start classroom" means a group of children supervised and taught by two paid staff members (a teacher and a teacher's aide or two teachers) and, where possible, a volunteer.

[(8)**]** *(11)* The term "Head Start family day care" means Head Start services provided in a private residence other than the residence of the child receiving such services.

[(9)**]** *(12)* The term "home-based Head Start program" means a Head Start program that provides Head Start services in the private residence of the child receiving such services.

(13) The term "homeless children" has the meaning given such term in subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435).

[(10)**]** *(14)* The term "Indian tribe" means any tribe, band, nation, pueblo, or other organized group or community of Indians, including any Native village described in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)) or established pursuant to such Act (43 U.S.C. 1601 et seq.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(15) LIMITED ENGLISH PROFICIENT; LIMITED ENGLISH PROFICIENCY.—The terms "limited English proficient" and "limited English proficiency" mean with respect to an individual, that such individual—

(A)(i) was not born in the United States or has a native language that is not English;

(ii)(I) is a Native American, an Alaska Native, or a native resident of a territory or possession of the United States; and

(II) comes from an environment in which a language that is not English has had a significant impact on such individual's level of English language proficiency; or

(iii) is migratory, has a native language that is not English, and comes from an environment in which a language that is not English is dominant; and

(B) has difficultly in speaking or understanding the English language to an extent that may be sufficient to deny such individual—

(i) the ability to successfully achieve in classrooms in which the language of instruction is English; or

(ii) the opportunity to fully participate in society.

[(11)**]** *(16)* The term "local educational agency" has the meaning given such term in the Elementary and Secondary Education Act of 1965.

[(12)] *(17)* The term "migrant and seasonal Head Start program" means—

(A) * * *

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[(13)] *(18)* The term "mobile Head Start program" means the provision of Head Start services utilizing transportable equipment set up in various community-based locations on a routine, weekly schedule, operating in conjunction with home-based Head Start programs, or as a Head Start classroom.

[(14)] *(19)* The term "poverty line" means the official poverty line (as defined by the Office of Management and Budget)—

(A) * * *

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(20) PROFESSIONAL DEVELOPMENT.—The term "professional development" means high quality activities that will enhance the school readiness of eligible children and prevent such children from encountering difficulties once they enter school by improving the knowledge and skills of Head Start teachers and staff, as relevant to their roles and functions, including activities that—

(A) provide teachers with the content knowledge and teaching strategies needed to provide effective instruction and other school readiness services in early language and literacy, early mathematics, cognitive skills, approaches to learning, creative arts, science, physical health and development, and social and emotional development linked to school readiness;

(B) assist teachers in meeting the requirements in paragraphs (1) and (2) of section 648A(a), as appropriate;

(C) improve teachers' classroom management skills, as appropriate;

(D) for teachers, are sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and teachers' performance in the classroom;

(E) are not primarily 1-day or short-term workshops or conferences, and attendance at activities that are 1-day or short-term workshops or conferences must be as part of the professional development plan defined in section 648A(f);

(F) assist teachers and staff in increasing their knowledge and skills in program administration, program quality, and the provision of services and instruction, as appropriate, in a manner that improves service delivery to eligible children and families;

(G) are part of a sustained effort to improve overall program quality and outcomes for eligible children and families;

(H) advance teacher understanding of effective instructional strategies that are—

(i) based on scientifically based research; and

(ii) strategies for improving school readiness or substantially increasing the knowledge and teaching skills of teachers;

(I) are, where applicable, aligned with and directly related to—

(i) challenging State academic content standards, student academic achievement standards, assessments, and the Head Start Child Outcomes Framework developed by the Secretary;

(ii) the curricula, ongoing assessments, and other instruction and services designed to help meet the standards described in section 641A(a)(1); and

(iii) the Head Start Child Outcomes Framework developed by the Secretary;

(J) are developed or selected with extensive participation of administrators and teachers from Head Start programs;

(K) are developmentally appropriate for the children being served;

(L) are designed to give teachers of limited English proficient children, and other teachers and instructional staff, the knowledge and skills to provide instruction and appropriate language and support services to increase the English language skills of such children;

(M) as a whole, are regularly evaluated for their impact on increased teacher and staff effectiveness and improved ability of teachers to support learning and increase participating children's school readiness, with the findings of the evaluations used to improve the quality of professional development;

(N) provide instruction in methods of teaching children with special needs, as appropriate;

(O) include instruction in ways that Head Start personnel may work more effectively with parents, as appropriate; and

(P) are designed to give teachers and staff the knowledge and skills to provide instruction and appropriate support services to children of diverse backgrounds, as appropriate.

[(15)] *(21)* The term "scientifically based reading research"—

(A) * * *

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(22) The term "scientifically based research"—

(A) means research that involves the application of rigorous, systematic and objective procedures to obtain reliable and valid knowledge relevant to education activities and programs; and

(B) includes 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 reliable and valid data across evaluators and observers, across multiple measurements and observations, and across studies by the same or different investigators;

(iv) is evaluated using experimental or quasi-experimental designs in which individuals, entities, pro-

grams or activities are assigned to different conditions and with appropriate controls to evaluate the effects of the condition of interest, with a preference for random assignment experiments, or other designs to the extent that those designs contain within-condition or across-condition controls;

(v) ensures that experimental studies are presented in sufficient detail and clarity to allow for replication or, at a minimum, offer the opportunity to build systematically on their findings; and

(vi) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review.

[(16)] *(23)* The term "Secretary" means the Secretary of Health and Human Services.

[(17)] *(24)* The term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands[, but for fiscal years ending before October 1, 2001 (and fiscal year 2002, if the legislation described in section 640(a)(2)(B)(iii) has not been enacted before September 30, 2001), also means the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau].

(25) The term "State educational agency" has the meaning given such term in the Elementary and Secondary Education Act of 1965.

(26) The term "unresolved area of noncompliance" means a failure to correct a noncompliance item within 90 days, or within such additional time (if any) authorized by the Secretary, after receiving from the Secretary notice of such noncompliance item.

FINANCIAL ASSISTANCE FOR HEAD START PROGRAMS

SEC. 638. The Secretary may, upon application by an agency which is eligible for designation as a Head Start agency pursuant to section 641, provide financial assistance to such agency *for a period of 5 years* for the planning, conduct, administration, and evaluation of a Head Start program focused primarily upon the children from low-income families who have not reached the age of compulsory school attendance which (1) will provide such comprehensive health, education, parental involvement, nutritional, social, and other services as will enable the children to attain their full potential and attain school readiness; and (2) will provide for direct participation of the parents of such children in the development, conduct, and overall program direction at the local level.

[AUTHORIZATION OF APPROPRIATIONS

[SEC. 639. (a) There are authorized to be appropriated for carrying out the provisions of this subchapter such sums as may be necessary for fiscal years 1999 through 2003.

[(b) From the amount appropriated under subsection (a), the Secretary shall make available—

[(1) for each of fiscal years 1999 through 2003 to carry out activities authorized under section 642A, not more than

$35,000,000 but not less than the amount that was made available for such activities for fiscal year 1998;

[(2) not more than $5,000,000 for each of fiscal years 1999 through 2003 to carry out impact studies under section 649(g); and

[(3) not more than $12,000,000 for fiscal year 1999, and such sums as may be necessary for each of fiscal years 2000 through 2003, to carry out other research, demonstration, and evaluation activities, including longitudinal studies, under section 649.]

SEC. 639. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated for carrying out the provisions of this subchapter $6,899,000,000 for the fiscal year 2006 and such sums as may be necessary for the fiscal years 2007 through 2011.

(b) SPECIFIC PROGRAMS.—From the amount appropriated under subsection (a), the Secretary shall make available not more than $20,000,000 for fiscal year 2006, and such sums as may be necessary for fiscal years 2007 through 2011 to carry out such other research, demonstration, and evaluation activities, including longitudinal studies, under section 649, of which not more than $7,000,000 for each of the fiscal years 2006 through 2011 to carry out impact studies under section 649(g).

ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE

SEC. 640. (a)(1) * * *

(2) The Secretary shall reserve 13 percent of the amount appropriated for each fiscal year for use in accordance with the following order of priorities—

[(A) Indian Head Start programs, services for children with disabilities, and migrant and seasonal Head Start programs, except that there shall be made available for each fiscal year for use by Indian Head Start programs and by migrant and seasonal Head Start programs, on a nationwide basis, not less than the amount that was obligated for use by Indian Head Start programs and by migrant and seasonal Head Start programs for fiscal year 1998;

[(B) payments, subject to paragraph (7)—

[(i) to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands of the United States;

[(ii) for fiscal years ending before October 1, 2001, to the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau; and

[(iii) if legislation approving renegotiated Compacts of Free Association for the jurisdictions described in clause (ii) has not been enacted before September 30, 2001, for fiscal year 2002 to those jurisdictions;

according to their respective needs, except that such amount shall not exceed one-half of 1 percent of the sums appropriated for any fiscal year;

[(C) training and technical assistance activities which are sufficient to meet the needs associated with program expansion and to foster program and management improvement activities

as described in section 648 of this subchapter, in an amount for each fiscal year which is not less than 2 percent of the amount appropriated for such fiscal year, of which not less than $3,000,000 of the amount appropriated for such fiscal year shall be made available to carry out activities described in section 648(c)(4);]

(A) Indian Head Start programs, services for children with disabilities, and migrant and seasonal Head Start programs, except that—

(i) there shall be made available for each fiscal year for use by Indian Head Start programs and by migrant and seasonal Head Start programs, on a nationwide basis, not less than the amount that was obligated for use by Indian Head Start programs and by migrant and seasonal Head Start programs for fiscal year 2005;

(ii) migrant and seasonal Head Start programs shall receive at least 5 percent of the amount appropriated for such fiscal year until such time as the Secretary can make funding decisions to ensure access to funding for eligible children of migrant and seasonal farmworkers is comparable to access to funding for other eligible children based on the data collected and reported pursuant to section 648(j), except that no future reduction in funding shall result in the termination of Head Start services provided to any eligible child 3 years of age or older who is participating in any such program on the date a reduction in funding occurs, and shall, to the extent possible, continue participation for children less than 3 years of age receiving services prior to such reduction in funding; and

(iii) Indian Head Start programs shall receive at least 3.5 percent of the amount appropriated for such fiscal year until such time as the Secretary can make funding decisions to ensure access to funding for eligible Indian children is comparable to access to funding for other eligible children;

(B) payments, subject to paragraph (7) to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands of the United States, and subject to the requirements of section 105(f)(1)(B)(ix) of Public Law 108–188 to Palau;

(C) training and technical assistance activities to foster program quality and management improvement as described in section 648, in an amount for each fiscal year which is equal to 2 percent of the amount appropriated for such fiscal year, of which—

(i) not less than 50 percent shall be made available to local Head Start agencies to make program improvements identified by such agencies and comply with the standards described in section 641A(a)(1), of which not less than 50 percent shall be used to comply with the standards described in section 641A(a)(1)(B) and for the uses described in clauses (iii), (iv), and (vii) of subsection (a)(3)(B);

(ii) not less than 20 percent shall be made available to support a State system of early childhood education training and technical assistance, including the State Early Learning Council described in section 642B(b);

(iii) not less than 30 percent shall be made available to the Secretary to assist local programs in meeting the standards described in section 641A(a)(1) and shall be allocated to address program weaknesses identified by monitoring activities conducted by the Secretary under section 641A(c); and

(iv) not less than $3,000,000 of the amount in clause (iii) appropriated for such fiscal year shall be made available to carry out activities described in section 648(d)(4);

* * * * * * *

No funds reserved under this paragraph or paragraph (3) may be combined with funds appropriated under any other Act if the purpose of combining funds is to make a single discretionary grant or a single discretionary payment, unless such funds appropriated under this subchapter are separately identified in such grant or payment and are used for the purposes of this subchapter. ⟦No Freely Associated State may receive financial assistance under this subchapter after fiscal year 2002.⟧

(3)(A)(i) In order to provide assistance for activities specified in subparagraph (C) directed at the goals specified in subparagraph (B), the Secretary shall reserve, from the amount (if any) by which the funds appropriated under section 639(a) for a fiscal year exceed the adjusted prior year appropriation, a share equal to the sum of—

(I) 60 percent of such excess amount for fiscal ⟦year 1999, 50 percent of such excess amount for fiscal year 2000, 47.5 percent of such excess amount for fiscal year 2001, 35 percent of such excess amount for fiscal year 2002, and 25 percent of such excess amount for fiscal year 2003⟧ *years 2006 through 2011*; and

* * * * * * *

(iii) After the reservation of amounts under paragraph (2) and the 60 percent amount referred to in subparagraph (A) of this paragraph, a portion of the remaining funds shall be made available—

(I) to expand services to underserved populations, such as children receiving services under Early Head Start programs and under migrant and seasonal Head Start programs; and

(II) to increase funding to grantees with full enrollment and whose aggregate amount of financial assistance provides funding per child that is below the national average.

⟦(B) Funds reserved under this paragraph (referred to in this paragraph as "quality improvement funds") shall be used to accomplish any or all of the following goals:

⟦(i) Ensuring that Head Start programs meet or exceed performance standards pursuant to section 641A(a)(1)(A).

⟦(ii) Ensuring that such programs have adequate numbers of qualified staff, and that such staff are furnished adequate training, including developing skills in working with children with non-English language background and children with disabilities, when appropriate.

[(iii) Ensuring that salary levels and benefits are adequate to attract and retain qualified staff for such programs.

[(iv) Using salary increases to improve staff qualifications, and to assist with the implementation of career development programs, for the staff of Head Start programs, and to encourage the staff to continually improve their skills and expertise by informing the staff of the availability of Federal and State incentive and loan forgiveness programs for professional development.

[(v) Improving community-wide strategic planning and needs assessments for such programs and collaboration efforts for such programs.

[(vi) Ensuring that the physical environments of Head Start programs are conducive to providing effective program services to children and families, and are accessible to children with disabilities and their parents.

[(vii) Ensuring that such programs have qualified staff that can promote language skills and literacy growth of children and that can provide children with a variety of skills that have been identified, through scientifically based reading research, as predictive of later reading achievement.

[(viii) Making such other improvements in the quality of such programs as the Secretary may designate.

[(C) Quality improvement funds shall be used to carry out any or all of the following activities:

[(i)(I) Not less than one-half of the amount reserved under this paragraph, to improve the compensation (including benefits) of classroom teachers and other staff of Head Start agencies and thereby enhance recruitment and retention of qualified staff, including recruitment and retention pursuant to achieving the requirements set forth in section 648A(a). The expenditure of funds under this clause shall be subject to section 653. Preferences in awarding salary increases, in excess of cost-of-living allowances, with such funds shall be granted to classroom teachers and staff who obtain additional training or education related to their responsibilities as employees of a Head Start program.

[(II) If a Head Start agency certifies to the Secretary for such fiscal year that part of the funds set aside under subclause (I) to improve wages cannot be expended by such agency to improve wages because of the operation of section 653, then such agency may expend such part for any of the uses specified in this subparagraph (other than wages).

[(III) From the remainder of the amount reserved under this paragraph (after the Secretary carries out subclause (I)), the Secretary shall carry out any or all of the activities described in clauses (ii) through (vii), placing the highest priority on the activities described in clause (ii).

[(ii) To train classroom teachers and other staff to meet the education performance standards described in section 641A(a)(1)(B), through activities—

[(I) to promote children's language and literacy growth, through techniques identified through scientifically based reading research;

[(II) to promote the acquisition of the English language for non-English background children and families;

[(III) to foster children's school readiness skills through activities described in section 648A(a)(1); and

[(IV) to provide training necessary to improve the qualifications of the staff of the Head Start agencies and to support staff training, child counseling, and other services necessary to address the problems of children participating in Head Start programs, including children from dysfunctional families, children who experience chronic violence in their communities, and children who experience substance abuse in their families.

[(iii) To employ additional Head Start staff, including staff necessary to reduce the child-staff ratio and staff necessary to coordinate a Head Start program with other services available to children participating in such program and to their families.

[(iv) To pay costs incurred by Head Start agencies to purchase insurance (other than employee benefits) and thereby maintain or expand Head Start services.

[(v) To supplement amounts provided under paragraph (2)(C) to provide training necessary to improve the qualifications of the staff of the Head Start agencies, and to support staff training, child counseling, and other services necessary to address the problems of children participating in Head Start programs, including children from dysfunctional families, children who experience chronic violence in their communities, and children who experience substance abuse in their families.

[(vi) Such other activities as the Secretary may designate.]

(B) Funds reserved under this paragraph (in this paragraph referred to as "quality improvement funds") shall be used to accomplish the following goals:

(i) Ensuring that Head Start programs meet or exceed standards pursuant to section 641A(a)(1).

(ii) Ensuring that such programs have adequate numbers of qualified staff, and that such staff is furnished adequate training, including developing skills to promote the development of language skills, premathematic skills, and prereading in young children and in working with children with limited English proficiency, children referred by child welfare services, and children with disabilities, when appropriate.

(iii) Developing and financing the salary scales described under section 644(a)(3) and section 653, in order to ensure that salary levels and benefits are adequate to attract and retain qualified staff for such programs.

(iv) Using salary increases—

(I) to assist with the implementation of quality programs and improve staff qualifications;

(II) to ensure that staff can promote the language skills and literacy growth of children and can provide children with a variety of skills that have been identified, through scientifically based early reading research, as predictive of later reading achievement; and

(III) to encourage the staff to continually improve their skills and expertise by informing the staff of the avail-

ability of Federal and State incentive and loan forgiveness programs for professional development.

(v) Improving community-wide strategic planning and needs assessments for such programs and collaboration efforts for such programs, including collaborations to increase program participation by underserved populations of eligible children.

(vi) Ensuring that the physical environments of Head Start programs are conducive to providing effective program services to children and families, and are accessible to children with disabilities and their parents.

(vii) Ensuring that such programs have qualified staff that can promote language skills and literacy growth of children and that can provide children with a variety of skills that have been identified, through scientifically based reading research, as predictive of later reading achievement.

(viii) Providing assistance to complete postsecondary course work including scholarships or other financial incentives, such as differential and merit pay, to enable Head Start teachers to improve competencies and the resulting child outcomes.

(ix) Upgrading the qualifications and skills of educational personnel to meet the professional standards established under section 648A(a)(1), including certification and licensure as bilingual education teachers and other educational personnel who serve limited English proficient children.

(x) Promoting the regular attendance and stability of all children participating in Head Start programs, with particular attention to highly mobile children, including children from migrant and seasonal farm worker families (if appropriate), homeless children, and children in foster care.

(xi) Making such other improvements in the quality of such programs as the Secretary may designate.

(C) Quality improvement funds shall be used to carry out the activities in any or all of the following clauses:

(i)(I) Not less than one-half of the amount reserved under this paragraph, to improve the compensation (including benefits) of classroom teachers and other staff of Head Start agencies providing instructional services and thereby enhancing recruitment and retention of qualified staff, including recruitment and retention pursuant to achieving the requirements set forth in section 648A(a). The expenditure of funds under this clause shall be subject to section 653. Salary increases, in excess of cost-of-living allowance, provided with such funds shall be subject to the specific standards governing salaries and salary increases established pursuant to section 644(a).

(II) If a Head Start agency certifies to the Secretary for such fiscal year that part of the funds set aside under subclause (I) to improve wages cannot be expended by such agency to improve wages because of the operation of section 653, then such agency may expend such part for any of the uses specified in this subparagraph (other than wages).

(III) From the remainder of the amount reserved under this paragraph (after the Secretary carries out subclause (I)), the Secretary may carry out the activities described in clauses (ii) through (vii).

(ii) To train classroom teachers and other staff to meet the education standards described in section 641A(a)(1)(B), through activities—

(I) to promote children's language and prereading growth, through techniques identified through scientifically based reading research;

(II) to promote the acquisition of the English language for limited English proficient children and families, while ensuring that children are making meaningful progress in attaining the knowledge, skills, abilities, and development described in section 641A(a)(1)(B);

(III) to foster children's school readiness through activities described in section 648A(a)(1); and

(IV) to provide education and training necessary to improve the qualifications of Head Start staff, particularly assistance to enable more instructors to be fully competent and to meet the degree requirements under section 648A(a)(2)(A), and to support staff training, child counseling, and other services necessary to address the challenges of children participating in Head Start programs, including children from immigrant, refugee, and asylee families, children from families in crisis, children who experience chronic violence in their communities, children who experience substance abuse in their families, and children with emotional and behavioral problems.

(iii) To employ additional Head Start staff, including staff necessary to reduce the child-staff ratio, lead instructors who meet the qualifications of section 648A(a) and staff necessary to coordinate a Head Start program with other services available to children participating in such program and to their families.

(iv) To pay costs incurred by Head Start agencies to purchase insurance (other than employee benefits) and thereby maintain or expand Head Start services.

(v) To supplement amounts provided under paragraph (2)(C) to provide training necessary to improve the qualifications of the staff of the Head Start agencies, and to support staff training, child counseling, and other services necessary to address the problems of children participating in Head Start programs, including children from dysfunctional families, children who experience chronic violence in their communities, and children who experience substance abuse in their families.

(vi) To conduct outreach to homeless families in an effort to increase the program participation of homeless children.

(vii) To conduct outreach to migrant and seasonal farm-working families and families with children with a limited English proficiency.

(viii) Such other activities as the Secretary may designate.

* * * * * * *

(4) Subject to section 639(b), the Secretary shall allot the remaining amounts appropriated in each fiscal year among the States, in accordance with latest satisfactory data so that—

(A) each State receives an amount which is equal to the amount the State received for fiscal year [1998] *2005*; and

* * * * * * *

(5)[(A) From amounts reserved and allotted pursuant to paragraph (4), the Secretary shall reserve such sums as may be necessary to award the collaboration grants described in subparagraphs (B) and (D).

[(B) From the reserved sums, the Secretary may award a collaboration grant to each State to facilitate collaboration regarding activities carried out in the State under this subchapter, and other activities carried out in, and by, the State that are designed to benefit low-income children and families and to encourage Head Start agencies to collaborate with entities involved in State and local planning processes (including the State lead agency administering the financial assistance received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) and the entities providing resource and referral services in the State) in order to better meet the needs of low-income children and families.

[(C) A State that receives a grant under subparagraph (B) shall—

[(i) appoint an individual to serve as a State liaison between—

[(I) the appropriate regional office of the Administration for Children and Families and agencies and individuals carrying out Head Start programs in the State; and

[(II) agencies (including local educational agencies) and entities carrying out programs serving low-income children and families;

[(ii) involve the State Head Start Association in the selection of the individual, and involve the association in determinations relating to the ongoing direction of the collaboration;

[(iii) ensure that the individual holds a position with sufficient authority and access to ensure that the collaboration described in subparagraph (B) is effective and involves a range of State agencies;

[(iv) ensure that the collaboration described in subparagraph (B) involves coordination of Head Start services with health care, welfare, child care, education, and community service activities, family literacy services, activities relating to children with disabilities (including coordination of services with those State officials who are responsible for administering part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C. 1431–1444, 1419)), and services for homeless children;

[(v) include representatives of the State Head Start Association and local Head Start agencies in unified planning regarding early care and education services at both the State and local levels, including collaborative efforts to plan for the provision of full-working-day, full calendar year early care and education services for children; and

[(vi) encourage local Head Start agencies to appoint a State level representative to represent Head Start agencies within the State in conducting collaborative efforts described in subparagraphs (B) and (D), and in clause (v).]

(A) From amounts reserved and allotted pursuant to paragraph (4), the Secretary shall award the collaboration grants described in subparagraphs (B) and (D).

(B) From the reserved sums in paragraph (4), the Secretary shall award a collaboration grant to any State that submits a written request. Such grant shall be equal to the amount the State received under this paragraph for such activity for fiscal year 2005. Such grant shall be used by the State to facilitate collaboration regarding activities carried out in the State under this subchapter, and other activities carried out in and by the State that are designed to benefit low-income children and families and to encourage Head Start agencies to collaborate with entities involved in State and local planning processes (including the State lead agency administering the financial assistance under the Child Care and Development Block Grant Act of 1990 and the entities that provide child care resource and referral services in the State) in order to better meet the needs of low-income children and their families.

(C) In order to improve results for children, a State that receives a grant under subparagraph (B) shall appoint an individual to serve as the State Director of Head Start Collaboration to be a liaison between the appropriate regional office of the Administration for Children and Families and agencies carrying out Head Start programs in the State. The State shall—

(i) ensure that such Director holds a position with sufficient authority and access to ensure that the collaboration described in subparagraph (B) is effective and involves a range of State agencies and local entities, including—

(I) the State educational agency;

(II) the State Department of Health and Human Services;

(III) the State agency that oversees child care;

(IV) the State agency that assists children with developmental disabilities;

(V) the State Head Start Association;

(VI) the State network of child care resource and referral agencies;

(VII) local educational agencies;

(VIII) community-based and faith-based organizations;

(IX) representatives of migrant and seasonal Head Start programs located in the State;

(X)representatives of Indian Head Start programs located in the State;

(XI) State and local providers of early childhood education and child care, including providers with experience serving children with limited English proficiency; and

(XII) other entities carrying out programs serving low-income children and families in the State;

(ii) involve the entities described in clause (i) to develop a strategic plan for the coordinated outreach to identify eligible children and to implement strategies based on a needs assessment, which shall include an assessment of the availability of high quality prekindergarten services for low-income children in the State. Such assessment shall be completed not later than 1 year after the date of enactment of the School Readiness Act of 2005 and be updated on an annual basis and shall be made available to the general public within the State;

(iii) ensure that the collaboration described in subparagraph (B) involves coordination of Head Start services with health care, welfare, child care, child protective services, education,

and community service activities, family literacy services, activities relating to children with disabilities (including coordination of services with those State officials who are responsible for administering part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.)), and services for homeless children (including coordination of services with the Office of Coordinator for Education of Homeless Children and Youth designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act of 2001 (42 U.S.C. 11432(g)(1)(J)(ii));

(iv) require the State Director of Head Start Collaboration to—

(I) serve on the Early Learning Council pursuant to section 642B(b);

(II) consult with the Early Learning Council, chief State school officer, local educational agencies, representatives of local Head Start agencies and providers of early childhood education and care in unified planning regarding early care and education services at both the State and local levels, including collaborative efforts to develop school readiness standards;

(III) consult with the chief State school officer, local educational agencies, State child care administrators, State human services administrators, representatives of local child care resource and referral agencies, local early childhood councils, providers of early childhood education and care, and other relevant State and local agencies, and representatives of the State Head Start Association to plan for the provision of full-working-day, full-calendar-year early care and education services for eligible children with working parents who have a demonstrated need;

(IV) consult with the chief State school officer, local educational agencies and Head Start agencies to improve alignment between Head Start programs and State-funded prekindergarten activities to meet shared goals of school readiness; and

(V) establish improved linkages between Head Start agencies and other children and family agencies, including agencies that provide health, mental health or family services or other child and family support services.

(D) Following the award of collaboration grants described in subparagraph (B), the Secretary shall provide, from the reserved sums, supplemental funding for collaboration grants—

(i) to States that (in consultation with their State Head Start Associations *and providers of services supporting early childhood education and child care*) develop statewide, regional, or local unified plans for early childhood education and child care that include the participation of Head Start agencies; and

* * * * * * *

(6)**[**(A) From amounts reserved and allotted pursuant to paragraphs (2) and (4), the Secretary shall use, for grants for programs described in section 645A(a), a portion of the combined total of such amounts equal to 7.5 percent for fiscal year 1999, 8 percent for fiscal year 2000, 9 percent for fiscal year 2001, 10 percent for fiscal year 2002, and 10 percent for fiscal year 2003, of the amount ap-

propriated pursuant to section 639(a), except as provided in subparagraph (B).]

(A) From amounts reserved and allotted pursuant to paragraphs (2) and (4), the Secretary shall use, for grants for programs described in section 645A(a) of this subchapter, a portion of the combined total of such amounts equal to at least 10 percent for each of the fiscal years 2006 through 2011, of the amount appropriated pursuant to section 639(a), except as provided in subparagraph (B).

* * * * * * *

(f) The Secretary shall establish procedures to enable Head Start agencies to develop locally designed or specialized service delivery models to address local community needs*, including models that leverage the existing capacity and capabilities of the delivery system of early childhood education and child care*.

(g)(1) * * *

(2) [For the purpose of expanding Head Start programs, in] *In* allocating funds to an applicant within a State, from amounts allotted to a State pursuant to subsection (a)(4), the Secretary shall take into consideration—

(A) * * *

* * * * * * *

[(C) the extent to which the applicant has undertaken community-wide strategic planning and needs assessments involving other community organizations and public agencies serving children and families (including organizations serving families in whose homes English is not the language customarily spoken), and organizations and public entities serving children with disabilities;]

(C) the extent to which the applicant has undertaken community-wide strategic planning and needs assessments involving other community organizations and Federal, State, and local public agencies serving children and families (including organizations and agencies providing family support services and protective services to children and families and organizations serving families in whose homes English is not the language customarily spoken), and individuals, organizations, and public entities serving children with disabilities and homeless children including the local educational agency liaison designated under section 722(g)(1)(J)(ii) of the McKinney-Veto Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii));

(D) the extent to which the family and community needs assessment of the applicant reflects a need to provide full-working-day or full calendar year services and the extent to which, and manner in which, the applicant demonstrates the ability to collaborate and participate with [other local] *the State and local* community providers of child care or preschool services to provide full-working-day full calendar year services;

(E) the numbers of eligible children in each community who *would like to participate but* are not participating in a Head Start program or any other early childhood program;

* * * * * * *

(G) the extent to which the applicant proposes to foster partnerships with other service providers in a manner that will *le-*

verage the existing delivery systems of such services and enhance the resource capacity of the applicant; [and]

(H) the extent to which the applicant, in providing services, [plans to coordinate] *successfully coordinated its activities* with the local educational agency serving the community involved*, including the local educational agency liaison designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii)),* and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, regarding such services and the education services provided by such local educational agency[.]*; and*

(I) the amount of funds used by such agency to pay administrative expenses and the amount of available funds received by such agency under this section to serve each enrolled child.

* * * * * * *

[(i) The]

(i) TRANSPORTATION SAFETY.—

(1) REGULATIONS.—The Secretary shall issue regulations establishing requirements for the safety features, and the safe operation, of vehicles used by Head Start agencies to transport children participating in Head Start programs.

(2) WAIVER AUTHORITY.—

(A) IN GENERAL.—The Secretary may waive for a period of up to one year the requirements of regulations promulgated under paragraph (1) for one or more vehicles used by the agency or its designee in transporting children enrolled in a Head Start program or an Early Head Start program if—

(i) such requirements pertain to child restraint systems and bus monitors;

(ii) the agency demonstrates that compliance with such requirements will result in a significant disruption to the Head Start program or the Early Head Start program; and

(iii) is in the best interest of the child.

(B) RENEWAL.—The Secretary may renew a waiver under subparagraph (A).

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(l)(1) * * *

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[(3) In carrying out this subchapter, the Secretary shall continue the administrative arrangement responsible for meeting the needs of children of migrant and seasonal farmworkers and Indian children and shall ensure that appropriate funding is provided to meet such needs.]

(3) In carrying out this subchapter, the Secretary shall continue the administrative arrangement at the national level for meeting the needs of Indian children and children of migrant and seasonal farmworkers and shall ensure that appropriate funding is provided to meet such needs, including training and technical assistance and the appointment of a national migrant and seasonal Head Start col-

laboration director and a national Indian Head Start collaboration director.

(4)(A) For the purposes of paragraph (3), the Secretary shall conduct an annual consultation in each affected Head Start region, with tribal governments operating Head Start programs and Early Head Start programs.

(B) The consultations shall be for the purpose of better meeting the needs of American Indian and Alaska Native children and families pertinent to subsections (a), (b), and (c) of section 641, taking into consideration funding allocations, distribution formulas, and other issues affecting the delivery of Head Start services within tribal communities.

(C) The Secretary shall publish a notification of the consultations in the Federal Register prior to conducting the consultations.

(D) A detailed report of each consultation shall be prepared and made available, on a timely basis, to all tribal governments receiving funds under this subchapter.

(m) ENROLLMENT OF HOMELESS CHILDREN.—The Secretary shall by regulation prescribe policies and procedures to remove barriers to the enrollment and participation of homeless children in Head Start programs. Such regulations shall require Head Start agencies—

(1) to implement policies and procedures to ensure that homeless children are identified and prioritized for enrollment;

(2) to allow homeless families to apply to, enroll in and attend Head Start programs while required documents, such as proof of residency, immunization and other medical records, birth certificates and other documents, are obtained within a reasonable time frame; and

(3) coordinate individual Head Start centers and programs with efforts to implement subtitle B of title VII of the McKinney-Vento± Homeless Assistance Act (42 U.S.C. 11431–11435).

(n) RULE OF CONSTRUCTION.—Nothing in this subchapter shall be construed to require a State to establish a program of early education for children in the State, to require any child to participate in a program of early education, to attend school, or to participate in any initial screening prior to participation in such program, except as provided under section 612(a)(3), (consistent with section 614(a)(1)(C)), of the Individuals with Disabilities Education Act.

(o) MATERIALS.—All curricula and instructional materials funded under this subchapter shall be scientifically based and age appropriate. Parents shall have the ability to inspect, upon request, any curricula or instructional materials.

DESIGNATION OF HEAD START AGENCIES

SEC. 641. ⟦(a) The Secretary is authorized to designate as a Head Start agency any local public or private nonprofit or for-profit agency, within a community, which (1) has the power and authority to carry out the purposes of this subchapter and perform the functions set forth in section 642 within a community; and (2) is determined by the Secretary (in consultation with the chief executive officer of the State involved, if such State expends non-Federal funds to carry out Head Start programs) to be capable of planning, conducting, administering, and evaluating, either directly or by other arrangements, a Head Start program.⟧

(a) AUTHORITY TO DESIGNATE.—

(1) IN GENERAL.—The Secretary is authorized to designate as a Head Start agency any local public or private nonprofit or for-profit agency within a State, including a community-based or faith-based organization that—

(A) has power and authority to carry out the purpose of this subchapter and perform the functions set forth in section 642 within a State; and

(B) is determined to be capable of planning, conducting, administering, and evaluating, either directly or by other arrangements, a Head Start program.

(2) DESIGNATION REQUIREMENTS.—To be designated as a Head Start agency and to receive financial assistance under this subparagraph, an entity described in sub paragraph (1) shall—

(A) establish measurable objectives for—

(i) the school readiness of children participating in the program under this subchapter;

(ii) meeting the performance standards described in section 641A;

(iii) educational instruction in prereading, premathematics, and language skills; and

(iv) the provision of health, educational, nutritional, social and other services related to school readiness; and

(B) align curricula to challenging State developed academic content standards and the Head Start Child Outcomes Framework developed by the Secretary.

(3) ELIGIBILITY FOR SUBSEQUENT FINANCIAL ASSISTANCE.—In order to receive financial assistance under this subchapter subsequent to the initial financial assistance provided following the effective date of this subsection, an entity described in paragraph (1) shall demonstrate that the entity has met the measurable objectives described in paragraph (2);

(4) MEASURING PROGRESS.—Progress in meeting such measurable objectives shall not be measured primarily or solely by the results of assessments.

* * * * * * *

[(c)(1) In the administration of the provisions of this section (subject to paragraph (2)), the Secretary shall, in consultation with the chief executive officer of the State involved if such State expends non-Federal funds to carry out Head Start programs, give priority in the designation of Head Start agencies to any local public or private nonprofit or for-profit agency which is receiving funds under any Head Start program on the date of the enactment of this Act unless the Secretary determines that the agency involved fails to meet program and financial management requirements, performance standards described in section 641A(a)(1), results-based performance measures developed by the Secretary under section 641A(b), or other requirements established by the Secretary.

[(2) If there is no agency of the type referred to in paragraph (1) because of any change in the assistance furnished to programs for economically disadvantaged persons, the Secretary shall, in consultation with the chief executive officer of the State if such State expends non-Federal funds to carry out Head Start programs, give

priority in the designation of Head Start agencies to any successor agency that is operating a Head Start program in substantially the same manner as the predecessor agency that did receive funds in the fiscal year preceding the fiscal year for which the determination is made.

[(3) Notwithstanding any other provision of this subsection, the Secretary shall not give such priority to any agency with respect to which financial assistance has been terminated, or an application for refunding has been denied, under this subchapter by the Secretary after affording such agency reasonable notice and opportunity for a full and fair hearing in accordance with section 646(a)(3).

[(d) If no entity in a community is entitled to the priority specified in subsection (c), then the Secretary may designate a Head Start agency from among qualified applicants in such community. In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall give priority to any qualified agency that functioned as a Head Start delegate agency in the community and carried out a Head Start program that the Secretary determines met or exceeded such performance standards and such results-based performance measures. In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall consider the effectiveness of each such applicant to provide Head Start services, based on—

[(1) any past performance of such applicant in providing services comparable to Head Start services, including how effectively such applicant provided such comparable services;

[(2) the plan of such applicant to provide comprehensive health, nutritional, educational, social, and other services needed to aid participating children in attaining their full potential;

[(3) the plan of such applicant to coordinate the Head Start program it proposes to carry out, with other preschool programs, including Even Start programs under part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.) and programs under part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C. 1431–1444, 1419), and with the educational programs such children will enter at the age of compulsory school attendance;

[(4) the plan of such applicant—

[(A) to seek the involvement of parents of participating children in activities (at home and in the center involved where practicable) designed to help such parents become full partners in the education of their children;

[(B) to afford such parents the opportunity to participate in the development, conduct, and overall performance of the program at the local level;

[(C) to offer (directly or through referral to local entities, such as entities carrying out Even Start programs under part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.), public and school libraries, and family support programs) to such parents—

[(i) family literacy services; and

[(ii) parenting skills training;

[(D) to offer to parents of participating children substance abuse counseling (either directly or through referral to local entities), including information on drug-exposed infants and fetal alcohol syndrome;

[(E) at the option of such applicant, to offer (directly or through referral to local entities) to such parents—

[(i) training in basic child development;

[(ii) assistance in developing communication skills;

[(iii) opportunities for parents to share experiences with other parents; or

[(iv) any other activity designed to help such parents become full partners in the education of their children; and

[(F) to provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in subparagraphs (C) (D), and (E) in which such parents may choose to become involved (taking into consideration their specific family needs, work schedules, and other responsibilities);

[(5) the ability of such applicant to carry out the plans described in paragraphs (2), (3), and (4);

[(6) other factors related to the requirements of this subchapter;

[(7) the plan of such applicant to meet the needs of non-English background children and their families, including needs related to the acquisition of the English language;

[(8) the plan of such applicant to meet the needs of children with disabilities;

[(9) the plan of such applicant who chooses to assist younger siblings of children who will participate in the proposed Head Start program to obtain health services from other sources; and

[(10) the plan of such applicant to collaborate with other entities carrying out early childhood education and child care programs in the community.]

(c) CONSULTATION.—In the administration of this section, the Secretary shall, in consultation with the chief executive officer of the State involved, give priority in the designation of Head Start agencies to Head Start agencies that—

(1) are receiving assistance under this subchapter on the effective date of this subsection;

(2) meet or exceed program and financial management requirements, standards described in section 641A(a);

(3) meet or exceed the education standards and requirements described in section 641A(a)(1)(B);

(4) have no unresolved area of noncompliance;

(5) have not been deemed deficient since the then most recent designation;

(6) employ qualified staff (including in center-based programs, a teaching staff of whom at least 50 percent have an associate, baccalaureate, or advanced degree in early child education or a related field), except that the Secretary may waive the application of this paragraph, for a period not to exceed 3 years, for Head Start programs operating in rural areas, for

migrant and seasonal Head Start programs, and for Indian Head Start programs, on a case-by-case basis, if the program demonstrates progress in increasing the qualifications of teaching staff and demonstrates adequate instructional supervision by qualified staff;

(7) were not deemed by the Secretary as chronically under-enrolled since the then most recent designation;

(8) utilize curricula based on scientifically based research, that are aligned with challenging State developed academic content standards and the Head Start Child Outcomes Framework developed by the Secretary;

(9) demonstrate active partnerships with local educational agencies serving the same communities to facilitate smooth transitions to kindergarten;

(10) actively implement a memorandum of understanding described in section 642B(a) and additional collaborative partnerships with organizations that enhance the delivery of services to children;

(11) demonstrate success in improving child outcomes across all domains of development, including measurable progress in language skills, prereading knowledge, and premathematics knowledge;

(12) maintain classroom environments constructive to early learning and future school success;

(13) demonstrate strong parental involvement and activities to develop parent skills to support their children's educational development and ability to participate effectively in decisions relating to the education of their children;

(14) are overseen by a board described in section 642(b) that provides direction and actively oversees all program activities;

(15) document strong fiscal controls, including—

(A) the employment of well-qualified fiscal staff with a history of successful management of a public or private organization;

(B) having no reportable material weaknesses with applicable laws and regulations on all annual financial audits performed since the most recent designation;

(C) meeting or exceeding annual requirements for financial support under section 640(b); and

(D) maintaining total administrative costs at or below 15 percent of total program costs;

(16) are licensed to operate in accordance with all applicable State child care regulations;

(17) conduct outreach activities to ensure that services are provided to the most at-risk families in the community;

(18) have developed strong community partnerships with public and private organizations, such as businesses, health, and social service providers; and

(19) provide opportunities for ongoing professional development.

(d) DESIGNATION WHEN NO ENTITY HAS PRIORITY.—

(1) IN GENERAL.—If no entity in a community is entitled to the priority specified in subsection (c), the Secretary shall, after conducting an open competition, designate for a 5-year period

a Head Start agency from among qualified applicants in such community.

(2) CONSIDERATIONS IN DESIGNATION.—In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall consider the effectiveness of each such applicant to provide Head Start services, based on—

(A) any past performance of such applicant in providing services comparable to Head Start services, including how effectively such applicant provided such comparable services;

(B) the plan of such applicant to provide comprehensive health (including mental and behavioral health), educational, nutritional, social, and other services needed to prepare children to succeed in school;

(C) the capacity of such applicant to serve eligible children with curriculum and teaching practices based on scientifically based research that promote the school readiness of children participating in the program;

(D) the plan of such applicant to meet standards set forth in section 641A(a)(1), with particular attention to the standards set forth in subparagraphs (A) and (B) of such section;

(E) the proposed budget and plan of such applicant to maintain strong fiscal controls and cost effective fiscal management;

(F) the plan of such applicant to coordinate the Head Start program the applicant proposes to carry out with other educational programs for young children, including—

(i) the Early Reading First and Even Start programs under subparts 2 and 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6371 et seq., 6381 et seq.);

(ii) programs under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.);

(iii) State prekindergarten programs;

(iv) child care programs;

(v) the educational programs that the children participating in the Head Start program involved will enter at the age of compulsory school attendance; and

(vi) reading readiness programs such as those conducted by public and school libraries;

(G) the plan of such applicant to coordinate the Head Start program that the applicant proposes to carry out, with public and private entities that are willing to commit resources to assist the Head Start –program in meeting its program needs;

(H) the plan of such applicant—

(i) to seek the involvement of parents (including grandparents and kinship caregivers, as appropriate) of children participating in the proposed Head Start program, in activities (at home and, if practicable, at the location of the Head Start program) designed to help such parents become full partners in the education of their children;

(ii) to afford such parents the opportunity to participate in the development and overall conduct of the program at the local level;

(iii) to offer (directly or through referral to local entities, such as entities carrying out Even Start programs under subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6381 et seq.), public and school libraries, and entities carrying out family support programs) to such parents—

(I) family literacy services; and

(II) parenting skills training;

(iv) to offer to parents of participating children, substance abuse counseling (either directly or through referral to local entities), including information on the effect of drug exposure on infants and fetal alcohol syndrome;

(v) at the option of such applicant, to offer (directly or through referral to local entities) to such parents—

(I) training in basic child development (including cognitive development);

(II) assistance in developing literacy and communication skills;

(III) opportunities to share experiences with other parents (including parent mentor relationships);

(IV) regular in-home visitation;

(V) mental and behavioral health services; or

(VI) any other activity designed to help such parents become full partners in the education of their children;

(vi) to provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in subparagraph (H) in which such parents may choose to become involved (taking into consideration their specific family needs, work schedules, and other responsibilities); and

(vii) to extend outreach to fathers, in appropriate cases, in order to strengthen the role of fathers in families, in the education of their young children, and in the Head Start program, by working directly with fathers and father figures through activities such as—

(I) in appropriate cases, including fathers in home visits and providing opportunities for direct father-child interactions; and

(II) targeting increased male participation in the conduct of the program;

(I) the ability of such applicant to carry out the plans described in paragraphs (2), (4), and (5);

(J) the plan of such applicant to meet the needs of limited English proficient children and their families, including procedures to identify such children, plans to provide trained personnel, and plans to provide services to assist the children in making progress toward the acquisition of

the English language, while making meaningful progress in attaining the knowledge, skills, abilities, and development described in section 641A(a)(1)(B);

(K) the plan of such applicant to meet the diverse cultural needs of the population served;

(L) the plan of such applicant to meet the needs of children with disabilities;

(M) the plan of such applicant who chooses to assist younger siblings of children who will participate in the Head Start program, to obtain health services from other sources;

(N) the plan of such applicant to collaborate with other entities carrying out early childhood education and child care programs in the community;

(O) the plan of such applicant to meet the needs of homeless children, including transportation needs, and children in foster care;

(P) the plan of such applicant to maintain a qualified staff, including a teaching staff qualified to implement research-based educational curricula aligned with challenging State-developed academic content standards, the Head Start Child Outcomes Framework developed by the Secretary, and the State early learning standards in States in which such standards are developed;

(Q) the plan of such applicant to enter into memoranda of understanding with local educational agencies, child care providers, and other entities within the service area; and

(R) other factors related to the requirements of this subchapter.

* * * * * * *

[(g) If the Secretary determines that a nonprofit agency and a for-profit agency have submitted applications for designation of equivalent quality under subsection (d), the Secretary may give priority to the nonprofit agency. In selecting from among qualified applicants for designation as a Head Start agency under subsection (d), the Secretary shall give priority to applicants that have demonstrated capacity in providing comprehensive early childhood services to children and their families.**]**

(g) ISSUANCE OF RULES.—Not later than 180 days after the enactment of the School Readiness Act of 2005, the Secretary shall issue rules to carry out this section.

SEC. 641A. QUALITY STANDARDS; MONITORING OF HEAD START AGENCIES AND PROGRAMS.

(a) QUALITY STANDARDS.—

(1) ESTABLISHMENT OF STANDARDS.—The Secretary shall establish by regulation standards, including minimum levels of overall accomplishment, applicable to Head Start agencies, programs, and projects under this subchapter, including—

(A) * * *

(B)(i) education performance standards *based on sound scientific evidence* to ensure the school readiness *and sustained academic gains* of children participating in a Head

Start program, on completion of the Head Start program and prior to entering school; and

[(ii) additional education performance standards to ensure that the children participating in the program, at a minimum—

[(I) develop phonemic, print, and numeracy awareness;

[(II) understand and use language to communicate for various purposes;

[(III) understand and use increasingly complex and varied vocabulary;

[(IV) develop and demonstrate an appreciation of books; and

[(V) in the case of non-English background children, progress toward acquisition of the English language.]

(ii) additional scientifically-based education standards to ensure that the children participating in the program, at a minimum develop and demonstrate—

(I) language knowledge and skills, including oral language and listening comprehension;

(II) prereading knowledge and skills that prepare children for early literacy in schools, including phonological awareness, print awareness and print skills, and alphabetic knowledge;

(III) premathematics knowledge and skills, including aspects of classification, seriation, number, spatial relations, and time;

(IV) cognitive abilities related to academic achievement and child development;

(V) social and emotional development related to early learning, school success, and sustained academic gains; and

(VI) in the case of limited-English proficient children, progress toward acquisition of the English language while making meaningful progress in attaining the knowledge, skills, abilities, and development described in subclauses (I) through (IV);

(2) CONSIDERATIONS IN DEVELOPING STANDARDS.—In developing the regulations required under paragraph (1), the Secretary shall—

(A) consult with experts in the fields of child development, early childhood education, child health care, family services (including linguistically and culturally appropriate services to [non-English language background] *limited English proficient* children and their families), administration, and financial management, and with persons with experience in the operation of Head Start programs;

[(B) take into consideration—

[(i) past experience with use of the standards in effect under this subchapter on the date of enactment of this section;

[(ii) changes over the period since the date of enactment of this Act in the circumstances and problems typically facing children and families served by Head Start agencies;

[(iii) developments concerning best practices with respect to early childhood education and development, children with disabilities, family services, program administration, and financial management;

[(iv) projected needs of an expanding Head Start program;

[(v) guidelines and standards currently in effect or under consideration that promote child health services, and projected needs of expanding Head Start programs;

[(vi) changes in the population of children who are eligible to participate in Head Start programs, including the language background and family structure of such children; and

[(vii) the need for, and state-of-the-art developments relating to, local policies and activities designed to ensure that children participating in Head Start programs make a successful transition to public schools; and]

(B) take into consideration—

(i) past experience with use of the standards in effect under this subchapter on October 27, 1998;

(ii) changes over the period since October 27, 1998, in the circumstances and problems typically facing children and families served by Head Start agencies;

(iii) developments concerning research based practices with respect to early childhood education and development, children with disabilities, family services, program administration, and financial management;

(iv) projected needs of an expanding Head Start program;

(v) guidelines and standards currently in effect or under consideration that promote child health services and physical development, including outdoor activity that supports children's motor development and overall health and nutrition;

(vi) changes in the population of children who are eligible to participate in Head Start programs, including the language background and family structure of such children;

(vii) scientifically based research to ensure that children participating in Head Start programs make a successful transition to schools that the children will be attending; and

(viii) the unique challenges faced by individual programs, including those that are seasonal or short term, and those that serve rural populations; and

(C)(i) * * *

(ii) ensure that any such revisions in the performance standards will not result in the elimination of or any reduction in the scope or types of health, education, parental involvement, nutritional, social, or other services required to be provided under such standards as in effect on [the

date of enactment of the Coats Human Services Reauthorization Act of 1998] *October 27, 1998.*

* * * * * * *

(4) EVALUATIONS AND CORRECTIVE ACTIONS FOR DELEGATE AGENCIES.—

(A) PROCEDURES.—The Head Start agency shall establish procedures relating to its delegate agencies, including—

(i) procedures for evaluating delegate agencies;

(ii) procedures for defunding delegate agencies; and

(iii) procedures for appealing a defunding decision relating to a delegate agency.

(B) EVALUATIONS.—Each Head Start agency—

(i) shall evaluate its delegate agencies using the procedures established pursuant to this section, including subparagraph (A); and

(ii) shall inform the delegate agencies of the deficiencies identified through the evaluation that shall be corrected.

(C) REMEDIES TO ENSURE CORRECTIVE ACTIONS.—If the Head Start agency identifies a deficiency for a delegate agency through the evaluation, the Head Start agency may—

(i) initiate procedures to terminate the designation of the agency unless the agency corrects the deficiency;

(ii) conduct monthly monitoring visits to such delegate agency until all deficiencies are corrected or the Head Start agency decides to defund such delegate agency; and

(iii) release funds to such delegate agency only as reimbursements until all deficiencies are corrected or the Head Start agency decides to defund such delegate agency.

(D) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to impact or obviate the responsibilities of the Secretary with respect to Head Start agencies or delegate agencies receiving funding under this subchapter.

(b) RESULTS-BASED PERFORMANCE MEASURES.—

(1) * * *

[(2) CHARACTERISTICS OF MEASURES.—The performance measures developed under this subsection shall—

[(A) be used to assess the impact of the various services provided by Head Start programs and, to the extent the Secretary finds appropriate, administrative and financial management practices of such programs;

[(B) be adaptable for use in self-assessment, peer review, and program evaluation of individual Head Start agencies and programs, not later than July 1, 1999; and

[(C) be developed for other program purposes as determined by the Secretary.

The performance measures shall include the performance standards described in subsection (a)(1)(B)(ii).

[(3) USE OF MEASURES.—The Secretary shall use the performance measures developed pursuant to this subsection—

[(A) to identify strengths and weaknesses in the operation of Head Start programs nationally, regionally, and locally; and

[(B) to identify problem areas that may require additional training and technical assistance resources.

[(4) EDUCATIONAL PERFORMANCE MEASURES.—Such results-based performance measures shall include educational performance measures that ensure that children participating in Head Start programs—

[(A) know that letters of the alphabet are a special category of visual graphics that can be individually named;

[(B) recognize a word as a unit of print;

[(C) identify at least 10 letters of the alphabet; and

[(D) associate sounds with written words.]

(2) CHARACTERISTICS OF MEASURES.—The performance measures developed under this subsection shall—

(A) be used to assess the impact of the various services provided by Head Start programs and, to the extent the Secretary finds appropriate, administrative and financial management practices of such programs;

(B) be adaptable for use in self-assessment, peer review, and program evaluation of individual Head Start agencies and programs;

(C) be developed for other program purposes as determined by the Secretary;

(D) be appropriate for the population served; and

(E) be reviewed no less than every 4 years, based on advances in the science of early childhood development.

The performance measures shall include the performance standards described in subparagraphs (A) and (B) of subsection (a)(1).

(3) USE OF MEASURES.—

(A) The Secretary shall use the performance measures pursuant to this subsection to identify—

(i) strengths and weaknesses in the operation of Head Start programs nationally, regionally, and locally; and

(ii) program areas that may require additional training and technical assistance resources.

(B) The Secretary shall provide a detailed justification to the Congress regarding the planned uses of the data collected by the National Reporting System developed by the Secretary and shall demonstrate its scientific validity and reliability for such purposes, including its scientific validity and reliability with children with limited English proficiency for such purposes;

(C) The Secretary shall not use the National Reporting System assessment results either as the primary method for assessing program effectiveness or as the primary method for making grantee funding determinations.

(D) The Secretary shall develop a process to ensure that the National Reporting System shall not be used to exclude children from Head Start programs.

(4) EDUCATIONAL MEASURES.—Results based measures shall be designed for the purpose of promoting the competencies of

children participating in Head Start programs specified in subsection (a)(1)(B)(ii), with an emphasis on measuring those competencies that have a strong scientifically-based predictability of a child's school readiness and later performance in school.

* * * * * * *

(c) MONITORING OF LOCAL AGENCIES AND PROGRAMS.—

(1) IN GENERAL.—In order to determine whether Head Start agencies meet standards established under this subchapter and results-based performance measures developed by the Secretary under subsection (b) with respect to program, administrative, financial management, and other requirements, the Secretary shall *develop and utilize a risk-based assessment system to* conduct the following reviews of designated Head Start agencies, and of the Head Start programs operated by such agencies:

(A) * * *

* * * * * * *

[(C) Followup reviews including prompt return visits to agencies and programs that fail to meet the standards.

[(D) Other reviews as appropriate.

[(2) CONDUCT OF REVIEWS.—The Secretary shall ensure that reviews described in subparagraphs (A) through (C) of paragraph (1)—

[(A) are performed, to the maximum extent practicable, by employees of the Department of Health and Human Services who are knowledgeable about Head Start programs;

[(B) are supervised by such an employee at the site of such Head Start agency;

[(C) are conducted by review teams that shall include individuals who are knowledgeable about Head Start programs and, to the maximum extent practicable, the diverse (including linguistic and cultural) needs of eligible children (including children with disabilities) and their families;

[(D) include as part of the reviews of the programs, a review and assessment of program effectiveness, as measured in accordance with the results-based performance measures developed by the Secretary pursuant to subsection (b) and with the performance standards established pursuant to subparagraphs (A) and (B) of subsection (a)(1); and

[(E) seek information from the communities and the States involved about the performance of the programs and the efforts of the Head Start agencies to collaborate with other entities carrying out early childhood education and child care programs in the community.]

(C) Followup reviews, including unannounced reviews as appropriate, of programs with 1 or more findings of deficiencies not later than 6 months after the date of such finding.

(D) Unannounced site inspections of Head Start centers and other reviews, as appropriate.

(2) CONDUCT OF REVIEWS.—The Secretary shall ensure that reviews described in subparagraphs (A) through (C) of paragraph (1)—

(A) that incorporate a monitoring visit, may be done without prior notice of the visit to the local agency or program;

(B) are conducted by review teams composed of individuals who are knowledgeable about the program areas they are reviewing and, to the maximum extent practicable, the diverse (including linguistic and cultural) needs of eligible children (including children with disabilities) and limited-English proficient children and their families;

(C) include as part of the reviews of the programs, a review and assessment of program effectiveness, including strengths and areas for improvement, as measured in accordance with the results-based performance measures developed by the Secretary pursuant to subsection (b) and with the standards established pursuant to subparagraphs (A) and (B) of subsection (a)(1);

(D) seek information from the communities and the States involved about the performance of the programs and the efforts of the Head Start agencies to collaborate with other entities carrying out early childhood education and child care programs in the community;

(E) seek information from the communities where Head Start programs exist about innovative or effective collaborative efforts, barriers to collaboration, and the efforts of the Head Start agencies and programs to collaborate with the entities carrying out early childhood education and child care programs in the community;

(F) include as part of the reviews of the programs, a review and assessment of whether a program is in conformity with the income eligibility requirements, as defined in section 645 and regulations promulgated thereunder;

(G) include as part of the reviews of the programs, a review and assessment of whether programs have adequately addressed the population and community needs (including populations of children with a limited English proficiency and children of migrant and seasonal farm-working families);

(H) include as part of the review the extent to which the program addresses the community needs and strategic plan identified in section 640(g)(2)(C); and

(I) are conducted in a manner that evaluates program performance, quality, and overall operations with consistency and objectivity, and based on a transparent and reliable system of review.

(d) CORRECTIVE ACTION; TERMINATION.—

[(1) DETERMINATION.—If the Secretary determines, on the basis of a review pursuant to subsection (c), that a Head Start agency designated pursuant to section 641 fails to meet the standards described in subsection (a) or results-based performance measures developed by the Secretary under subsection (b), the Secretary shall—**]**

(1) DETERMINATION.—If the Secretary determines, on the basis of a review pursuant to subsection (c), that a Head Start agency designated pursuant to section 641 fails to meet the standards described in subsection (a) or results-based performance measures developed by the Secretary under subsection (b), or fails to adequately address the community needs and strategic plan identified in 640(g)(2)(C), the Secretary shall—

(A) * * *

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[(2) QUALITY IMPROVEMENT PLAN.—

[(A) AGENCY RESPONSIBILITIES.—In order to retain a designation as a Head Start agency under this subchapter, a Head Start agency that is the subject of a determination described in paragraph (1) (other than an agency required to correct a deficiency immediately or during a 90-day period under clause (i) or (ii) of paragraph (1)(B)) shall—

[(i) develop in a timely manner, obtain the approval of the Secretary regarding, and implement a quality improvement plan that specifies—

[(I) the deficiencies to be corrected;

[(II) the actions to be taken to correct such deficiencies; and

[(III) the timetable for accomplishment of the corrective actions specified; and

[(ii) eliminate each deficiency identified, not later than the date for elimination of such deficiency specified in such plan (which shall not be later than 1 year after the date the agency received notice of the determination and of the specific deficiency to be corrected).

[(B) SECRETARIAL RESPONSIBILITY.—Not later than 30 days after receiving from a Head Start agency a proposed quality improvement plan pursuant to subparagraph (A), the Secretary shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved.]

(2) QUALITY IMPROVEMENT PLAN.—

(A) AGENCY AND PROGRAM RESPONSIBILITIES.—In order to retain a designation as a Head Start agency under this subchapter, or in the case of a Head Start program, in order to continue to receive funds from such agency, a Head Start agency, or Head Start program that is the subject of a determination described in paragraph (1) (other than an agency or program required to correct a deficiency immediately or during a 90-day period under clause (i) or (ii) of paragraph (1)(B)) shall—

(i) develop in a timely manner, a quality improvement plan that shall be subject to the approval of the Secretary, or in the case of a program, the sponsoring agency, and which shall specify—

(I) the deficiencies to be corrected;

(II) the actions to be taken to correct such deficiencies; and

(III) the timetable for accomplishment of the corrective actions specified; and

(ii) eliminate each deficiency identified, not later than the date for elimination of such deficiency specified in such plan (which shall not be later than 1 year after the date the agency or program received notice of the determination and of the specific deficiency to be corrected).

(B) SECRETARIAL RESPONSIBILITY.—Not later than 30 days after receiving from a Head Start agency a proposed quality improvement plan pursuant to subparagraph (A), the Secretary shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved.

(C) AGENCY RESPONSIBILITY FOR PROGRAM IMPROVEMENT.—Not later than 30 days after receiving from a Head Start program, a proposed quality improvement plan pursuant to subparagraph (A), the sponsoring agency shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved.

(3) TRAINING AND TECHNICAL ASSISTANCE.—The Secretary shall provide training and technical assistance to Head Start agencies *and programs* with respect to the development or implementation of such quality improvement plans to the extent the Secretary finds such provision to be feasible and appropriate given available funding and other statutory responsibilities.

[(e) SUMMARIES OF MONITORING OUTCOMES.—Not later than 120 days after the end of each fiscal year, the Secretary shall publish a summary report on the findings of reviews conducted under subsection (c) and on the outcomes of quality improvement plans implemented under subsection (d), during such fiscal year. Such report shall be widely disseminated and available for public review in both written and electronic formats.**]**

(e) SUMMARIES OF MONITORING OUTCOMES.—Not later than 120 days after the end of each fiscal year, the Secretary shall publish a summary report on the findings of reviews conducted under subsection (c) and on the outcomes of quality improvement plans implemented under subsection (d), during such fiscal year. Such information shall be made available to all parents with children receiving assistance under this subchapter in an understandable and uniform format, and to the extent practicable, provided in a language that the parents can understand, and in addition, make the information widely available through public means such as distribution through public agencies, and at a minimum posting such information on the Internet immediately upon publication.

(f) REDUCTION OF GRANTS AND REDISTRIBUTION OF FUNDS IN CASES OF UNDER-ENROLLMENT.—

(1) DEFINITIONS.—In this subsection:

(A) ACTUAL ENROLLMENT.—The term "actual enrollment" means, with respect to the program of a Head Start agency, the actual number of children enrolled in such program and reported by the agency (as required in paragraph (2)) in a given month.

(B) BASE GRANT.—The term "base grant" means, with respect to a Head Start agency for a fiscal year, that portion of the grant derived—

(i) from amounts reserved for use in accordance with section 640(a)(2)(A), for a Head Start agency administering an Indian Head Start program or migrant and seasonal Head Start program;

(ii) from amounts reserved for payments under section 640(a)(2)(B); or

(iii) from amounts available under section 640(a)(2)(D) or allotted among States under section 640(a)(4).

(C) FUNDED ENROLLMENT.—The term "funded enrollment" means, with respect to the program of a Head Start agency in a fiscal year, the number of children that the agency is funded to serve through a grant for the program during such fiscal year, as indicated in the grant agreement.

(2) ENROLLMENT REPORTING REQUIREMENT FOR CURRENT FISCAL YEAR.—Each entity carrying out a Head Start program shall report on a monthly basis to the Secretary and the relevant Head Start agency—

(A) the actual enrollment in such program; and

(B) if such actual enrollment is less than the funded enrollment, any apparent reason for such enrollment shortfall.

(3) SECRETARIAL REVIEW AND PLAN.—The Secretary shall—

(A) on a semiannual basis, determine which Head Start agencies are operating with an actual enrollment that is less than the funded enrollment based on not less than the average of 4 consecutive months of data;

(B) for each such Head Start agency operating a program with an actual enrollment that is less than 95 percent of its funded enrollment, as determined under subparagraph (A), develop, in collaboration with such agency, a plan and timetable for reducing or eliminating under-enrollment taking into consideration—

(i) the quality and extent of the outreach, recruitment, and community needs assessment conducted by such agency;

(ii) changing demographics, mobility of populations, and the identification of new underserved low-income populations;

(iii) facilities-related issues that may impact enrollment;

(iv) the ability to provide full-day programs, where needed, through Head Start funds or through collaboration with entities carrying out other preschool or child care programs, or programs with other funding sources (where available);

(v) the availability and use by families of other preschool and child care options (including parental care) in the local catchment area; and

(vi) agency management procedures that may impact enrollment; and

(C) provide timely and ongoing technical assistance to each agency described in subparagraph (B) for the purpose of implementing the plan described in such subparagraph.

(4) IMPLEMENTATION.—Upon receipt of the technical assistance described in paragraph (3)(C), a Head Start agency shall immediately implement the plan described in paragraph (3)(B).

(5) SECRETARIAL ACTION FOR CONVERSION TO SERVE YOUNGER CHILDREN.—If, after implementing the plan described in paragraph (3)(B), the grantee continues to operate a program at less than full enrollment, the grantee may, upon approval by the Secretary, be permitted to use a portion of the base grant equal to the percentage difference between funded enrollment and actual enrollment for the most then recent year, to serve persons described in section 645A(c) if such agency currently operates a grant described in section 645A and submits an application containing—

(A) evidence of community need for such services;

(B) a description of how the needs of pregnant women, infants, and toddlers will be addressed in accordance with section 645A(b) and with regulations prescribed by the Secretary pursuant to section 641A in areas including—

(i) the approach to childhood development and health services; and

(ii) the approach to family and community partnerships; and approach to program design and management;

(C) assurances that the agency will participate in technical assistance activities for newly funded and existing grantees under section 654A; and

(D) evidence that the agency meets the eligibility criteria as grantees under section 645A.

Any grantee permitted to serve children under this paragraph shall be subject to the rules, regulations, and conditions under section 645A.

(6) SECRETARIAL ACTION FOR CONTINUED UNDER-ENROLLMENT.—If, 1 year after the date of implementation of the plan described in paragraph (3)(B), the Head Start agency continues to operate a program at less than full enrollment, the Secretary shall, where determined appropriate, continue to provide technical assistance to such agency.

(7) SECRETARIAL REVIEW AND ADJUSTMENT FOR CHRONIC UNDER-ENROLLMENT.—

(A) IN GENERAL.—If, after receiving technical assistance and developing and implementing a plan to the extent described in paragraphs (3), (4), and (5) for 6 months, a Head Start agency is still operating a program with an actual enrollment that is less than 95 percent of its funded enrollment, the Secretary may—

(i) designate such agency as chronically under-enrolled; and

(ii) recapture, withhold, or reduce the base grant for the program by, a percentage equal to the percentage difference between funded enrollment and actual enrollment for the program for the most recent year in which the agency is determined to be under-enrolled under paragraph (2)(B).

(B) WAIVER OR LIMITATION OF REDUCTIONS.—If the Secretary, after the implementation of the plan described in paragraph (3)(B), finds that—

(i) the shortfall can reasonably be expected to be temporary; or

(ii) the number of slots allotted to the agency is small enough that under-enrollment does not constitute a significant shortfall,

the Secretary may, as appropriate, waive or reduce the percentage recapturing, withholding, or reduction otherwise required by subparagraph (A).

(C) PROCEDURAL REQUIREMENTS; EFFECTIVE DATE.—The actions taken by the Secretary under this paragraph with respect to a Head Start agency shall take effect 1 day after the date on which—

(i) the time allowed for appeal under section 646(a) expires without an appeal by the agency; or

(ii) the action is upheld in an administrative hearing under section 646.

(8) REDISTRIBUTION OF FUNDS.—

(A) IN GENERAL.—Funds held by the Secretary as a result of recapturing, withholding, or reducing a base grant in accordance with paragraph (6) in a fiscal year shall be redistributed in such fiscal year as follows:

(i) If such funds are attributable to the portion of a base grant derived from amounts specified in paragraph (1)(B)(i) payable, but for the operation of this paragraph, to carry out an Indian Head Start program, then such funds shall be redistributed to increase enrollment in such fiscal year in 1 or more Indian Head Start programs.

(ii) If such funds are attributable to the portion of a base grant derived from amounts specified in paragraph (1)(B)(i) payable, but for the operation of this paragraph, to carry out a migrant and seasonal Head Start program, then such funds shall be redistributed to increase enrollment in such fiscal year in 1 or more migrant and seasonal Head Start programs.

(iii) If such funds are attributable to the portion of a base grant derived from amounts specified in clause (ii) or (iii) of paragraph (1)(B) payable, but for the operation of this paragraph, to carry out a Head Start program (excluding Indian Head Start programs, and migrant and seasonal Head Start programs) in a State, then such funds shall be redistributed to increase enrollment in such fiscal year in 1 or more—

(I) other Head Start programs (excluding Indian Head Start programs and migrant and seasonal Head Start programs) that are carried out in such State; or

(II) if the Secretary determines that children eligible under section 641 are being adequately served within such State, 1 or more Early Head Start programs (excluding Indian Head Start programs and migrant and seasonal Head Start pro-

grams) or 1 or more Head Start programs for the purpose of becoming a grantee pursuant to section 645A.

(B) ADJUSTMENT TO FUNDED ENROLLMENT.—The Secretary shall adjust as necessary the requirements relating to funded enrollment indicated in the grant agreement of a Head Start agency receiving funds redistributed under this paragraph.

POWERS AND FUNCTIONS OF HEAD START AGENCIES

SEC. 642. (a) * * *

[(b) In order to be so designated, a Head Start agency shall also—

[(1) establish effective procedures by which parents and area residents concerned will be enabled to directly participate in decisions that influence the character of programs affecting their interests;

[(2) provide for their regular participation in the implementation of such programs;

[(3) provide technical and other support needed to enable parents and area residents to secure on their own behalf available assistance from public and private sources;

[(4) seek the involvement of parents of participating children in activities designed to help such parents become full partners in the education of their children, and to afford such parents the opportunity to participate in the development, conduct, and overall performance of the program at the local level;

[(5) offer (directly or through referral to local entities, such as entities carrying out Even Start programs under part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.)), to parents of participating children, family literacy services and parenting skills training;

[(6) offer to parents of participating children substance abuse counseling (either directly or through referral to local entities), including information on drug-exposed infants and fetal alcohol syndrome;

[(7) at the option of such agency, offer (directly or through referral to local entities), to such parents—

[(A) training in basic child development;

[(B) assistance in developing communication skills;

[(C) opportunities to share experiences with other parents;

[(D) regular in-home visitation; or

[(E) any other activity designed to help such parents become full partners in the education of their children;

[(8) provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in paragraphs (4) through (7) in which such parents may choose to be involved (taking into consideration their specific family needs, work schedules, and other responsibilities);

[(9) consider providing services to assist younger siblings of children participating in its Head Start program to obtain health services from other sources;

[(10) perform community outreach to encourage individuals previously unaffiliated with Head Start programs to participate in its Head Start program as volunteers; and

[(11)(A) inform custodial parents in single-parent families that participate in programs, activities, or services carried out or provided under this subchapter about the availability of child support services for purposes of establishing paternity and acquiring child support; and

[(B) refer eligible parents to the child support offices of State and local governments.

[(c) The head of each Head Start agency shall coordinate and collaborate with the State agency responsible for administering the State program carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), and other early childhood education and development programs, including Even Start programs under part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.) and programs under part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C 1431–1444, 1419), serving the children and families served by the Head Start agency to carry out the provisions of this subchapter.]

(b) In order to be so designated, a Head Start agency shall do all of the following:—

(1) Establish a program with standards set forth in section 641A(a)(1), with particular attention to the standards set forth in subparagraphs (A) and (B) of such section.

(2) Demonstrate capacity to serve eligible children with scientifically-based curricula and other interventions that help promote the school readiness of children participating in the program.

(3) Establish effective procedures by which parents and area residents concerned will be enabled to directly participate in decisions that influence the character of programs affecting their interests.

(4) Establish an independent board of directors selected from among eligible individuals who shall serve on the board (or may designate an existing entity whose members are eligible individuals, that shall be such board) for a period not to exceed 5 years, except that board members who oversee a public entity and who are selected by election (or members of a board of a local educational agency or a local council, appointed by an elected official or an official of a general purpose local government), may serve for such period as may be determined by the electing or appointing authority, as the case may be. An individual who has a conflict of interest is ineligible to serve as a member of the board. Members of the board of all nonpublic entities shall include representatives of the local community (including at least 1 member with significant financial management or accounting experience and the chair of the council described in section 642(b)(4)(B)(ii)). Additional members shall be selected for their expertise in education, business administration, community affairs, government, legal affairs, and such

other areas of expertise as may contribute to effective governance of the Head Start agency. All members of the board shall receive training in the management responsibilities and obligations, ethics, and financial literacy and management, and shall adopt practices that assure active, independent and informed governance of the Head Start agency, including independent oversight of the financial and management practices of such agency. The board shall provide direction to the executive director of the Head Start agency and shall operate as an entity independent of staff employed by the Head start agency, entity, or applicant and have the following duties and responsibilities:

(A) To provide independent oversight to ensure that the Head Start agency under the direction of the executive director is delivering high quality services to children and families in compliance with all applicable standards in effect under this subchapter and with the applicable performance measures established by the Secretary under section 644.

(B) To establish 2 or more standing committees to facilitate governance of the Head Start agency which shall include both of the following:

(i) An audit and finance committee whose primary responsibility shall be—

(I) to approve annually the operating budget of the Head Start agency;

(II) to review and recommend to the board the selection of independent auditors who shall report all critical accounting policies and practices to the finance and audit committee;

(III) to review and recommend to the board the termination or extension of the existing audit firm at least once every 5 years;

(IV) to review and advise the board of the audit management letter provided pursuant to the chapter 75 of title 31 of the United States Code, and of any audit findings; and

(V) to monitor agency actions to correct any such audit findings or other actions necessary to comply with applicable laws (including regulations) governing financial statements and accounting practices.

(ii) A policy council, a majority of whose representatives shall be parents of children participating in a Head Start program or in an Early Head Start program, or of children who participated in a Head Start program or in an Early Head Start program in the then most recent 5-year period preceding the selection of the particular representative involved, and whose primary responsibility shall be to serve as a link between parents and the board of directors and to make and submit recommendations on the following activities to the Board:

(I) The strategic direction of the program, including long and short-term planning goals and objectives.

(II) Program operation policies, including standards of conduct for program staff and volunteers.

(III) Activities to support the active involvement of parents in supporting program operations.

(IV) classroom activities and staffing;

(V) program responsiveness to community and parent needs; and

(VI) other areas the committee identifies as necessary to improve program operations.

(C) To approve the selection and dismissal of the Head Start director, and to review annually the human resources available to ensure the effective operation of the Head Start agency.

(D) To consult, on a regular basis, with the policy committee and to take actions on recommendations submitted by such committee.

(E) To review and approve the major operational policies of the Head Start agency, including policies addressing accounting, financial management, procurement, record confidentiality, and personnel (including specific standards governing salaries, salary adjustments, travel and per diem allowances, and other employee benefits).

(F) To ensure that the Head Start agency is operated in compliance with applicable Federal, State, and local laws (including regulations), and to monitor agency implementation of any corrective action necessary to comply with applicable laws (including regulations);

(G) To oversee the program planning of the Head Start agency, including adoption of the Head Start agency philosophy and mission statement, adoption of policies for determining community needs, setting long- and short-range goals and objectives, establishment of criteria for selecting families in Head Start programs or Early Head Start programs, and to oversee and approve the agency's applications to receive funds made available under this subchapter; and

(H) To establish, to adopt, and to periodically update written standards of conduct that establish standards and formal procedures for disclosing, addressing, and resolving—

(i) any conflict of interest, and any appearance of a conflict of interest, by board members, officers, employees, consultants, and agents who provide services or furnish goods to the Head Start agency; and

(ii) complaints, including investigations, when appropriate.

(5) To seek the involvement of parents, area residents, and local business in the design and implementation of the program.

(6) To provide technical and other support needed to enable parents and area residents to secure on their own behalf available assistance from public and private sources.

(7) To establish effective procedures to facilitate the involvement of parents of participating children in activities designed to help such parents become full partners in the education of

their children, and to afford such parents the opportunity to participate in the development and overall conduct of the program at the local level, including a process through which parents of children currently participating in a Head Start program or an Early Head Start program select the parent representatives to serve on the council under section 642(b)(4)(B)(ii).

(8) To conduct outreach to schools in which children participating in Head Start programs enroll, local educational agencies, the local business community, community-based organizations, faith-based organizations, museums, and libraries to generate support and leverage the resources of the entire local community in order to improve school readiness.

(9) To offer (directly or through referral to local entities, such as entities carrying out Even Start programs under subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.)), to parents of participating children, family literacy services and parenting skills training.

(10) To offer to parents of participating children substance abuse counseling (either directly or through referral to local entities), including information on drug-exposed infants and fetal alcohol syndrome.

(11) At the option of such agency, to offer (directly or through referral to local entities), to such parents—

(A) training in basic child development (including cognitive development);

(B) assistance in developing literacy and communication skills;

(C) opportunities to share experiences with other parents (including parent-mentor relationships);

(D) mental and behavioral health services;

(E) regular in-home visitation; or

(F) any other activity designed to help such parents become full partners in the education of their children.

(12) To provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in paragraphs (5) through (8) in which such parents may choose to be involved (taking into consideration their specific family needs, work schedules, and other responsibilities).

(13) To consider providing services to assist younger siblings of children participating in its Head Start program to obtain health services from other sources.

(14) To perform community outreach to encourage individuals previously unaffiliated with Head Start programs to participate in its Head Start program as volunteers.

(15)(A) To inform custodial parents in single-parent families that participate in programs, activities, or services carried out or provided under this subchapter about the availability of child support services for purposes of establishing paternity and acquiring child support; and

(B) refer eligible parents to the child support offices of State and local governments.

(16) provide parents of limited English proficient children outreach and services under this subchapter, in an understandable and uniform format and, to the extent practicable, in a language that such parents can understand.

(c) The head of each Head Start agency shall coordinate and collaborate with the State agency responsible for administering the State program carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), and other early childhood education and development programs, including programs under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435), Even Start programs under subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.), and programs under Part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C. 1431–1445, 1419), and the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a), serving the children and families served by the Head Start agency to carry out the provisions of this subchapter.

(d)(1) * * *

(2) COORDINATION.—

(A) LOCAL EDUCATIONAL AGENCY.—In communities where both public prekindergarten programs and Head Start programs operate, a Head Start agency shall collaborate and coordinate activities with the local educational agency or other public agency responsible for the operation of the prekindergarten program and providers of prekindergarten, including outreach activities to identify eligible children.

(B) ELEMENTARY SCHOOLS.—Head Start staff shall, with the permission of the parents of children enrolled in Head Start programs, regularly communicate with the elementary schools such children will be attending—

(i) to share information about such children;

(ii) to receive advice and support from the teachers in such elementary schools participating in Early Reading First programs funded under subpart 1 of part B of title I of the Elementary and Secondary Education Act of 1965 regarding scientifically based teaching strategies and options; and

(iii) to ensure a smooth transition to elementary school for such children.

(C) OTHER EARLY EDUCATION AND CHILD DEVELOPMENT PROGRAMS.—The head of each Head Start agency shall coordinate activities and collaborate with the State agency responsible for administering the State program carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), and other entities carrying out early childhood education and development programs, programs under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435), Even Start programs under subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6381 et seq.), and programs under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C 1419, 1431 et seq.), serving the children and families served by the Head Start agency.

(D) OTHER PROGRAMS.—Each Head Start agency shall collaborate, as appropriate, with providers of social and community services available to children and families participating in Head Start programs, and may support such partnerships with financial agreements, when applicable, for the provision of such services.

(3) COLLABORATION.—A Head Start agency shall take steps to coordinate activities with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, including—

(A) collaborating on the shared use of transportation and facilities;

(B) collaborating to enhance the efficiency of services while increasing the program participation of underserved populations of eligible children; and

(C) exchanging information on the provision of noneducational services to such children.

(4) PARENTAL INVOLVEMENT.—In order to promote the continued involvement of the parents (including grandparents and kinship caregivers, as appropriate) of children that participate in Head Start programs in the education of their children upon transition to school, the Head Start agency shall work with the local educational agency—

(A) to provide training to the parents—

(i) to inform the parents about their rights and responsibilities concerning the education of their children; and

(ii) to enable the parents—

(I) to understand and work with schools in order to communicate with teachers and other school personnel;

(II) to support the schoolwork of their children; and

(III) to participate as appropriate in decisions relating to the education of their children; and

(B) to take other actions, as appropriate and feasible, to support the active involvement of the parents with schools, school personnel, and school-related organizations.

[(2) A**]** *(5) Each* Head Start agency **[**may**]** *shall* take steps to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, including—

(A) collaborating on the shared use of transportation and facilities; **[**and**]**

(B) collaborating to increase the program participation of underserved populations of eligible children; and

[(B)**]** *(C)* exchanging information on the provision of noneducational services to such children.

[(3)**]** *(6)* In order to promote the continued involvement of the parents of children that participate in Head Start programs in the education of their children upon transition to school, the Head Start agency shall—

(A) * * *

* * * * * * *

[(4)] *(7)* The Secretary, in cooperation with the Secretary of Education, shall—

(A) * * *

* * * * * * *

(8) Head Start agencies shall implement a research-based early childhood curricula that promotes young children's school readiness in the areas of language and cognitive development, early reading and premathematics skills, socio-emotional skills, physical development, and approaches to learning. Such curricula shall be—

(A) based on scientifically based research and have standardized training procedures and published curriculum materials to support implementation; and

(B) comprehensive, outcomes based, and linked to ongoing assessment with instructional goals and measurable objectives.

(9) Head Start agencies shall use ongoing, research-based assessment methods that are developmentally appropriate, culturally and linguistically responsive, and tied to children's daily activities in order to support the educational instruction of children in the program, including language skills, prereading knowledge and premathematics knowledge. Assessment instruments shall be those designed and validated for making decisions about teaching and learning and aligned with the program's curricula and Section 641A(a)(1).

(10) For the purpose of meeting the performance standards, Head Start agencies shall use high-quality research-based developmental screening tools that have been demonstrated to be standardized, reliable, valid, and accurate for children from a range of racial, ethnic, linguistic, and cultural backgrounds.

[(e) Head Start agencies shall adopt, in consultation with experts in child development and with classroom teachers, an assessment to be used when hiring or evaluating any classroom teacher in a center-based Head Start program. Such assessment shall measure whether such teacher has mastered the functions described in section 648A(a)(1).]

(e) ASSESSMENT.—Each Head Start agency shall adopt, in consultation with experts in child development and with classroom teachers, an assessment to be used when hiring or evaluating any classroom teacher in a center-based Head Start program. Such assessment shall measure whether such teacher has mastered the functions described in section 648A(a)(1) and attained a level of literacy appropriate to implement Head Start curricula.

(f) FUNDED ENROLLMENT; WAITING LIST.—Each Head Start agency shall enroll 100 percent of its funded enrollment and maintain an active waiting list at all times with ongoing outreach to the community and activities to identify underserved populations.

[SEC. 642A. HEAD START TRANSITION.]

SEC. 642A. HEAD START ALIGNMENT WITH K–12 EDUCATION.

Each Head Start agency shall take steps to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program

operated by such agency will enroll following such program, including—

(1) * * *

(2) establishing *ongoing* channels of communication between Head Start staff and their counterparts in the schools (including teachers, social workers, *McKinney-Vento liaisons as established under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii)),* and health staff) to facilitate coordination of programs;

(3) developing continuity of developmentally appropriate curricula between Head Start and local educational agencies to ensure an effective transition and appropriate shared expectations for children's learning and development as they make such transition to school;

(4) organizing and participating in joint training, including transition-related training for school staff and Head Start staff;

[(3)**]** *(5)* conducting meetings involving parents, kindergarten or elementary school teachers, and Head Start program teachers to discuss the educational, developmental, and other needs of individual children;

[(4)**]** *(6)* organizing and participating in joint transition-related training of school staff and Head Start staff;

[(5) developing and implementing a family outreach and support program in cooperation with entities carrying out parental involvement efforts under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.);**]**

(7) developing and implementing a family outreach and support program in cooperation with entities carrying out parental involvement efforts under title I of the Elementary and Secondary Education Act of 1965 and family outreach and support efforts under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435);

[(6)**]** *(8)* assisting families, administrators, and teachers in enhancing educational and developmental continuity *and continuity in parental involvement activities* between Head Start services and elementary school classes; **[**and**]**

[(7) linking the services provided in such Head Start program with the education services provided by such local educational agency.**]**

(9) linking the services provided in such Head Start program with the education services, including services relating to language, literacy, and numeracy, provided by such local educational agency;

(10) helping parents (including grandparents and kinship caregivers, as appropriate) to understand the importance of parental involvement in a child's academic success while teaching them strategies for maintaining parental involvement as their child moves from Head Start to elementary school;

(11) developing and implementing a system to increase program participation of underserved populations of eligible children; and

(12) coordinating activities and collaborating to ensure that curricula used in the Head Start program is aligned with—

(A) State early learning standards with regard to cognitive, social, emotional, and physical competencies that

children entering kindergarten are expected to demonstrate; and

(B) the Head Start Child Outcomes Framework developed by the Secretary.

SEC. 642B. LOCAL AND STATE INTEGRATION OF EARLY CHILDHOOD EDUCATION.

(a) LOCAL INTEGRATION.—In general, Head Start agencies shall enter into ongoing partnerships with local educational agencies, State-funded preschool and other early childhood programs. Head Start agencies shall operate in a manner consistent with the goal of creating and expanding an efficient and effective system of early childhood and school readiness services in each State and community, while maintaining compliance with Standards under section 641A(a).

(1) MEMORANDA OF UNDERSTANDING.—Each Head Start agency shall enter into a memorandum of understanding with any local educational agencies or local councils, responsible for managing publicly funded prekindergarten programs in the service area of the Head Start agency (or if such agencies and such councils are not applicable in the service area, with the largest provider of publicly funded prekindergarten in the service area), that shall include plans to coordinate the following activities:

(A) Educational activities, curricula, and instruction aligned to challenging State developed educational activities, curricula, and instruction aligned to challenging State developed academic content standards.

(B) Public information dissemination and access to programs for families contacting any of the early childhood programs.

(C) Selection priorities for eligible children to be served by programs.

(D) Service delivery areas.

(E) Staff training, including opportunities for joint staff training on topics such as academic content standards and instructional methods.

(F) Program technical assistance.

(G) Provision of additional services to meet the child care needs of working parents.

(H) Planning and parent education for smooth transitions to kindergarten as required in section 642A(3) and 642A(6).

(I) Provision and use of facilities, transportation, and other program elements, and

(J) Other elements mutually agreed to by the parties to such memorandum.

(2) TIMING OF MEMORANDA.—Each Head Start agency shall enter into a memorandum of understanding under paragraph (1) not later than 1 year after the effective date of this section.

(3) SECRETARIAL REVIEW.—Each memorandum of understanding entered into under paragraph (1) shall be submitted to the Secretary not later than 30 days after entering into such memorandum.

(A) If a Head Start agency is unable to comply with the requirement in (1) the Head Start agency shall notify the

Secretary and the chief executive officer of the State not later than 30 days after determining that they are unable to enter into such memorandum. The Secretary, in cooperation with the State Early Learning Council and the State Director of Head Start Collaboration, shall evaluate the causes of failure to enter into a memorandum of understanding under paragraph (1). With the assistance of the State Early Learning Council and the State Director of Head Start Collaboration, all parties shall again attempt to enter into a memorandum of understanding under paragraph (1). Then if no such memorandum of understanding is entered into, the Secretary shall make 1 of the following determinations:

(i) The local educational agency, local council, or other appropriate entity is unable or unwilling to enter into such a memorandum despite reasonable efforts on the part of the Head Start agency; or

(ii) The Head Start agency has not engaged in reasonable efforts to successfully negotiate and enter into a memorandum of understanding pursuant to paragraph (1).

(iii) There is an absence of publicly funded prekindergarten in the service area of the Head Start agency.

(B) If the Secretary determines the Head Start agency is not making reasonable efforts to enter into a memorandum of understanding pursuant to paragraph (1), the Head Start agency shall be found deficient and shall be considered by the Secretary in the same manner as other deficiency findings.

(C) If the Secretary concludes that the local educational agency, local council, or other appropriate entity is not making reasonable efforts to reach such a memorandum of understanding, the Head Start agency shall not be found out of compliance with paragraph (1).

(4) REVISION OF MEMORANDA.—Each memorandum of understanding shall be revised and renewed annually by the parties to such memorandum, in alignment with the beginning of the school year.

(5) ABSENCE OF PREKINDERGARTEN.—In the absence of publicly funded prekindergarten in the service area of a Head Start agency, the Head Start agency shall submit notice to the Secretary and the chief executive officer of the State, and shall work with the State Early Learning Council and the State Director of Head Start Collaboration to improve coordination in their service area.

(b) STATEWIDE INTEGRATION.—From the amounts reserved under section 640(a)(2)(C)(ii), the Secretary shall award an early learning collaboration grant to each State for the purposes of supporting a State Early Learning Council responsible for advancing the development of a coordinated early childhood services delivery system in the State. A State that receives a grant under this subparagraph shall—

(1) establish a State Early Learning Council, which shall include the State Director of Head Start Collaboration, represent-

atives from the State preschool programs, representatives of local educational agencies, the State official who oversees child care programs, the State official who oversees section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.), the State official who oversees the State educational agency, and representatives from Head Start agencies located in the State, including migrant and seasonal Head Start programs and Indian Head Start programs. The chief executive officer of the State may designate an existing entity to serve as the Early Learning Council if such entity includes representatives described in this paragraph;

(2) ensure that allotted funds distributed to a State for a fiscal year to carry out this subsection may be used by the State to pay not more than 30 percent of the cost of carrying out this subsection;

(3) direct the Early Learning Council—

(A) to increase coordination and collaboration among State preschool, Head Start programs, child care programs, early childhood special education, and other early childhood programs, including in the areas of outcomes and standards, technical assistance, coordination of services, cross-sector professional development and training, community outreach, communication, and better serving the needs of working families through provision of full-day and full-year early education services;

(B) to work with State agencies responsible for education, child care, and early intervention to provide leadership and assistance to local Head Start programs, school districts, and State and locally funded preschool and child care programs to increase integration among early childhood programs through adoption of local memoranda of understanding described in subparagraph (A) and other means;

(C) to work with State agencies responsible for education, child care, and early intervention to provide leadership and assistance to develop a coherent sequence of standards for children age 3 through the early elementary grades to effect a smooth transition to and success in the early elementary grades;

(D) to conduct periodic statewide needs assessments concerning early care and education programs for children from birth to school entry;

(E) to work to identify and address barriers to and opportunities for integration between entities carrying out Federal and State child development, child care, and early childhood education programs;

(F) to develop recommendations regarding means of establishing a unified data collection system for early care and education programs operating throughout the State;

(G) to address coordination of early learning programs with health care (including mental and behavioral health care), welfare, family literacy and services for homeless children;

(H) to support a State system of early childhood education, and training and technical assistance that improves the quality of early learning programs and the capacity of

such programs to deliver services pursuant to section 648(b); and

(I) to develop a plan for increasing the participation of children underrepresented in State early childhood education and child care programs, including Head Start, State preschool programs, and programs carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

(4) Nothing in this subsection shall be construed to provide the Early Learning Council with authority to alter the provisions of this Act.

(5) Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out the purposes of this section.

* * * * * * *

ADMINISTRATIVE REQUIREMENTS AND STANDARDS

SEC. 644. (a)*(1) STANDARDS.*—Each Head Start agency shall observe standards of organization, management, and administration which will assure, so far as reasonably possible, that all program activities are conducted in a manner consistent with the purposes of this subchapter and the objective of providing assistance effectively, efficiently, and free of any taint of partisan political bias or personal or family favoritism. Each such agency shall establish or adopt rules to carry out this section, which shall include rules to assure full staff accountability in matters governed by law, regulations, or agency policy. Each agency shall also provide for reasonable public access to information, including public hearings at the request of appropriate community groups and reasonable public access to books and records of the agency or other agencies engaged in program activities or operations involving the use of authority or funds for which it is responsible.

(2) ANNUAL REPORT.—Each Head Start agency shall make available to the public a report published at least once in each fiscal year that discloses the following information from the then most recently concluded fiscal year, except that reporting such information shall not reveal personally identifiable information about an individual child:

(A) The total amount of public and private funds received and the amount from each source.

(B) An explanation of budgetary expenditures and proposed budget for the following fiscal year.

(C) The total number of children and families served and percent of average monthly enrollment, including the percent of eligible children served.

(D) The results of the most recent review by the Secretary and the financial audit.

(E) The percentage of enrolled children that received medical and dental exams.

(F) Information about parent involvement activities.

(G) The agency's efforts to prepare children for kindergarten.

(H) Any other information that describes the activities of the agency.

(3) PROCEDURAL CONDUCT.—Each such agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible, rules designed to (1) establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employee benefits; (2) assure that only persons capable of discharging their duties with competence and integrity are employed and that employees are promoted or advanced under impartial procedures calculated to improve agency performance and effectiveness; (3) guard against personal or financial conflicts of interest; (4) define employee duties in an appropriate manner which will in any case preclude employees from participating, in connection with the performance of their duties, in any form of picketing, protest, or other direct action which is in violation of law.

* * * * * * *

(f)(1) * * *

(2) Financial assistance provided under this subchapter may not be used by a Head Start agency to purchase a facility (including paying the cost of amortizing the principal, and paying interest on, loans) to be used to carry out a Head Start program unless the Secretary approves a request that is submitted by such agency and contains—

(A) a description of the consultation conducted by the Head Start agency with the providers in the community demonstrating capacity and capability to provide services under this subchapter, and of the potential for collaboration with such providers and the cost effectiveness of such collaboration as opposed to the cost effectiveness of the purchase of a facility;

[(A)] *(B)* a description of the site of the facility proposed to be purchased or that was previously purchased;

[(B)] *(C)* the plans and specifications of such facility;

[(C)] *(D)* information demonstrating that—

(i) * * *

* * * * * * *

[(D)] *(E)* in the case of a request regarding a previously purchased facility, information demonstrating that the facility will be used principally as a Head Start center, or a direct support facility for a Head Start program; and

[(E)] *(F)* such other information and assurances as the Secretary may require.

* * * * * * *

PARTICIPATION IN HEAD START PROGRAMS

SEC. 645. (a)(1) The Secretary shall by regulation prescribe eligibility for the participation of persons in Head Start programs assisted under this subchapter. Except as provided in paragraph (2), such criteria may provide—

(A) * * *

(B) pursuant to such regulations as the Secretary shall prescribe, that—

(i) programs assisted under this subchapter may include, [to a reasonable extent] *not to exceed 10 percent of the total enrollment*, participation of children in the area

served who would [benefit from such programs] *benefit from such programs, including children referred by child welfare services,* but whose families do not meet the low-income criteria prescribed pursuant to subparagraph (A) *(a homeless child shall be deemed to meet the low-income criteria)*; and

* * * * * * *

(3) The amount of a basic allowance provided under section 403 of title 37, United States Code, on behalf of an individual who is a member of the uniformed services for housing that is acquired or constructed under the authority of subchapter IV of chapter 169 of title 10, United States Code, or any other related provision of law, shall not be considered to be income for purposes of determining the eligibility of a child of the individual for programs assisted under this subchapter.

* * * * * * *

SEC. 645A. EARLY HEAD START PROGRAMS FOR FAMILIES WITH INFANTS AND TODDLERS.

(a) * * *

(b) SCOPE AND DESIGN OF PROGRAMS.—In carrying out a program described in subsection (a), an entity receiving assistance under this section shall—

(1) * * *

* * * * * * *

[(4) provide services to parents to support their role as parents and to help the families move toward self-sufficiency (including educational and employment services as appropriate);

[(5) coordinate services with services provided by programs in the State and programs in the community (including programs for infants and toddlers with disabilities) to ensure a comprehensive array of services (such as health and mental health services);]

(4) provide services to parents to support their role as parents (including parenting skills training and training in basic child development) and to help the families move toward self-sufficiency (including educational and employment services as appropriate);

(5) coordinate services with services (including home-based services) provided by programs in the State and programs in the community (including programs for infants and toddlers with disabilities and programs for homeless infants and toddlers) to ensure a comprehensive array of services (such as health and mental health services, and family support services);

* * * * * * *

[(8) ensure formal linkages with the agencies and entities described in section 644(b) of the Individuals with Disabilities Education Act (20 U.S.C. 1444(b)) and providers of early intervention services for infants and toddlers with disabilities under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.); and]

(8) ensure formal linkages with the agencies and entities described in section 644(b) of the Individuals with Disabilities Education Act (20 U.S.C. 1444(b)) and providers of early inter-

vention services for infants and toddlers with disabilities under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) and the agency responsible for administering section 106 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a);

(9) develop and implement a systematic procedure for transitioning children and parents from an Early Head Start program into a Head Start program or another local early childhood education program;

(10) establish channels of communication between staff of Early Head Start programs and staff of Head Start programs or other local early childhood education programs, to facilitate the coordination of programs; and

[(9)**]** *(11)* meet such other requirements concerning design and operation of the program described in subsection (a) as the Secretary may establish.

* * * * * * *

(d) ELIGIBLE SERVICE PROVIDERS.—To be eligible to receive assistance under this section, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Entities that may apply to carry out activities under this section include—

[(1) entities operating Head Start programs under this subchapter; and**]**

(1) entities operating Head Start programs under this subpart, including migrant and seasonal Head Start programs; and

(2) other public entities, and nonprofit or for-profit private entities*, including community- and faith-based organizations*, capable of providing child and family services that meet the standards for participation in programs under this subchapter and meet such other appropriate requirements relating to the activities under this section as the Secretary may establish.

* * * * * * *

(g) MONITORING, TRAINING, TECHNICAL ASSISTANCE, AND EVALUATION.—

(1) * * *

(2) TRAINING AND TECHNICAL ASSISTANCE ACCOUNT.—

(A) * * *

(B) ACTIVITIES.—Funds in the account may be used by the Secretary for purposes including—

(i) * * *

* * * * * * *

(iii) providing ongoing training and technical assistance for existing recipients (as of the date of such training or assistance) of grants under subsection (a) and support and program planning and implementation assistance for new recipients of such grants; **[**and**]**

(iv) providing professional development and personnel enhancement activities, including the provision of funds to recipients of grants under subsection (a) for the recruitment and retention of qualified staff with

an appropriate level of education and experience[.]*; and*

(v) providing professional development designed to increase program participation for underserved populations of eligible children.

(h) CENTER-BASED STAFF.—The Secretary shall ensure that, not later than September 30, 2008, all teachers providing direct services to children and families participating in Early Head Start programs located in Early Head Start centers have a minimum of a child development associate credential or an associate degree, and have been trained (or have equivalent course work) in early childhood development.

SEC. 645B. PARENTAL CONSENT REQUIREMENT FOR NONEMERGENCY INTRUSIVE PHYSICAL EXAMINATIONS.

(a) DEFINITION.—The term "nonemergency intrusive physical examination" means, with respect to a child, a physical examination that—

(1) is not immediately necessary to protect the health or safety of such child, or the health or safety of another individual; and

(2) includes incision or is otherwise invasive, or includes exposure of private body parts.

(b) REQUIREMENT.—Before administering any health care service (including any nonemergency intrusive physical examination) to a child (or referring such child to obtain such service) in connection with participation in a program under this subchapter, a Head Start agency and an entity that receives assistance under section 645A shall obtain the written consent of a parent of such child.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a Head Start agency or an entity that receives assistance under section 645A from using established methods, for handling cases of suspected or known child abuse and neglect, that are in compliance with applicable Federal, State, or tribal law.

APPEALS, NOTICE, AND HEARING

SEC. 646. (a) The Secretary shall prescribe procedures to assure that—

(1) * * *

* * * * * * *

[(3) financial assistance under this subchapter shall not be terminated or reduced, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than 30 days, unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing; and]

(3) if financial assistance under this subchapter is terminated or reduced, an application for a noncompeting continuation award is denied based on a previous failure to comply with terms applicable to financial assistance previously provided this subchapter, or suspension of financial assistance is continued for more than 30 days, the recipient with respect to whom such action is taken shall have the opportunity to appeal such action in accordance with such procedures, except that no funds made available under this subchapter may be used to reimburse any

such recipient for legal fees and other costs incurred in pursuing such an appeal;

* * * * * * *

RECORDS AND AUDITS

SEC. 647. (a) * * *

* * * * * * *

(c)(1) Not later than 180 days after the end of each fiscal year, each Head Start agency, and each entity that receives assistance under section 645A, shall submit to the Secretary an independent financial audit of the Head Start program carried out with financial assistance provided under this subchapter. Such audit shall be carried out by a certified public accountant selected through a competitive process from among qualified certified accountants by the local oversight board established in accordance with section 642(b)(4) by such agency, except that no accountant may perform audits of such program for a period exceeding 5 consecutive fiscal years.

(2) Not later than 60 days after receiving such audit, the Secretary shall provide to such agency or such entity, and to the chief executive officer of the State in which such program is operated, a notice identifying the actions such agency or such entity is required to take to correct all deficiencies identified in such audit.

(d) Each recipient of financial assistance under this subchapter shall—

(1) maintain, and annually submit to the Secretary, a complete accounting of its administrative expenses (including a detailed statement identifying the amount of financial assistance provided under this subchapter used to pay expenses for salaries and compensation and the amount (if any) of other funds used to pay such expenses); and

(2) provide such additional documentation as the Secretary may require.

TECHNICAL ASSISTANCE AND TRAINING

SEC. 648. (a) * * *

* * * * * * *

(c) In allocating resources for technical assistance and training under this section, the Secretary shall—

(1) * * *

(2) supplement amounts provided under section 640(a)(3)(C)(ii) in order to address the training and career development needs of classroom staff (including instruction for providing services to children with disabilities *and for activities described in section 1221(b)(3) of the Elementary and Secondary Education Act of 1965*) and nonclassroom staff, including home visitors and other staff working directly with families, including training relating to increasing parent involvement and services designed to increase family literacy and improve parenting skills;

* * * * * * *

(5) assist Head Start agencies and programs in conducting and participating in communitywide strategic planning and needs assessment*, including the needs of homeless children and their families*;

* * * * * * *

(10) assist Head Start agencies in developing innovative program models, including mobile and home-based programs; **[**and**]**

(11) provide support for Head Start agencies (including policy councils and policy committees, as defined in regulation) that meet the standards described in section 641A(a) but that have, as documented by the Secretary through reviews conducted pursuant to section 641A(c), significant programmatic, quality, and fiscal issues to address**[**.**]***;*

(12) assist Head Start agencies and programs in increasing program participation of homeless children; and

(13) assist Head Start agencies and Head Start programs in improving outreach to, and the quality of services available to, limited English proficient children and their families, particularly in communities that have experienced a large percentage increase in the population of limited English proficient individuals, as measured by the Bureau of the Census.

(d) The Secretary may provide, either directly or through grants to public or private nonprofit entities*, including community- and faith-based organizations*, training for Head Start personnel in the use of the performing and visual arts and interactive programs using electronic media to enhance the learning experience of Head Start children. Special consideration shall be given to entities that have demonstrated effectiveness in educational programming for preschool children that includes components for parental involvement, care provider training, and developmentally appropriate related activities.

[(e) The Secretary shall provide, either directly or through grants or other arrangements, funds from programs authorized under this subchapter to support an organization to administer a centralized child development and national assessment program leading to recognized credentials for personnel working in early childhood development and child care programs, training for personnel providing services to non-English language background children (including services to promote the acquisition of the English language), training for personnel in helping children cope with community violence, and resource access projects for personnel working with disabled children.**]**

(e) The Secretary shall provide, either directly or through grants or other arrangements, funds from programs authorized under this subchapter to support an organization to administer a centralized child development and national assessment program leading to recognized credentials for personnel working in early childhood development and child care programs, training for personnel providing services to limited English proficient children (including services to promote the acquisition of the English language), training for personnel providing services to children determined to be abused or neglected, training for personnel providing services to children referred by or receiving child welfare services, training for personnel

in helping children cope with community violence, and resource access projects for personnel working with disabled children.

(f) The Secretary shall provide, either directly or through grants, or other arrangements, funds for training of Head Start personnel in addressing the unique needs of migrant and seasonal working families, families with a limited English proficiency, and homeless families.

(g) More than 50 percent of funds expended under this section shall be used to provide high quality, sustained, intensive, and classroom-focused training and technical assistance in order to have a positive and lasting impact on classroom instruction. Funds shall be used to carry out activities related to any or all of the following:

(1) Education and early childhood development.

(2) Child health, nutrition, and safety.

(3) Family and community partnerships.

(4) Other areas that impact the quality or overall effectiveness of Head Start programs.

(h) Funds under this subchapter used for training shall be used for needs identified annually by a grant applicant or delegate agency in their program improvement plan, except that funds shall not be used for long-distance travel expenses for training activities available locally or regionally or for training activities substantially similar to locally or regionally available training activities.

(i)(1) The Secretary shall work in collaboration with the Head Start agencies that carry out migrant and seasonal Head Start programs, State Directors of Head Start Collaboration, the migrant and seasonal Head Start collatoration director, and other appropriate entities—

(A) to accurately determine the number of children nationwide who are eligible to participate in migrant and seasonal Head Start programs each year;

(B) to document how many of these children are receiving Head Start services each year; and

(C) to the extent practicable, to ensure that access to migrant and seasonal Head Start programs for eligible children is comparable to access to other Head Start programs for other eligible children;

(2) In carrying out paragraph (1)(A), the Secretary shall consult with the Secretary of Education about the Department of Education's systems for collecting and reporting data about, and maintaining records on, students from migrant and seasonal farmworker families.

(3) Not later than 9 months after the effective date of this subsection, the Secretary shall publish in the Federal Register a notice of how the Secretary plans to carry out paragraph (1) and shall provide a period for public comment. To the extent practicable, the Secretary shall consider comments received before submitting a report to the Congress.

(4) Not later than 1 year after the effective date of this subsection, the Secretary shall submit a report 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, detailing how the Department of Health and Human Services plans to carry out paragraph (1).

(5) The Secretary shall submit annually a report to the Congress detailing the number of children of migrant and seasonal farmworkers, who are eligible to participate in Head Start programs and the number of such children who are enrolled in Head Start programs.

(6) The Secretary shall take appropriate action, consistent with section 444 of the General Education Provisions Act, to ensure the protection of the confidentiality of any personally identifiable data, information, and records collected or maintained by the Secretary, by Head Start agencies that carry out migrant and seasonal Head Start programs, by State Directors of Head Start Collaboration, by the Migrant and Seasonal Farmworker Collaboration Project Director, and by other appropriate entities pursuant to this subsection.

(7) Nothing in this subsection shall be construed to authorize the development of a nationwide database of personally identifiable information on individuals involved in studies or other collections of data under this subsection.

(j) For purposes of this section, the term "eligible entities" means an institution of higher education or other entity with expertise in delivering training in early childhood development, family support, and other assistance designed to improve the delivery of Head Start services.

SEC. 648A. STAFF QUALIFICATIONS AND DEVELOPMENT.

(a) CLASSROOM TEACHERS.—

(1) * * *

[(2) DEGREE REQUIREMENTS.—

[(A) IN GENERAL.—The Secretary shall ensure that not later than September 30, 2003, at least 50 percent of all Head Start teachers nationwide in center-based programs have—

[(i) an associate, baccalaureate, or advanced degree in early childhood education; or

[(ii) an associate, baccalaureate, or advanced degree in a field related to early childhood education, with experience in teaching preschool children.

[(B) PROGRESS.—The Secretary shall require Head Start agencies to demonstrate continuing progress each year to reach the result described in subparagraph (A).]

(2) DEGREE REQUIREMENTS.—

(A) IN GENERAL.—The Secretary shall ensure that not later than September 30, 2011, at least 50 percent of all Head Start teachers nationwide in center-based programs have—

(i) a baccalaureate or advanced degree in early childhood education; or

(ii) a baccalaureate or advanced degree in a field related to early childhood education, with experience in teaching preschool children.

(B) PROGRESS.—Each Head Start agency shall provide to the Secretary a report indicating the number and percentage of classroom instructors with child development associate credentials and associate, baccalaureate, or advanced degrees. The Secretary shall compile all program reports and make them available to the Committee on Education and the Workforce of the United States House of Represent-

atives and the Committee on Health, Education, Labor, and Pensions of the United States Senate.

(C) REQUIREMENT FOR NEW HEAD START TEACHERS.—Within 3 years after the effective date of this subparagraph, the Secretary shall require that all Head Start teachers nationwide in center-based programs hired following the effective date of this subparagraph—

(i) have an associate, baccalaureate, or advanced degree in early childhood education or a related field; or

(ii) be currently enrolled in a program of study leading to an associate degree in early childhood education and agree to complete degree requirements within 3 years from the date of hire.

(D) SERVICE REQUIREMENTS.—The Secretary shall establish requirements to ensure that individuals who receive financial assistance under this subchapter in order to comply with the requirements under section 648A(a)(2) shall subsequently teach in a Head Start center for a period of time equivalent to the period for which they received assistance or repay the amount of the funds.

(E) LIMITATION.—The Secretary shall require that any Federal funds provided directly or indirectly to comply with subparagraph (A) shall be used toward degrees awarded by an institution of higher education, as defined by sections 101 or 102 of the Higher Education Act (20 U.S.C. 1001–1002).

* * * * * * *

(f) PROFESSIONAL DEVELOPMENT PLANS.—Each Head Start agency and program shall create, in consultation with an employee, a professional development plan for all full-time employees who provide direct services to children.

SEC. 649. RESEARCH, DEMONSTRATIONS, AND EVALUATION.

(a) IN GENERAL.—

(1) REQUIREMENT; GENERAL PURPOSES.—The Secretary shall carry out a continuing program of research, demonstration, and evaluation activities, in order to—

(A) * * *

[(B) use the Head Start programs to develop, test, and disseminate new ideas and approaches for addressing the needs of low-income preschool children (including children with disabilities) and their families and communities (including demonstrations of innovative noncenter-based program models such as home-based and mobile programs), and otherwise to further the purposes of this subchapter.]

(B) use the Head Start programs to develop, test, and disseminate new ideas and approaches based on existing scientifically based research, for addressing the needs of low-income preschool children (including children with disabilities and children determined to be abused or neglected) and their families and communities (including demonstrations of innovative non-center based program models such as home-based and mobile programs), and otherwise to further the purposes of this subchapter.

* * * * * * *

(d) SPECIFIC OBJECTIVES.—The research, demonstration, and evaluation activities under this subchapter shall include components designed to—

(1) * * *

* * * * * * *

(7) provide for disseminating and promoting the use of the findings from such research, demonstration, and evaluation activities; *and*

(8) promote exploration of areas in which knowledge is insufficient, and that will otherwise contribute to fulfilling the purposes of this subchapter**[**;**]**.

[(9) study the experiences of small, medium, and large States with Head Start programs in order to permit comparisons of children participating in the programs with eligible children who did not participate in the programs, which study—

[(A) may include the use of a data set that existed prior to the initiation of the study; and

[(B) shall compare the educational achievement, social adaptation, and health status of the participating children and the eligible nonparticipating children; and

The Secretary shall ensure that an appropriate entity carries out a study described in paragraph (9), and prepares and submits to the appropriate committees of Congress a report containing the results of the study, not later than September 30, 2002.**]**

* * * * * * *

(g) NATIONAL HEAD START IMPACT RESEARCH.—

(1) EXPERT PANEL.—

(A) IN GENERAL.—The Secretary shall appoint an independent panel consisting of experts in program evaluation and research, education, and early childhood programs—

[(i) to review, and make recommendations on, the design and plan for the research (whether conducted as a single assessment or as a series of assessments) described in paragraph (2), within 1 year after the date of enactment of the Coats Human Services Reauthorization Act of 1998;**]**

[(ii)**]** *(i)* to maintain and advise the Secretary regarding the progress of the research; and

[(iii)**]** *(ii)* to comment, if the panel so desires, on the interim and final research reports submitted under paragraph (7).

* * * * * * *

(7) REPORTS.—

(A) * * *

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(C) TRANSMITTAL OF REPORTS TO CONGRESS.—

[(i) IN GENERAL.—The Secretary shall transmit, to the committees described in clause (ii), the first interim report by September 30, 1999, the second interim report by September 30, 2001, and the final report by September 30, 2003.**]**

(i) Not later than September 30, 2007, the Secretary shall transmit to the committees specified in clause (ii) the final report.

* * * * * * *

[(h) QUALITY IMPROVEMENT STUDY.—

[(1) STUDY.—The Secretary shall conduct a study regarding the use and effects of use of the quality improvement funds made available under section 640(a)(3) since fiscal year 1991.

[(2) REPORT.—The Secretary shall prepare and submit to Congress not later than September 2000 a report containing the results of the study, including information on—

[(A) the types of activities funded with the quality improvement funds;

[(B) the extent to which the use of the quality improvement funds has accomplished the goals of section 640(a)(3)(B);

[(C) the effect of use of the quality improvement funds on teacher training, salaries, benefits, recruitment, and retention; and

[(D) the effect of use of the quality improvement funds on the development of children receiving services under this subchapter.]

(h) NAS STUDY.—

(1) IN GENERAL.—The Secretary shall use funds allocated in section 640(a)(2)(C)(iii) to contract with the National Academy of Sciences for the Board on Children, Youth, and Families of the National Research Council to establish an independent panel of experts to review and synthesize research, theory and applications in the social, behavioral and biological sciences and to make recommendations on early childhood pedagogy with regard to each of the following:

(A) Age and developmentally appropriate Head Start academic requirements and outcomes, including the domains in 641A(a)(B).

(B) Differences in the type, length, mix and intensity of services necessary to ensure that children from challenging family and social backgrounds including: low-income children, children of color, children with special needs, and children with limited English proficiency enter kindergarten ready to succeed.

(C) Appropriate assessments of young children (including systematic observation assessment in a child's natural environment, and parent and provider interviews) for purposes of improving instruction, services, and program quality, and accommodations for children with disabilities and appropriate assessments for children with special needs (including needs related to the acquisition of the English language).

(D) An evaluation of the current and appropriate uses of the National Reporting System developed by the Secretary.

(2) COMPOSITION.—The panel shall consist of multiple experts in each of the following areas:

(A) Child development and education, including cognitive, social, emotional, physical, approaches to learning, and other domains of child development and learning.

(B) Professional development, including teacher preparation, to individuals who teach young children in programs.

(C) Assessment of young children, including screening, diagnostic and classroom-based instructional assessment; children with special needs, including children with disabilities and limited English proficient children.

(3) TIMING.—The National Academy of Sciences and the Board shall establish the panel not later than 90 days after the date of the enactment of the School Readiness Act of 2005. The panel shall complete its recommendations within 18 months of its convening.

(4) APPLICATION OF PANEL RECOMMENDATIONS.—The recommendations of the panel shall be used as guidelines by the Secretary to develop, inform and revise, where appropriate, the Head Start education performance measures and standards and the assessments utilized in the Head Start program.

(i) LIMITED ENGLISH PROFICIENT CHILDREN.—

(1) STUDY.— Not later than 1 year after the date of enactment of the School Readiness Act of 2005, the Secretary shall conduct a study on the status of limited English proficient children and their families in Head Start programs and Early Head Start programs.

(2) REPORT.—The Secretary shall prepare and submit to Congress, not later than September 2008, a report containing the results of such study, including information on—

(A)(i) the demographics of limited English proficient children less than 5 years of age and the geographical distribution of such children; and

(ii) the number of such children receiving Head Start services and the number of such children receiving Early Head Start services, and the geographical distribution of such children receiving such services;

(B) the nature of the Head Start services and of the Early Head Start services provided to limited English proficient children and their families, including the types, content, duration, intensity, and costs of family services, language assistance, and educational services;

(C) procedures in Head Start programs for assessing language needs and for making the transition of limited English proficient children to kindergarten, including the extent to which Head Start programs meet the requirements of section 642A for limited English proficient children;

(D) the qualifications and training provided to Head Start teachers and Early Head Start teachers who serve limited English proficient children and their families;

(E) the rate of progress made by limited English proficient children and their families in Head Start programs and in Early Head Start programs, including—

(i) the rate of progress made by limited English proficient children toward meeting the additional educational standards described in section 641A(a)(1)(B)(ii) while enrolled in Head Start programs;

(ii) the correlation between such progress and the type and quality of instruction and educational pro-

grams provided to limited English proficient children; and

(iii) the correlation between such progress and the health and family services provided by Head Start programs to limited English proficient children and their families; and

(F) the extent to which Head Start programs make use of funds under section 640(a)(3) to improve the quality of Head Start services provided to limited English proficient children and their families.

SEC. 650. REPORTS.

(a) STATUS OF CHILDREN.—[At least once during every 2-year period, the Secretary shall prepare and submit, to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the status of children (including disabled and non-English language background children) in Head Start programs, including the number of children and the services being provided to such children.] *At least once during every 2-year period, the Secretary shall prepare and 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 concerning the status of children (including disabled, homeless, and limited English proficient children) in Head Start programs, including the number of children and the services being provided to such children.* Such report shall include—

(1) * * *

* * * * * * *

(8) information concerning children participating in programs that receive Head Start funding, including information on family income, racial and ethnic background*, homelessness*, disability, and receipt of benefits under part A of title IV of the Social Security Act;

* * * * * * *

(c) NATIONAL REPORTING SYSTEM.—The Secretary shall submit annually 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 on the status of the National Reporting System developed by the Secretary. Such report shall include—

(1) information on all contracts, grants, and expenses relating to the development and implementation of the National Reporting System;

(2) information described in section 641A(b)(3)(B); and

(3) a description of the recommendations made by the Technical Working Group, including issues of the technical adequacy, purpose, and administration of the System, and an explanation of how the Secretary plans to address these recommendations.

* * * * * * *

[COMPARABILITY OF WAGES

[SEC. 653. The]

SEC. 653. WAGES AND COMPENSATION.

(a) COMPARABILITY OF WAGES.—The Secretary shall take such action as may be necessary to assure that persons employed in carrying out programs financed under this subchapter shall not receive compensation at a rate which is (1) in excess of the average rate of compensation paid in the area where the program is carried out to a substantial number of the persons providing substantially comparable services, or in excess of the average rate of compensation paid to a substantial number of the persons providing substantially comparable services in the area of the person's immediately preceding employment, whichever is higher; or (2) less than the minimum wage rate prescribed in section 6(a)(1) of the Fair Labor Standards Act of 1938. The Secretary shall encourage Head Start agencies to provide compensation according to salary scales that are based on training and experience.

(b) FEDERAL RATE LIMITATION.—Notwithstanding any other provision of law, no Federal funds shall be used to pay all or any part of the compensation of an individual employed by a Head Start agency in carrying out programs under this subchapter, either as direct or indirect costs or any proration thereof, at a rate in excess of the rate then payable for level II of the Executive Schedule under section 5316 of title 5, United States Code.

* * * * * * *

SEC. 656A. LIMITATION ON CERTAIN USES OF FUNDS.

No funds made available to carry out this subchapter may be used—

(1) for publicity or propaganda purposes not heretofore authorized by the Congress; or

(2) unless authorized by law in effect on the effective date of this section, to produce any prepackaged news story intended for broadcast or distribution unless such story includes a clear notification contained within the text or audio of such story stating that the prepackaged news story was prepared or funded by the Department of Health and Human Services.

* * * * * * *

ADDITIONAL DEMOCRATIC VIEWS

Head Start is the premiere early education program in this country. Started in 1965 under President Johnson, it is a highly successful, research-based, comprehensive child development and early education program for low-income children, ages birth to five years old, and their families. It has played a very important role in improving the lives of over 20 million children and their families in its long history. Its goal is to help disadvantaged children be better prepared to succeed in school and in life by addressing the needs of the whole child and providing comprehensive services such as health and nutrition in addition to education—the approach child development experts believe is the most effective. Moreover, parental involvement has always been a cornerstone in Head Start because the experts believe parents are children's most important and influential teachers; and, to have long-term success, the program should consider the family as well as the child. These important principles remain central to the program today.

Poverty is one of the strongest predictors of lower school success: an "achievement" gap between low income children and their more affluent peers begins before kindergarten and continues through elementary and secondary education. After nearly a decade of decline in national child poverty, the rate of child poverty began to rise in 2002. Today, more than 12 million children in America live in poverty, including approximately 20% of children under age 6. Poverty rates are substantially higher for ethnic and racial minorities. A large income gap exists between White, African American and Hispanic families: in 2002, the median income for White families with children under 18 was twice as high as that of African American and Hispanic families. In 2003, 38.5% of African American, 32.1 % of Hispanic, and 16.5% of White children under age 6 lived in poverty. In addition, more than 8 million children and teenagers do not have health insurance. Research finds that experiencing poverty as a child leads to more health and mental problems throughout one's life, less academic success, and less stable employment as an adult. Head Start must be one part of a multi-faceted approach to reducing the impact of poverty and eliminating the achievement gap. As we re-examine and reauthorize Head Start, we must also recognize the basic inequities in this country and do much more to eliminate poverty.

Head Start is one of the most evaluated federal programs, and research concludes that Head Start works. Research finds that children who attend Head Start enter school better prepared than low-income children who do not attend the program, and that children who attend Head Start make significant gains relative to national norms in vocabulary, early writing, letter recognition and social behavior. Head Start students show IQ gains, are less likely to need

special education services, repeat a grade, or commit crimes in adolescence and are more likely to graduate from high school.

The most recent and highest quality research also shows that Head Start helps children make gains in cognitive development and narrows the achievement gap. In June 2005, HHS released a report on the first year findings from the Impact Study—a congressionally mandated study that required the Department of Health and Human Services to determine the impact of Head Start on the children and families it serves. This longitudinal, randomized control group design study will follow children through the end of first grade and evaluate the effect of Head Start over this period. The findings from the first year—which tracks 3 and 4-year olds, half of whom are in Head Start and the remainder in other settings, including parental care, child care and pre-kindergarten were very encouraging. Head Start was found to have a positive impact on children's pre-reading skills, pre-writing skills, vocabulary and parent-reported literacy skills. The study also found that after less than one school year, Head Start narrowed the achievement gap by 45% in the area of pre-reading and by 28% in pre-writing. The study also found Head Start had the effect of changing parenting practices, including increasing the frequency parents read to their child and improving some discipline strategies. In addition, Head Start decreased hyperactivity in 3-year olds. Significant effects were not found in the areas of oral comprehension and phonological awareness and early math and many areas of socio-emotional development—suggesting key areas for program improvement.

Research from the high-quality longitudinal FACES study also found that children who attend Head Start make great strides in closing the achievement gap. FACES found that children made modest but significant gains in areas of cognitive development during the Head Start year and made even greater gains over the kindergarten year so that by the end of kindergarten, the Head Start graduates were "essentially at national norms in early reading and writing, and about one third of a standard deviation below national norms in vocabulary, general knowledge and early math." These findings suggest that not only do children in Head Start learn key skills in the program, but it also prepares children to better benefit from teaching when they get to elementary school.

We are encouraged to see that research concludes Head Start is doing what we expect and demand that it should do—better prepare children to succeed in school. But it also indicates that we must build on the program's success so that we can provide these children with an even better head start. Dr. Ed Zigler, the distinguished expert in child development from Yale University and the "father of Head Start", frequently comments that "the moment Head Start stands pat, it is dead." We fully agree and support H.R. 2123 because it completely abandons the misguided and destructive block grant proposal the Majority pushed, and we adamantly opposed, in 2003, and it contains many Democratic priorities that will move the program forward and improve services for children and their families. H.R. 2123 improves academic content and requirements by integrating new science on early child development and evidence-based practices into the program; promotes better coordination at the local level between Head Start and prekindergarten,

which should help to better meet the needs of working parents and increase the quality of both state pre-k and Head Start; requires the Secretary to more efficiently use discretionary funding in order to increase the funding to Migrant and Seasonal and Indian Head Start programs without decreasing the funding to regional Head Start; strengthens accountability by integrating GAO's recommendation to use a risk-based assessment strategy for monitoring fiscal management of the program and by increasing on-site monitoring; provides incentives for states to develop strategies for more effective and efficient delivery of early education services and to find ways to improve service to underserved populations; improves program quality by requiring the Secretary to better integrate the Training/Technical Assistance ("T/TA") and monitoring systems, a process that seems oddly lacking; and corrects current inconsistencies in existing statute to allow the Secretary to more quickly replace inadequate programs that are often funded for one or more years after the Secretary moves to terminate funding.

We were pleased that many Democratic priorities were integrated into the bill through bipartisan negotiations, but we also urge the Secretary to approach two areas in the bill with restraint. H.R. 2123 adds extensive language clarifying the Secretary's existing authority to re-compete poorly performing programs. Though we agree with current statute and GAO's recommendations that focusing recompetition on the most poorly performing programs will improve the overall quality of Head Start, we believe it is critical the Secretary not interpret the provisions in this bill in an overly broad manner. Placing good Head Start programs under the uncertainty of recompetition will undermine program quality and service delivery. A sense of stability and continuity within Head Start is the most effective and cost efficient way to deliver Head Start services and best meet the needs of children and families. Therefore, we strongly urge the Secretary to use recompetition as intended in this bill—only for the most poorly performing programs. Furthermore, we encourage the Secretary to improve the targeting and implementation of T/TA to minimize the programs that need to be recompeted so that effectiveness and efficiency are maximized. Finally, we remind the Secretary that research repeatedly demonstrates that parental well-being and parental involvement in their children's education are some of the strongest predictors of positive child development and school success. Therefore, we strongly recommend the Secretary ensure parent involvement and parent empowerment remain central tenets of the Head Start program. Furthermore, we urge the Secretary to require the meaningful and active participation of the parent Policy Council in program governance.

Finally, we believe there are some important components to program quality that are not adequately addressed in H.R. 2123, such as program expansion and teacher quality. These concerns are addressed below, as well as our concerns about the Majority's stated intent to add language to this bill that would allow religious discrimination.

PROGRAM EXPANSION

There are two main ways to narrow the achievement gap between low income children and their more affluent peers—one is to increase program effectiveness, the other is to increase program enrollment. They are equally necessary and we need to do everything we can to ensure that every eligible child receives Head Start services, as well as to substantially expand Early Head Start. If we truly believe that no child should be left behind, funding Head Start and other high quality early education programs must be one of our top domestic priorities.

Unfortunately, we are headed in the wrong direction. Head Start currently serves less than one-half of eligible preschoolers, Early Head Start serves approximately 3% of its eligible population, and Migrant and Seasonal Head Start serves approximately 19% of its eligible children. After the first three fiscal years under the Bush Administration and Congressional Republican budget priorities, the percent of eligible children served by Head Start decreased. Funding for Head Start under the Republican budgets has not even been sufficient to keep up with inflation costs, resulting in a decrease in the number of children served in each of the last two years as well as reported cuts in the types and quality of services delivered. H.R. 2123 and the recent bill voted out of the Appropriations Committee signal continuation of this bad precedent—they provide insufficient funds to cover inflation, meaning that teachers will not get adequate raises and programs will again be forced to either reduce the number of children they serve or reduce the quality of services they provide. The necessary resources are available if the Republicans in charge chose to make this the priority it should be. Democrats offered an amendment to substantially increase the authorization level for Head Start and expand Early Head Start. Unfortunately, Republicans defeated this amendment with all Republicans voting against increasing funding for the program and all Democrats voting for program expansion.

TEACHER QUALITY

The Democratic Members of this Committee strongly support improving teacher quality in Head Start because it is critical to increasing overall program quality and helping more children reach kindergarten better prepared to succeed. As such, we support the requirement in H.R. 2123 that half of Head Start teachers nationwide have at least a B.A. in child development or a related field by 2011, and also the requirement that all new teachers have at least an associate's degree, or be emolled in a program to achieve an associate degree, beginning three years after enactment of the bill. These goals and requirements are consistent with research findings that teacher education is related to better outcomes in children's cognitive, social and emotional development. Setting a high bar for teachers is one of the best ways to continue to improve Head Start.

However, this bill provides no funding to support the implementation of its important teacher quality provisions. On average, Head Start teachers with B.A.'s make just $25,000 annually, while kindergarten teachers with similar training make over $41,000. In

order to attract and retain highly qualified teachers, Head Start must improve teacher salaries and access to early education scholarships. The Trust for Early Education has estimated that the cost of compensating half of all Head Start lead teachers, at a rate comparable to what they could earn teaching in public school kindergarten, will cost an additional $2 billion dollars over 5 years. Yet this bill does not even provide funding for appropriate cost of living raises for existing teachers. Improving teacher quality is very important, but without providing the means to support the provision, the initiative is severely undercut. Democrats offered amendments in Committee to address this substantial failing in the bill but were defeated with all Republicans voting against and all Democrats voting for funds for teacher quality.

RELIGIOUS DISCRIMINATION

Section 654(a) of the Head Start Act, titled "Nondiscrimination Provisions", states:

> The Secretary shall not provide financial assistance for any program, project, or activity under this subchapter unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

Since 1972, the Head Start statute has included the above provision to protect the rights of those who participate in the Head Start program—children, parents, teachers, employees and volunteers—to be free from discrimination in any form. As a critical component of America's civil rights platform, Head Start has endeavored to provide all children in need with the opportunities of education and an environment to assist in their healthy development that would enable them to arrive at school ready to succeed. Committee Democrats recognize that Section 654(a) of the Head Start Act is key to this effort and actively fought to protect its integrity during consideration of Head Start in the 108th Congress.

H.R. 2123 as reported from the full committee maintains Section 654(a), ensuring that the civil rights of students, parents and teachers are protected in federally-funded Head Start programs. We applaud the bipartisan nature of the bill that has resulted in this outcome. Unfortunately, the Chairman of the Full Committee, in preparation for consideration of H.R. 2123, publicly stated his intention to offer an amendment on the floor of the House that will give faith-based organizations providing Head Start services the right to discriminate with federal funds against employees who are of different faiths. The proposed Boehner Amendment severely disrupts the bipartisanship that has surrounded H.R. 2123 and deserves defeat.

The Majority claims that the proposed Amendment will make Head Start consistent with Title VII of the Civil Rights Act of 1964. We disagree with this claim. By maintaining current law in Section 654(a) of the Head Start Act, the Committee affirms a civil right standard that has coexisted with Title VII since 1972. Section 654(a) allows, that with regard to funding of faith-based organiza-

tions, government funds, collected from all taxpayers, should not be used to support discrimination. Section 654(a) does not, and the Head Start program never has—as asserted by the Majority—prohibited faith-based organizations from receiving Head Start funds.

The Head Start program is a model for demonstrating that a prohibition on religious employment discrimination with federal funds is fully compatible with federal assistance to faith-based charities. Faith-based organizations can and do fully participate in federally funded programs without discriminating in hiring with those same federal funds. Faith-based charities have taken good advantage of these federally funded programs to advance their charitable work in a manner which the President finds worthy of expansion—and, in fact, we have heard no suggestion that the faith-based charities involved with Head Start or numerous other social service programs have seen their own faith communities erode. The Committee has never received any testimony from faith-based organizations stating that the Boehner Amendment is needed for their continued or expanded participation in running federally-funded programs.

We strongly support and appreciate the valued role faith-based organizations have played in operating Head Start programs and the right of religious institutions to preserve the integrity of their own religious character when it comes to religious activities. Consistent with Title VII of the Civil Rights Act of 1964 and prevailing federal court decisions, faith-based organizations may discriminate in employment on the basis of religion with *private funds* but are precluded from doing so when the position under consideration is funded with taxpayer dollars.

We disagree that it is healthy for American society or that it is in conformance with basic American principles of fairness and equal treatment under the law, for the federal government to provide funds for secular purposes to any organization, which would then use these funds in a discriminatory fashion on religious grounds. In fact, in a poll conducted in 2001 by the Pew Research Center and the Pew Forum on Religion and Public Life on President Bush's faith-based initiative, 78% of those polled shared our concerns about proposals to use federal funds to deny someone a job based on their religious views and practices. And, we agree with the American people—a Head Start teacher should not be fired because he or she is the "wrong" religion. The Boehner Amendment, however, goes against public opinion and core American principles and would allow this form of federally funded discrimination.

We are greatly concerned that the provision to remove civil rights protections for employees could have a negative impact on the children and families who participate in these programs. Tens of thousands of at-risk 3- and 4-year old children currently in Head Start, could lose their teachers—who often are the most important adults to whom they have bonded, other than their parents—not because those teachers are doing a bad job, but because of their religion.

Committee Democrats understand that Head Start is a unique program that enables parents to climb the economic ladder by moving from Head Start volunteer to teacher status, an aspect of the

Head Start program that benefits families. As a result of the Boehner Amendment, countless parents could be blocked from climbing the ladder out of poverty that has already taken thousands of parents from being a parent volunteer to being a trained and paid Head Start staff—simply because the parents do not share the federally-funded employer's religious beliefs.

While the Committee did not consider this Amendment during its consideration of H.R. 2123, Representatives Miller, Woolsey, Scott and Grijalva spoke out in opposition to such a proposal during full Committee deliberation. They were joined by numerous faith-based organizations that recognize the importance of maintaining civil rights protections in Head Start. The American Jewish Committee wrote that,

> If so amended, H.R. 2123 would compromise an extremely successful program that provides essential services to nearly one million at-risk children nationwide. *While many of the religious organizations that deliver the program would, no doubt, continue to hire employees for Head Start programs without regard to religion, H.R. 2123 could jeopardize the jobs of many thousands of current and potential teachers, staff, and parent volunteers for belonging to the "wrong" religion, as well as jeopardize children for whom a stable and trusting relationship between teacher and child is so important.*
>
> For these reasons, we strongly urge you to oppose any attempts to roll back the vital civil rights protections of H.R. 2123, the School Readiness Act.—(Emphasis added).

African American Ministers in Action, an organization of leaders and pastors of predominantly African American congregations, commented,

> We agree that religious organizations participating in the Head Start program make an invaluable contribution to the education of thousands of students in minority communities in particular, but do not agree that discriminating against persons based upon their religion is necessary or desirable in order to provide these much needed services.

The Coalition Against Religious Discrimination, an organization comprised of religious, civil rights, labor, and education organizations noted in their May 18, 2005 letter to Members of the Committee that "allowing discrimination based on religion would significantly impede the important goals of Head Start, sending a damaging message to Head Start students....". The National Head Start Association, whose members include Head Start agencies, regional and state associations, non-profit and for-profit organizations, has also stated its opposition to the proposed Amendment.

The Chairman's stated intention that he will seek to amend the Head Start Act with language allowing faith-based organizations to discriminate in employment based on religion is not welcomed. If the Amendment is passed, it will jettison the strong bipartisan support that H.R. 2123 currently enjoys. The proposed Boehner Amendment is misguided in its application, reflects poor political

judgment and would have a longstanding discriminatory impact on Head Start children, parents and teachers. We will oppose all efforts to eliminate these civil rights protections in current law.

Some of the many groups that oppose the proposed Boehner Amendment include: African American Ministers in Action; American Jewish Committee; Anti-Defamation League; Baptist Joint Committee for Religious Liberty; Central Conference of American Rabbis; Disciples Justice Action Network (Disciples of Christ); Disciples Advocacy Washington Network; Christian Justice Action; United Church of Christ; Protestant Justice Action; Equal Partners in Faith; Hadassah, the Women's Zionist Organization of America; Jewish Council for Public Affairs; National Council of Jewish Women; Presbyterian Church (USA), Washington Office; Texas Faith Network; The General Board of Church and Society of The United Methodist Church; The Interfaith Alliance/Foundation; Union for Refonn Judaism; Unitarian Universalist Association of Congregations; United Church of Christ Justice & Witness Ministries; American Association of University Women; American Civil Liberties Union; American Federation of State; County and Municipal Employees (AFSCME), AFL–CIO; American Humanist Association; Americans for Religious Liberty; Americans United for Separation of Church and State; Human Rights Campaign; Leadership Conference on Civil Rights; National Association of Social Workers; National Education Association; National Head Start Association; National Organization for Women; OMB Watch; People For the American Way; Service Employees International Union (SEIU), AFL–CIO, CLC; Texas Freedom Network; The Secular Coalition for America; United Auto Workers, AFL–CIO.

AMENDMENTS

Though H.R. 2123 makes important progress in some areas of the Head Start program, Democrats believe other important priorities were not included. Democratic Members offered the following amendments during Committee consideration of the bill to try and address these concerns:

Mr. Davis offered an amendment to provide funding for improving teacher professional development and compensation. As noted previously, improving teacher quality should be one of our top priorities during reauthorization. However, though this bill increases teacher requirements, it provides no additional funding to implement these requirements and thus undermines this critical quality provision. This amendment was defeated with all Republicans voting against improving teacher compensation and all Democrats voting for these increases.

Mr. Grijalva offered two amendments. In one amendment, which was accepted by Committee on a voice vote, language was added to the underlying bill that would require the Early Learning Council to develop ways to identify children who are underrepresented in early childhood education programs, examine barriers to their participation, and plan for ways in which enhanced coordination among early childhood education services can increase access for all children. Data from the National Center for Education Statistics finds that Hispanic children are less likely than White or African American children to arrive at kindergarten having attended a cen-

ter-based early childhood education program. We believe states should take into account the needs of children who currently underutilize services and ensure that the additional resources that are leveraged in states via improved coordination are used to improve access for children who are not benefiting from the current structure. Mr. Grijalva offered a second amendment that would have provided grants for bringing bilingual teachers to rural areas. This amendment was withdrawn with plans to further address the issue during consideration of the Higher Education Act.

Mr. Kind offered an amendment to suspend the National Reporting System pending the results of the study requested of the National Academy of Sciences in the bill. The Administration is completing its second full year of implementing a countrywide testing system for Head Start children that has cost $25 million dollars so far, despite strong concerns voiced by early child education experts who believe the system is heavily flawed and inappropriate. This amendment would suspend the NRS, pending a study by experts convened by the National Academy of Sciences, and would require the Secretary to use the resulting report as a guideline for developing an appropriate method of using assessments to improve child outcomes and program quality. The amendment was offered and withdrawn with an agreement by the Chairman to continue to examine the Issue.

Mr. Kucinich offered an amendment that would change the way the poverty line is calculated for Head Start eligibility, by tying it to growth in wages rather than growth in prices. This amendment addresses some of the major flaws in the formula for calculating the poverty threshold, and if passed, would make more children eligible for Head Start.

Ms. McCollum offered an amendment to require faith-based organizations applying for Head Start grants to obtain a 501(c)(3) separate and distinct from that which they may already have obtained as a pervasively sectarian organization. With this amendment, the religious entity (*i.e.,* church, mosque, or synagogue), separate from the Head Start grantee, would have legal protections and retain a right to privacy if the Head Start grantee acted inappropriately as a federally-funded grantee. The McCollum Amendment would have ensured that federal dollars would therefore be separate and distinct from private dollars that support religious activities. The amendment was defeated 18–29.

Ms. McCollum and Mr. Van Hollen offered an amendment to provide grantees with funding to meet the Head Start transportation safety regulations. Congress previously passed a mandate regarding the safety requirements of bus transportation for Head Start children, but no money was provided to help programs implement the provision. The Secretary has granted waivers to some programs, but the Committee is concerned that they have not developed an adequate long-term solution for ensuring the safe transportation of children. We have heard first hand reports of Head Start grantees scaling back or eliminating transportation services because the high cost of meeting the regulations was untenable. Other programs that are meeting the regulations are having to use 20% or more of their budget toward transportation costs. Such high costs mean a decrease in other program services. For example, one

agency reported offsetting transportation costs by taking funds from their family support program, resulting in an increased the caseload for family advocates from the recommended 35 to 100. We believe most programs are doing everything they can to meet these regulations but in many cases we are requiring programs to make unacceptable choices, whether it be limiting transportation services, reducing the number of children served, or cutting other services, in order to offset costs. Moreover, although waivers are currently permitted, and would continue to be allowed under HR 2123, we have heard reports that the Administration is providing inconsistent, and at times, conflicting guidance regarding the granting of waivers. This amendment helps programs retain their enrollment levels, keeps them from decreasing their services, and ensures the safety of children by providing funding for Head Start programs to meet the federal requirement regarding safety modifications of buses used for transportation. The amendment was withdrawn with an agreement by the Chairman to continue discussing avenues to address the problem.

Mr. Tierney offered an amendment providing grants of up to $10,000 in loan forgiveness for Head Start teachers. As previously noted, attracting and retaining high quality teaching staff should be one of our top priorities for Head Start, but H.R. 2123 provides no funding to meet this goal. This amendment would have substantially helped implement the new teacher requirements under H.R. 2123 by providing a proven method of attracting and retaining qualified teachers. This amendment was defeated by voice vote but the Chairman agreed to try and address the issue during consideration of the Higher Education Act, expected later this year.

Ms. Woolsey and Mr. Van Hollen offered an amendment to provide full funding for preschoolers in Head Start and double the percentage of infants and toddlers receiving Early Head Start over the next 6 years. Currently, only about half of eligible preschool children receive Head Start and only 3% of infants and toddlers receive Early Head Start because of inadequate funding. The authorization level in this bill does nothing to improve this situation, as it does not even cover the cost of inflation. This important amendment was defeated on a party-line vote with all Republicans voting against authorizing funds to serve more eligible children.

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