

110TH CONGRESS
1ST SESSION

H. R. 2928

To provide grants to States to improve high schools and raise graduation rates while ensuring rigorous standards, to develop and implement effective school models for struggling students and dropouts, and to improve State policies to raise graduation rates, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 28, 2007

Mr. HINOJOSA (for himself, Mr. BACA, Mr. BECERRA, Mr. GONZALEZ, Mr. SERRANO, Mr. GUTIERREZ, Mrs. NAPOLITANO, Mr. ORTIZ, Mr. REYES, Mr. RODRIGUEZ, Ms. ROYBAL-ALLARD, Mr. SALAZAR, Ms. SOLIS, Ms. VELÁZQUEZ, Mr. SCOTT of Virginia, Mr. DAVIS of Illinois, Mr. CUMMINGS, Mr. FATTAH, Mr. LEWIS of Georgia, Ms. LEE, and Ms. LINDA T. SÁNCHEZ of California) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To provide grants to States to improve high schools and raise graduation rates while ensuring rigorous standards, to develop and implement effective school models for struggling students and dropouts, and to improve State policies to raise graduation rates, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Graduation Promise
5 Act of 2007”.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) IN GENERAL.—The terms “local educational
4 agency”, “secondary school”, and “State educational
5 agency” have the meanings given the terms in sec-
6 tion 9101 of the Elementary and Secondary Edu-
7 cation Act of 1965 (20 U.S.C. 7801).

8 (2) GRADUATION RATE.—The term “graduation
9 rate” (except when used as part of the term “aver-
10 aged freshmen graduation rate”) has the meaning
11 given the term in section 1111(b)(2)(C)(vi) of the
12 Elementary and Secondary Education Act of 1965
13 (20 U.S.C. 6311(b)(2)(C)(vi)).

14 (3) HIGH-PRIORITY.—The term “high-priority”,
15 when used with respect to a secondary school, means
16 a school that—

17 (A) has low student achievement; and

18 (B)(i) has a low graduation rate; or

19 (ii) feeds students into a high school that
20 has a low graduation rate.

21 (4) HIGH SCHOOL.—The term “high school”
22 means a secondary school in which the—

23 (A) entering grade of the school is not
24 lower than grade 6; and

25 (B) highest grade of the school is—

26 (i) grade 12; or

1 (ii) in the case of a secondary school
2 approved by a State to issue a regular di-
3 ploma concurrently with a postsecondary
4 degree or with not more than 2 years'
5 worth of postsecondary academic credit,
6 grade 13.

7 (5) INSTITUTION OF HIGHER EDUCATION.—The
8 term “institution of higher education” has the
9 meaning given the term in section 101(a) of the
10 Higher Education Act of 1965 (20 U.S.C. 1001(a)).

11 (6) SECRETARY.—The term “Secretary” means
12 the Secretary of Education.

13 (7) STATE.—The term “State” means each of
14 the several States of the United States, the District
15 of Columbia, the Commonwealth of Puerto Rico, the
16 United States Virgin Islands, Guam, American
17 Samoa, the Commonwealth of the Northern Mariana
18 Islands, and the Republic of Palau.

19 **TITLE I—HIGH SCHOOL IM-**
20 **PROVEMENT AND DROPOUT**
21 **REDUCTION FUND**

22 **SEC. 101. FINDINGS.**

23 The Senate finds the following:

24 (1) About a third of our Nation’s high school
25 students fail to graduate in 4 years, and another

1 third graduate without the skills and knowledge
2 needed to succeed in college or the workplace. The
3 outcomes for minority students are even worse: only
4 about 52 percent of Hispanic, 56 percent of African-
5 American, and 57 percent of Native-American stu-
6 dents graduate on time, compared to 78 percent of
7 white students.

8 (2) More than a decade after Congress declared
9 a national goal that 90 percent of American high
10 school students graduate from high school we are far
11 from that target and graduation rates have stag-
12 nated.

13 (3) Half of the Nation’s dropouts attend a
14 “dropout factory”—schools where 40 percent or
15 more of the freshman class has disappeared by the
16 time the students reach their senior year. These
17 schools, which are located in nearly every State, pri-
18 marily serve minority and poor students, and have
19 fewer resources and less qualified teachers than
20 schools in more affluent neighborhoods with larger
21 numbers of white students. In fact, almost half of
22 African-American students and nearly 40 percent of
23 Latino students—compared to only 11 percent of
24 white students—attend high schools in which grad-
25 uation is not the norm.

1 (4) If the Nation's high schools and colleges
2 raise the graduation rates of Hispanic, African-
3 American, and Native-American students to the lev-
4 els of white students by 2020, the potential increase
5 in personal income across the Nation would add,
6 conservatively, more than \$310,000,000,000 to the
7 United States economy.

8 (5) If the high school graduation rate for male
9 students increased by just 5 percent, the Nation
10 could save almost \$5,000,000,000 a year in reduced
11 spending on crime-related expenses such as prisons
12 and medical costs for victims. An additional
13 \$2,700,000,000 could be generated in income if
14 these high school graduates went on to college at the
15 same rate as other male students.

16 (6) A high school diploma is increasingly impor-
17 tant for success in the 21st century economy. In
18 fact, an estimated 80 percent of current jobs and
19 approximately 90 percent of the fastest-growing,
20 highest-paying jobs require some sort of education
21 beyond high school.

22 (7) The Nation spends more than
23 \$1,400,000,000 a year to provide remedial courses
24 to community college students who recently com-
25 pleted high school. And that figure does not include

1 the almost \$2,300,000,000 that the economy loses
2 because students who take remedial courses, particu-
3 larly in reading, are more likely to leave college with-
4 out getting a degree, and thereby reduce their earn-
5 ing potential. Across the Nation, 42 percent of com-
6 munity college freshmen and 20 percent of freshmen
7 in 4-year institutions enroll in at least one remedial
8 course.

9 (8) Business and higher education consistently
10 report that students are leaving high school unpre-
11 pared for the demands of college and the workplace.
12 According to a survey of the National Association of
13 Manufacturers, more than 80 percent of manufac-
14 turing companies are experiencing a shortage of
15 qualified workers. More than two-thirds of manufac-
16 turing companies said that businesses train employ-
17 ees to raise basic skills, a sure sign that a high
18 school education is deficient even for the few jobs
19 that require nothing further. Forty percent of em-
20 ployers considered graduates deficient in their over-
21 all preparation for the workplace.

22 (9) For decades, Federal funding has largely
23 been spent on grades Pre-K to 6 and higher edu-
24 cation, with dramatically less given the middle and
25 high school grades. While children in their early

1 years must build a strong foundation for learning,
2 research also clearly demonstrates the need to con-
3 tinue the investment at each stage of the education
4 process or risk losing much of the benefit of the
5 early effort.

6 (10) The United States has made some
7 progress in education outcomes in the early years of
8 education and in higher education, but has seen de-
9 cline in the middle and high school years. In terms
10 of demonstrating return on investment, where Fed-
11 eral educational commitment has been made, posi-
12 tive outcomes have resulted.

13 (11) Only 8 percent of title I of the Elementary
14 and Secondary Education Act of 1965 (20 U.S.C.
15 6301 et seq.) participants are high school students,
16 leaving millions of title I-eligible, high school stu-
17 dents in low-performing schools without the focused
18 support, external assistance, and resources for im-
19 provement that title I was created to provide. Be-
20 cause title I funds serve as the trigger for school im-
21 provement requirements in the Elementary and Sec-
22 ondary Education Act of 1965, this also means that
23 most low-income, low-performing high schools are
24 not required to (or supported to) implement school
25 improvement activities.

1 (12) While the Elementary and Secondary Edu-
2 cation Act of 1965 (20 U.S.C. 6301 et seq.) includes
3 a strong focus on identifying low-performing schools,
4 America still needs a comprehensive strategy to sup-
5 port and improve chronically low-performing schools
6 and districts. School improvement strategies should
7 be tailored based on a variety of indicators and data,
8 so that educators can create and implement success-
9 ful school improvement strategies to address the
10 needs of the individual schools.

11 (13) Most districts and State educational agen-
12 cies do not necessarily have the capacity or infra-
13 structure to guide, support, and fund school im-
14 provement strategies where they are needed, but
15 good models for turning around low-performing high
16 schools do exist. Federal support should be used to
17 build this capacity based on evidence from successful
18 high schools.

19 (14) If the Nation is to maintain and increase
20 its competitiveness in the global economy, it must in-
21 vest in a systemic approach to improving its high
22 schools so that every child graduates prepared for
23 success.

24 **SEC. 102. PURPOSES.**

25 The purposes of this title are to—

1 (1) improve high school student academic
2 achievement and graduation rates;

3 (2) help States develop a high school improve-
4 ment system to deliver support and technical assist-
5 ance to high-priority high schools;

6 (3) ensure students graduate from high school
7 with the education and skills necessary to compete
8 in a global economy; and

9 (4) help build the capacity to develop and im-
10 plement research-based, sustainable, and replicable
11 high school improvement models and interventions
12 for high-priority high schools that engage the whole
13 community.

14 **SEC. 103. DEFINITIONS.**

15 In this title:

16 (1) **ADEQUATE YEARLY PROGRESS.**—The term
17 “adequate yearly progress” has the meaning given
18 the term in section 1111(b)(2)(B) of the Elementary
19 and Secondary Education Act of 1965 (20 U.S.C.
20 6311(b)(2)(B)).

21 (2) **AVERAGED FRESHMEN GRADUATION**
22 **RATE.**—The term “averaged freshmen graduation
23 rate” means the estimate of the percentage of high
24 school students who graduate on time by dividing
25 the number of graduates with regular diplomas by

1 the estimated size of the incoming freshman class 4
2 years earlier, expressed as a percentage, as cal-
3 culated and reported by the National Center for
4 Education Statistics.

5 (3) LOW-INCOME LOCAL EDUCATIONAL AGEN-
6 CY.—The term “low-income local educational agen-
7 cy” means a local educational agency in which not
8 less than 15 percent of the students served by such
9 agency are from families with incomes below the
10 poverty line.

11 (4) MIDDLE GRADES.—The term “middle
12 grades” means grades 6 through 8.

13 (5) POVERTY LINE.—The term “poverty line”
14 means the poverty line described in section 673 of
15 the Community Services Block Grant Act (42 U.S.C.
16 9902), applicable to a family of the size involved.

17 (6) TECHNICAL ASSISTANCE PROVIDER.—The
18 term “technical assistance provider” means a non-
19 profit entity with a proven track record of signifi-
20 cantly improving student achievement and outcomes
21 in high-priority high schools.

22 **SEC. 104. GRANTS AUTHORIZED.**

23 The Secretary is authorized to make grants to State
24 educational agencies with applications approved under sec-
25 tion 109 to establish or expand a differentiated high school

1 improvement system that can improve student achieve-
2 ment and graduation rates, and effectively target re-
3 sources and technical assistance to high-priority high
4 schools.

5 **SEC. 105. ALLOTMENT TO STATES.**

6 (a) IN GENERAL.—The Secretary shall make grants
7 to State educational agencies with applications approved
8 under section 109 to enable the States to carry out the
9 activities specified in section 110. Each grant shall consist
10 of the allotment determined for a State under subsection
11 (b)(2).

12 (b) DETERMINATION OF ALLOTMENTS.—

13 (1) RESERVATION OF FUNDS.—From the total
14 amount appropriated for this Act, the Secretary
15 shall reserve—

16 (A) 4 percent to—

17 (i) evaluate activities authorized under
18 this title, including supporting large-scale
19 randomized studies of planned variations
20 in school time, such as length of school
21 day, week, and year, teacher effectiveness,
22 class size, teacher training, performance or
23 placement incentives, and other major
24 school improvement inputs, in order to de-
25 termine the most effective strategies for

1 improving student achievement and out-
2 comes for students attending high-priority
3 high schools; and

4 (ii) disseminate findings of such eval-
5 uations;

6 (B) 2 percent to provide technical assist-
7 ance and ongoing regional training programs—

8 (i) to build the capacity of State edu-
9 cational agencies and local educational
10 agencies to provide technical assistance to
11 improve high-priority high schools;

12 (ii) to develop the capacity of State
13 educational agencies to effectively manage
14 a differentiated high school improvement
15 system and analyze the capacity of local
16 educational agencies and high schools to
17 effectively implement proven high school
18 reform strategies; and

19 (iii) to develop, in middle schools
20 served by a local educational agency whose
21 students go on to attend high schools iden-
22 tified by the local educational agency as in
23 need of whole school reforms or replace-
24 ment, middle grade early indicator warning
25 systems consisting of factors used to iden-

1 tify students who are struggling academi-
2 cally and have poor attendance records or
3 have been suspended in or before the mid-
4 dle grades or are likely to struggle in high
5 school or to not graduate and provide sup-
6 ports to get such students back on track;
7 and

8 (C) 2 percent to enter into contracts with
9 or provide grants to technical assistance pro-
10 viders to build their capacity to serve more high
11 schools and to support the development or en-
12 hancement of research-based whole secondary
13 school reform or new secondary school models.

14 (2) STATE ALLOTMENT.—From the total
15 amount appropriated under section 114 for a fiscal
16 year and not reserved under paragraph (1), the Sec-
17 retary shall make allotments as follows:

18 (A) LOW-INCOME LOCAL EDUCATIONAL
19 AGENCIES.—From such amount, the Secretary
20 shall allot to each State an amount that bears
21 the same ratio to 50 percent of the sums being
22 allotted as the percentage of students enrolled
23 in schools served by low-income local edu-
24 cational agencies in the State bears to the total
25 of such percentages for all the States.

1 (B) LOWEST CALCULATION.—From such
2 amount, the Secretary shall allot to each State
3 within the lowest one-third averaged freshman
4 graduation rate an amount that bears the same
5 ratio to 25 percent of the sums being allotted
6 as the number of students enrolled in high
7 schools in the State bears to the total of such
8 students in all of such States within the lowest
9 one-third averaged freshman graduation rate.

10 (C) MIDDLE CALCULATION.—From such
11 amount, the Secretary shall allot to each State
12 within the middle one-third averaged freshman
13 graduation rate an amount that bears the same
14 ratio to 15 percent of the sums being allotted
15 as the number of students enrolled in high
16 schools in the State bears to the total of such
17 students in all of such States within the middle
18 one-third averaged freshman graduation rate.

19 (D) HIGHEST CALCULATION.—From such
20 amount, the Secretary shall allot to each State
21 within the highest one-third averaged freshman
22 graduation rate an amount that bears the same
23 ratio to 10 percent of the sums being allotted
24 as the number of students enrolled in high
25 schools in the State bears to the total of such

1 students in all of such States within the highest
2 one-third averaged freshman graduation rate.

3 (3) REALLOTMENT.—If any State does not
4 apply for an allotment under this subsection for any
5 fiscal year, the Secretary shall reallocate the amount of
6 the allotment to the remaining States in accordance
7 with this subsection.

8 (4) MATCHING FUNDS.—A State educational
9 agency that receives a grant under this title shall
10 provide matching funds, from non-Federal sources,
11 in an amount equal to 25 percent of the amount of
12 grant funds provided to the State under this title
13 (which may be provided in cash or in-kind, but not
14 more than 10 percent of the amount of grant funds
15 may be provided in-kind) to carry out the activities
16 supported by the grant. In-kind contributions shall
17 be directed toward supporting State educational
18 agency technical assistance efforts or the operation
19 of the State's differentiated high school improvement
20 system.

21 (5) FIVE-YEAR PERIOD.—Allotments deter-
22 mined under this section shall determine allotments
23 for the next consecutive five years.

24 **SEC. 106. SECRETARIAL PEER REVIEW AND APPROVAL.**

25 (a) IN GENERAL.—The Secretary shall—

1 (1) establish a peer-review process to assist in
2 the review and approval of State plans;

3 (2) appoint individuals to the peer-review proc-
4 ess who are educators and experts in educational
5 standards, assessments, accountability, high school
6 improvement, dropout prevention, and other edu-
7 cational needs of high school students;

8 (3) approve a State plan submitted under this
9 title not later than 120 days after the date of the
10 submission of the plan unless the Secretary deter-
11 mines that the plan does not meet the requirements
12 of this title;

13 (4) if the Secretary determines that the State
14 plan does not meet the requirements of this title, im-
15 mediately notify the State of such determination and
16 the reasons for such determination;

17 (5) not decline to approve a State's plan be-
18 fore—

19 (A) offering the State an opportunity to
20 revise the State's plan;

21 (B) providing the State with technical as-
22 sistance in order to submit a successful applica-
23 tion; and

24 (C) providing a hearing to the State; and

1 (6) have the authority to disapprove a State
2 plan for not meeting the requirements of this title.

3 (b) STATE REVISIONS.—A State plan shall be revised
4 by the State educational agency if required to do so by
5 the Secretary to satisfy the requirements of this title.

6 (c) ACCURACY.—In approving a State plan, the Sec-
7 retary shall ensure that—

8 (1) the process the State educational agency
9 proposes for differentiating school improvement ac-
10 tions under section 109(b)(4) will assign high
11 schools to each category in such a way that accu-
12 rately identifies schools and leads to the implementa-
13 tion of the interventions necessary to meet student
14 needs; and

15 (2) the minimum expected growth targets pro-
16 posed by the State educational agency under section
17 109(b)(2)(B) are meaningful, achievable, and dem-
18 onstrate continuous and substantial progress.

19 **SEC. 107. TECHNICAL ASSISTANCE.**

20 If the Secretary determines that a State does not
21 have the capacity to carry out high school improvement
22 activities, the Secretary shall offer technical assistance to
23 carry out such activities to States directly or through con-
24 tracts with technical assistance providers.

1 **SEC. 108. DIFFERENTIATED HIGH SCHOOL IMPROVEMENT**
2 **SYSTEM.**

3 (a) IN GENERAL.—A State educational agency that
4 receives a grant under this title shall use such funds to
5 establish or expand differentiated high school improve-
6 ment systems.

7 (b) SYSTEM REQUIREMENTS.—The systems de-
8 scribed in subsection (a) shall be designed to do the fol-
9 lowing:

10 (1) IDENTIFY HIGH-PRIORITY HIGH SCHOOLS.—
11 The system shall be designed to identify high-pri-
12 ority high schools within the State.

13 (2) DIFFERENTIATE SCHOOL IMPROVEMENT
14 ACTIONS.—The system shall be designed to differen-
15 tiate school improvement actions based on the
16 amount and type of supports necessary to improve
17 student achievement and graduation rates in high
18 schools within the State.

19 (3) LOCALLY DRIVEN IMPROVEMENT PLANS.—
20 The system shall be designed to provide resources to
21 support evidence-based activities chosen by local
22 school improvement teams and based on school per-
23 formance data.

24 (4) TARGET FUNDS.—The system shall be de-
25 signed to target resources and support to those high-
26 priority high schools within the State.

1 (5) RECOGNIZE PROGRESS.—The system shall
2 be designed to ensure that high schools making
3 progress on school performance indicators continue
4 to implement effective school improvement strategies
5 identified in their current school improvement plan.

6 (6) DEMONSTRATE COMMITMENT.—The system
7 shall be designed to ensure that high-priority high
8 schools making progress on school performance indi-
9 cators continue to have the resources and supports
10 necessary to continue improving high school gradua-
11 tion rates and student achievement.

12 (7) BUILD CAPACITY.—The system shall be de-
13 signed to build the capacity of the State educational
14 agencies and local educational agencies to assist in
15 improving student achievement and graduation rates
16 in high-priority high schools.

17 **SEC. 109. STATE APPLICATION TO DEVELOP DIFFEREN-**
18 **TIATED HIGH SCHOOL IMPROVEMENT SYS-**
19 **TEMS.**

20 (a) IN GENERAL.—

21 (1) IN GENERAL.—For a State to be eligible to
22 receive a grant under this title, the State educational
23 agency shall submit an application to the Secretary
24 at such time, in such manner, and containing such

1 information as the Secretary may reasonably re-
2 quire.

3 (2) REVISED APPLICATION.—The State edu-
4 cational agency shall submit a revised application
5 every 5 years based on an evaluation of the activities
6 conducted under this title.

7 (b) CONTENTS.—Each application submitted under
8 this section shall include the following:

9 (1) SCHOOL IMPROVEMENT PROCESS.—The
10 State educational agency shall describe how the
11 State educational agency will use funds authorized
12 under this title to establish or expand a high school
13 improvement system described in sections 108 and
14 110.

15 (2) SCHOOL PERFORMANCE INDICATORS.—

16 (A) IN GENERAL.—The State educational
17 agency shall define, in consultation with rep-
18 resentatives from urban, suburban, and rural
19 school districts, a set of comprehensive school
20 performance indicators that shall be used, in
21 addition to the indicators used to determine
22 adequate yearly progress, to analyze school per-
23 formance, determine the amount and type of
24 support the school needs, and guide the school
25 improvement process.

1 (B) INDICATORS.—The State educational
2 agency shall define and use a comprehensive set
3 of school performance indicators that dem-
4 onstrate that a high school is making substan-
5 tial and continuous progress towards grad-
6 uating all its students prepared for success in
7 college and careers. The indicators must either
8 directly measure student achievement and ad-
9 vancement in high school, or have been dem-
10 onstrated by research to have a direct impact
11 on high school student achievement and ad-
12 vancement.

13 (C) CATEGORIES.—The comprehensive set
14 of school performance indicators required by
15 subparagraph (A) shall be defined as follows:

16 (i) INDICATORS OF HIGH SCHOOL
17 STUDENT ENGAGEMENT AND EFFORT.—
18 With respect to high school student en-
19 gagement and effort, the indicators—

20 (I) shall include—

21 (aa) student attendance
22 rates; and

23 (bb) percentage of student
24 suspensions and expulsions; and

25 (II) may also include—

1 (aa) surveys of high school
2 student engagement and effort;
3 or

4 (bb) other indicators of stu-
5 dent engagement proposed by the
6 State educational agency and ap-
7 proved by Secretary as part of
8 the peer-review process described
9 in section 110.

10 (ii) INDICATORS OF STUDENT AD-
11 VANCEMENT.—With respect to student
12 achievement, the indicators—

13 (I) shall include—

14 (aa) either—

15 (AA) earned on-time
16 promotion rates from grade
17 to grade; or

18 (BB) percent of stu-
19 dents who have on-time
20 credit accumulation at the
21 end of each grade; and

22 (bb) percent of students fail-
23 ing a core, credit-bearing, read-
24 ing or language arts, or science

1 course, or failing two or more of
2 any course; and

3 (II) may also include—

4 (aa) measures of college en-
5 rollment, retention, persistence,
6 and attainment;

7 (bb) measures of employ-
8 ment success; or

9 (cc) other indicators of stu-
10 dent advancement proposed by
11 the State educational agency and
12 approved by Secretary as part of
13 the peer-review process described
14 in section 110.

15 (iii) INDICATORS OF EDUCATOR QUAL-
16 ITY.—With respect to educator quality, the
17 indicators—

18 (I) shall include—

19 (aa) measures of teacher at-
20 tendance, vacancies, and turn-
21 over; and

22 (bb) percent of highly quali-
23 fied teachers, particularly in the
24 9th grade or first year of high
25 school; and

1 (II) may also include other indi-
2 cators of educator quality proposed by
3 the State educational agency and ap-
4 proved by Secretary as part of the
5 peer-review process described in sec-
6 tion 110.

7 (iv) INDICATORS OF ACADEMIC
8 LEARNING.—With respect to academic
9 learning, the indicators—

10 (I) shall include—

11 (aa) percent of students tak-
12 ing a college-preparatory cur-
13 riculum, which may include per-
14 cent of students taking Advanced
15 Placement, International Bacca-
16 laureate course, or college
17 courses taken for dual credit; and

18 (bb) student success on
19 state or district end-of-course
20 exams or performance-based as-
21 sessments with standardized
22 scoring rubrics lined to state
23 standards, where available; and

24 (II) may also include—

1 (aa) student success on col-
2 lege entrance and placement
3 exams such as ACT, SAT, or
4 AP; or

5 (bb) other indicators of aca-
6 demic learning proposed by the
7 State educational agency and ap-
8 proved by Secretary as part of
9 the peer-review process described
10 in section 110.

11 (D) ASSURANCES.—

12 (i) OUTCOME-BASED.—The State edu-
13 cational agency must ensure that the
14 school performance indicators defined and
15 used to meet the requirements of subpara-
16 graph (A) are outcome-based and do not
17 create unintended incentives that are in-
18 consistent with the purposes of this Act.

19 (ii) DEMONSTRATION OF CAPACITY.—
20 The State educational agency must dem-
21 onstrate its capacity to collect, report, and
22 use the indicators defined and used to
23 meet the requirements of subparagraph
24 (A), including through use of statewide
25 longitudinal data system.

1 (E) EXPECTED GROWTH.—The State edu-
2 cational agency shall define a minimum percent
3 of expected annual growth for each school per-
4 formance indicator that demonstrates contin-
5 uous and substantial progress.

6 (3) CAPACITY EVALUATIONS.—

7 (A) STATE EDUCATIONAL AGENCY AND
8 LOCAL EDUCATIONAL AGENCY CAPACITY.—The
9 State educational agency shall describe how it
10 will evaluate and ensure that the State edu-
11 cational agency and local educational agency
12 have sufficient capacity to improve high-priority
13 high schools.

14 (B) HIGH SCHOOL CAPACITY AND NEEDS
15 ASSESSMENT.—The State educational agency
16 shall describe how it will ensure that each high
17 school that does not make adequate yearly
18 progress for 2 consecutive years will undergo a
19 capacity and needs assessment as described in
20 section 111(e) and use such information to as-
21 sist in determining the amount of the subgrant
22 awarded under section 110(f).

23 (4) DIFFERENTIATED SCHOOL IMPROVE-
24 MENT.—The State educational agency shall describe
25 how data from the school performance indicators de-

1 scribed in paragraph (2) and indicators used to de-
2 termine adequate yearly progress will be used by
3 local educational agencies as criteria for placing high
4 schools that do not make adequate yearly progress
5 for 2 consecutive years into one of the following
6 school improvement categories:

7 (A) SCHOOLS NEEDING TARGETED INTER-
8 VENTIONS.—High schools whose school per-
9 formance indicators demonstrate a need for tar-
10 geted interventions to improve student out-
11 comes and make adequate yearly progress.

12 (B) SCHOOLS NEEDING WHOLE SCHOOL
13 REFORMS.—High schools whose school perform-
14 ance indicators demonstrate a need for com-
15 prehensive schoolwide reform to improve stu-
16 dent outcomes and make adequate yearly
17 progress.

18 (C) SCHOOLS NEEDING REPLACEMENT.—
19 High schools whose school performance indica-
20 tors demonstrate a need for replacement, as de-
21 scribed in section 112(d).

22 (D) SPECIAL RULE.—States may propose
23 systems of differentiation aligned with their ex-
24 isting State accountability systems that include
25 additional categories.

1 (E) RULE OF CONSTRUCTION.—Notwith-
2 standing any other provision of law, for pur-
3 poses of this title, a high school shall be des-
4 ignated as a school in need of whole school re-
5 form or as a school in need of replacement in
6 the case that such high school has—

7 (i) a graduation rate of 60 percent or
8 less; or

9 (ii) achievement levels below the initial
10 baseline for measuring the percentage of
11 students meeting or exceeding the State’s
12 proficient level of academic achievement in
13 either mathematics or English or language
14 arts in accordance with section
15 1111(b)(2)(E) of the Elementary and Sec-
16 ondary Education Act of 1965 (20 U.S.C.
17 6311(b)(2)(E)).

18 (5) STATE REVIEW OF LOCAL EDUCATIONAL
19 AGENCY PLANS.—The State educational agency shall
20 describe the following:

21 (A) REVIEW LOCAL EDUCATIONAL AGENCY
22 PLANS.—The State educational agency shall de-
23 scribe how it will collect and review high school
24 improvement plans of local educational agencies
25 using the peer-review process described in sec-

1 tion 110(b) submitted by local educational
2 agencies in accordance with section 111(e).

3 (B) ALLOCATION OF SUBGRANTS.—The
4 State educational agency shall describe how it
5 will award subgrants to local educational agen-
6 cies using the peer-review process described in
7 section 110(b) in accordance with section
8 110(f).

9 (C) MONITORING OF SCHOOL IMPROVE-
10 MENT PLANS.—The State educational agency
11 shall describe how it will review and monitor
12 the implementation of high school improvement
13 plans of high schools that do not meet the ex-
14 pected growth targets set in accordance with
15 paragraph (2)(B) and defined in the school im-
16 provement plan described in section 111(d).

17 (D) PROVIDE TECHNICAL ASSISTANCE.—

18 (i) IN GENERAL.—The State edu-
19 cational agency shall describe how it will
20 provide technical assistance to local edu-
21 cational agencies and high schools that
22 need support to implement high school im-
23 provement plans described in section
24 111(d) and improve graduation rates and
25 student achievement, including through the

1 use of technical assistance providers, where
2 appropriate.

3 (ii) SCHOOL IMPROVEMENT TEAMS.—

4 The State educational agency shall de-
5 scribe how it will assist school improve-
6 ment teams described in section 111(b),
7 when needed, including how it will—

8 (I) support and provide resources
9 and training to school improvement
10 teams;

11 (II) allocate staff to participate
12 on school improvement teams;

13 (III) provide technical assistance
14 to the school improvement teams; and

15 (IV) ensure that the school im-
16 provement teams have access to tech-
17 nical assistance providers when need-
18 ed.

19 (6) DEMONSTRATION OF COMMITMENT.—The
20 State educational agency shall demonstrate how it
21 will provide ongoing support to high schools that
22 need targeted interventions, whole school reforms
23 and replacement, and are making progress on school
24 performance indicators, to ensure continued im-

1 provement, including the availability of funds from
2 non-Federal sources.

3 (7) DATA AND EARLY INDICATOR WARNING
4 SYSTEMS.—The State educational agency shall dem-
5 onstrate—

6 (A) how its statewide data system has the
7 ability to meet the requirements of this Act;
8 and

9 (B) how it will work with local educational
10 agencies with low graduation rates to develop
11 early indicator warning systems at the State or
12 local level consisting of factors used to identify
13 students who are struggling academically and
14 have poor attendance records or have been sus-
15 pended in or before the middle grades or are
16 likely to struggle in high school or to not grad-
17 uate and, where appropriate, provide supports
18 to get such students back on track.

19 (8) EVALUATION OF SUCCESS.—The State edu-
20 cational agency shall describe how, every 5 years, it
21 will evaluate how the activities assisted under this
22 title have been successful in improving student
23 achievement and outcomes of the cohort of students
24 that entered 9th grade 4 years earlier.

1 **SEC. 110. STATE EDUCATIONAL AGENCY USE OF FUNDS.**

2 (a) IN GENERAL.—A State educational agency that
3 receives a grant under section 105—

4 (1) may reserve not more than 10 percent of
5 the grant funds to carry out the activities under this
6 title;

7 (2) shall use not less than 90 percent of the
8 grant funds to make subgrants to local educational
9 agencies in accordance with subsection (b); and

10 (3) shall use not less than 80 percent of the
11 grant funds to make subgrants to local educational
12 agencies serving high priority high schools needing
13 whole school reform or replacement, unless the State
14 educational agency can demonstrate to the Secretary
15 that all high priority high schools needing whole
16 school reform or replacement are receiving sufficient
17 funding to implement their school improvement
18 plans.

19 (b) STATE EDUCATIONAL AGENCY PEER REVIEW.—
20 A State educational agency that receives a grant under
21 this title shall review applications submitted under section
22 111 and make awards in accordance with subsection (f)
23 with the assistance and advice of a panel who are edu-
24 cators and experts in—

25 (1) educational standards, assessments, and ac-
26 countability;

- 1 (2) high school improvement;
- 2 (3) dropout prevention; and
- 3 (4) other educational needs of high school stu-
- 4 dents.

5 (c) ACCURACY.—The State educational agency, in
6 consultation with the panel described in subsection (b),
7 shall ensure the local educational agency has designated
8 the school improvement category described in section
9 109(b)(4) for each high school served by the local edu-
10 cational agency that did not make adequate yearly
11 progress for 2 consecutive years in such a way that accu-
12 rately identifies schools and leads to the implementation
13 of the interventions necessary to meet student needs.

14 (d) OPPORTUNITY TO REVISE.—If the State edu-
15 cational agency, in consultation with the panel described
16 in subsection (b), determines that the local educational
17 agency’s application does not meet the requirements of
18 this title, the State educational agency shall immediately
19 notify the local educational agency of such determination
20 and the reasons for such determination, and offer—

- 21 (1) the local educational agency an opportunity
- 22 to revise the application; and
- 23 (2) technical assistance to the local educational
- 24 agency to revise the application.

1 (e) TECHNICAL ASSISTANCE.—The State educational
2 agency shall provide technical assistance to a local edu-
3 cational agency requesting such assistance in preparing
4 the application and needs assessment required under sec-
5 tion 111.

6 (f) AWARD OF SUBGRANTS TO LOCAL EDUCATIONAL
7 AGENCIES.—

8 (1) IN GENERAL.—A State educational agency
9 that receives a grant under this title shall award
10 subgrants to local educational agencies with applica-
11 tions approved on the basis of—

12 (A) the quality of the plan to improve stu-
13 dent graduation rates and student achievement
14 in high schools that have not made adequate
15 yearly progress for 2 consecutive years; and

16 (B) the capacity of the local educational
17 agency to implement the plan.

18 (2) AMOUNT.—A subgrant under this section
19 shall be awarded in an amount that is based on—

20 (A) the number and size of high schools
21 served by the local educational agency need-
22 ing—

23 (i) targeted interventions;

24 (ii) whole school reforms; and

25 (iii) replacement;

1 (B) the types of reforms or interventions
2 proposed;

3 (C) the resources available to the high
4 schools to implement the reforms or interven-
5 tions proposed;

6 (D) the resources available to the local
7 educational agency to implement the reforms or
8 interventions proposed; and

9 (E) a State-established prioritization of
10 local educational agencies, based on school im-
11 provement needs and existing resources of that
12 local educational agency and the high schools
13 within that local educational agency.

14 (3) PRIORITY.—The State educational agency
15 shall first award subgrants to local educational agen-
16 cies serving high schools needing whole school re-
17 forms and replacement. The State educational agen-
18 cy shall ensure that local educational agencies re-
19 ceive funding adequate to fulfill the school improve-
20 ment needs outlined in the local educational agen-
21 cies' improvement plans, approved by the State edu-
22 cational agency, allocated according to paragraph
23 (2)(E). The State educational agency shall award re-
24 maining subgrant funds to local educational agencies
25 serving high schools needing targeted interventions.

1 (g) **AUTHORITY TO INTERVENE.**—The State edu-
2 cational agency may intervene to develop or implement the
3 high school improvement plans or enter into contracts with
4 technical assistance providers to assist local educational
5 agencies with the development and implementation of high
6 school improvement plans if the State educational agency
7 determines that—

8 (1) a local educational agency serving high
9 schools that need improvement has not submitted an
10 application described in section 111(f); or

11 (2) a local educational agency does not have the
12 capacity to implement high school improvement ac-
13 tivities described in the submitted school improve-
14 ment plan.

15 (h) **IMPLEMENTATION OF STATE EDUCATIONAL**
16 **AGENCY APPLICATION.**—The State educational agency
17 shall use funds under this title to carry out the activities
18 included in the application described in section 109.

19 (i) **SUPPLEMENT, NOT SUPPLANT.**—A State edu-
20 cational agency that receives a grant under this title shall
21 use the grant funds to supplement, and not supplant, Fed-
22 eral and non-Federal funds available to high schools.

1 **SEC. 111. LOCAL EDUCATIONAL AGENCY IMPLEMENTATION**
2 **OF SCHOOL IMPROVEMENT SYSTEM.**

3 (a) **DISTRICT-WIDE HIGH SCHOOL IMPROVEMENT.**—
4 A local educational agency that applies for a subgrant
5 under this title shall develop, lead, and implement a dis-
6 trict-wide approach to high school improvement that in-
7 cludes the following activities:

8 (1) **DIFFERENTIATE HIGH SCHOOLS.**—The local
9 educational agency shall designate the category of
10 high school improvement, as described in section
11 109(b)(4), using data from the school performance
12 indicators as criteria, as prescribed by the State
13 educational agency, for each high school served by
14 such agency that does not make adequate yearly
15 progress for 2 consecutive years.

16 (2) **SCHOOL IMPROVEMENT TEAMS.**—

17 (A) **IN GENERAL.**—The local educational
18 agency shall convene a school improvement
19 team for each high school served by such agen-
20 cy that does not make adequate yearly progress
21 for 2 consecutive years and is assigned to one
22 of the school improvement categories defined in
23 section 109(b)(4), which—

24 (i) shall include—

25 (I) the building principal;

1 (II) teachers representing dif-
2 ferent grade levels or disciplines;

3 (III) local educational agency
4 staff;

5 (IV) parents, including parents of
6 students who have low graduation
7 rates;

8 (V) community representatives,
9 including representatives of nonprofit
10 organizations serving young people
11 and the business community; and

12 (VI) pupil service representatives;
13 and

14 (ii) may include—

15 (I) technical assistance providers,
16 where appropriate; and

17 (II) State educational agency
18 staff when requested by the local edu-
19 cational agency or assigned by the
20 State educational agency.

21 (B) COLLABORATION.—The local edu-
22 cational agency shall ensure collaboration—

23 (i) of school improvement teams with
24 personnel of middle schools served by the
25 local educational agency whose students go

1 on to attend high schools that are des-
2 ignated as in need of targeted assistance,
3 whole school reform, or replacement, where
4 appropriate; and

5 (ii) between school improvement
6 teams working at different high schools
7 served by the local educational agency, in-
8 cluding those that have made adequate
9 yearly progress, to the extent appropriate.

10 (3) DEVELOP STUDENT INDICATORS.—The
11 local educational agency shall develop a set of indica-
12 tors to determine the number and percentage of stu-
13 dents who begin high school at high risk for not
14 graduating high school with a regular diploma and
15 describe how the school improvement team will use
16 such indicators to determine the type and intensity
17 of supports each student needs. Such indicators shall
18 include the number and percentage of students in
19 grade 9 who—

20 (A) in grade 8 and grade 9—

21 (i) failed a credit-bearing mathematics
22 or reading or language arts course, or two
23 or more of any course;

24 (ii) attended school less than 90 per-
25 cent of the required time; and

- 1 (iii) received an out-of-school suspen-
2 sion;
3 (B) repeat grade 9;
4 (C) enter grade 9 over the average age; or
5 (D) have experienced interrupted formal
6 education.

7 (4) DEVELOP HIGH SCHOOL IMPROVEMENT
8 PLANS.—The school improvement team convened
9 under paragraph (2) shall use data from the school
10 performance indicators, the student indicators,
11 measures used to determine adequate yearly
12 progress, the capacity and needs assessment de-
13 scribed in paragraph (5), and other relevant data
14 and knowledge of the school to develop a multiyear
15 school improvement plan for each school. Such plan
16 shall—

17 (A) identify annual benchmarks for school
18 performance indicators that meet or exceed the
19 minimum percentage of expected growth de-
20 fined by the State educational agency in section
21 109(b)(2)(B);

22 (B) define the evidence-based academic
23 and nonacademic interventions and resources
24 necessary to meet annual benchmarks and
25 make adequate yearly progress;

1 (C) identify the roles of the State edu-
2 cational agency, the local educational agency,
3 the school, and technical assistance providers
4 and service providers, as appropriate, in pro-
5 viding identified interventions and resources
6 necessary to meet annual benchmarks and
7 make adequate yearly progress;

8 (D) provide for the involvement of business
9 and community organizations and other enti-
10 ties, including parents and institutions of high-
11 er education, in the activities to be assisted
12 under this title;

13 (E) describe and direct the use of—

14 (i) any additional funding to be pro-
15 vided by the State educational agency, the
16 local educational agency, or other sources;
17 and

18 (ii) technical assistance providers,
19 where appropriate; and

20 (F) take into consideration high schools'
21 reform history and current reform initiatives.

22 (5) HIGH SCHOOL CAPACITY AND NEEDS AS-
23 SESSMENT.—

24 (A) IN GENERAL.—To be eligible to receive
25 a subgrant under this title, a local educational

1 agency shall submit, with the application de-
2 scribed in subsection (b), to the State edu-
3 cational agency a capacity and needs assess-
4 ment for each high school served by such agen-
5 cy that does not make adequate yearly progress
6 for 2 consecutive years.

7 (B) ASSESSMENT.—The assessment under
8 subparagraph (A) shall be conducted by a
9 school improvement team described in para-
10 graph (2) and the local educational agency and
11 shall include—

12 (i) a description and analysis of the
13 school’s capacity to implement needed
14 school improvement activities identified in
15 the school improvement plan, including an
16 analysis of—

17 (I) the number, experience, train-
18 ing level, responsibilities, and stability
19 of existing administrative, instruc-
20 tional, and non-instructional staff for
21 each high school to be assisted;

22 (II) a review of the budget, in-
23 cluding how Federal, State, and local
24 funds are currently being spent for in-
25 struction and operations at the school

1 level for staff salaries, instructional
2 materials, professional development,
3 and student support services to estab-
4 lish the extent to which existing re-
5 sources need to and can be reallocated
6 to support the needed school improve-
7 ment activities; and

8 (ii) additional resources and staff nec-
9 essary to implement the needed school im-
10 provement activities described in section
11 112; and

12 (iii) an analysis of the local edu-
13 cational agency's capacity to provide tech-
14 nical assistance, additional staff, and re-
15 sources to implement the school improve-
16 ment plan to improve high school perform-
17 ance.

18 (C) REQUIREMENTS.—The information
19 provided in the capacity and needs assessment,
20 in coordination with the school improvement
21 plan and understanding of schools' prior or cur-
22 rent reform history, shall be used to determine
23 the level and direct the use of—

1 (i) funds requested by the local edu-
2 cational agency for each high school to be
3 assisted under this title;

4 (ii) any additional funding to be pro-
5 vided by the State educational agency, the
6 local educational agency, or other sources;
7 and

8 (iii) technical assistance providers,
9 where appropriate.

10 (6) IMPLEMENT HIGH SCHOOL IMPROVE-
11 MENT.—The local educational agency shall use funds
12 to—

13 (A) ensure the implementation of the high
14 school improvement plans;

15 (B) provide targeted interventions for feed-
16 er middle schools by implementing research-
17 and evidence-based interventions to improve
18 middle schools served by such agency whose
19 students go on to attend high schools served by
20 the local educational agency that need whole
21 school reforms or high schools served by the
22 local educational agency that need replacement;

23 (C) establish an early indicator warning
24 system consisting of factors used to identify
25 students who are struggling academically and

1 have poor attendance records or have been sus-
2 pended in or before the middle grades or are
3 likely to struggle in high school or to not grad-
4 uate and provide supports to get such students
5 back on track;

6 (D) provide options to high school students
7 served by the local educational agency, such
8 as—

9 (i) programs for credit recovery for
10 overage or under-credited students; and

11 (ii) secondary-postsecondary learning
12 opportunities, including dual enrollment
13 programs and early college high schools;
14 and

15 (E) provide for the involvement of parents,
16 business and community organizations, includ-
17 ing institutions of higher education, in the high
18 school improvement activities.

19 (7) ENSURE CONTINUOUS HIGH SCHOOL IM-
20 PROVEMENT.—

21 (A) IN GENERAL.—The local educational
22 agency shall ensure the continuous improve-
23 ment of high schools by evaluating the progress
24 of high schools in making the continuous and
25 substantial progress as defined in the school im-

1 provement plan in accordance with the min-
2 imum expected growth set by the State edu-
3 cational agency in section 109(b)(2)(B) and de-
4 termining whether the high school is on track
5 or not on track as provided in subparagraphs
6 (A) and (B).

7 (B) ON TRACK.—Each high school that is
8 meeting the annual benchmarks as defined in
9 the school improvement plan shall continue to
10 implement school improvement activities in ac-
11 cordance with the school improvement plan.

12 (C) NOT ON TRACK.—For each high school
13 that is not meeting the annual benchmarks as
14 defined in the school improvement plan, the
15 local educational agency shall—

16 (i) after 1 year, review the school im-
17 provement plan, and develop and imple-
18 ment a new plan, as appropriate;

19 (ii) after 2 years, redesignate the
20 school into a different school improvement
21 category, as described in section 109(b)(4),
22 either—

23 (I) as a school in need of whole
24 school reform; or

1 (II) as a school in need of re-
2 placement; and

3 (iii) develop and submit to the State
4 educational agency for review a new school
5 improvement plan, as appropriate.

6 (8) ASSURANCES.—The local educational agen-
7 cy shall ensure that high schools receiving additional
8 students due to other high schools being replaced
9 will have sufficient capacity, resources, and funding
10 to deliver a high quality education to those students.

11 (b) APPLICATION.—

12 (1) IN GENERAL.—To be eligible to receive a
13 subgrant under this title, a local educational agen-
14 cy—

15 (A) shall submit an application to the
16 State educational agency at such time, in such
17 manner, and containing such information as the
18 State educational agency may reasonably re-
19 quire; and

20 (B) may request technical assistance from
21 the State educational agency in preparing the
22 application and the capacity and needs assess-
23 ment required by subsection (a)(5).

24 (2) CONTENTS.—Each application submitted
25 under this section shall use data from the capacity

1 and needs assessment required by subsection (a)(5)
2 and shall include the following:

3 (A) A description of how the local edu-
4 cational agency used data from the school per-
5 formance indicators as criteria to designate the
6 school improvement category described in sec-
7 tion 109(b)(4) for each high school served by
8 such agency that did not make adequate yearly
9 progress for 2 consecutive years.

10 (B) An identification of each high school
11 served by the local educational agency that did
12 not make adequate yearly progress for 2 con-
13 secutive years and the designation of the school
14 improvement category for each such school, as
15 described in section 109(b)(4).

16 (C) A description of the activities to be
17 carried out by the local educational agency
18 under this title and a description of how the ac-
19 tivities will be research-based and an expla-
20 nation of why the activities are expected to im-
21 prove student achievement and increase gradua-
22 tion rates.

23 (D) An assurance that the local edu-
24 cational agency will use funds authorized under
25 this title and received from the State edu-

1 cational agency first to meet the needs of high
2 schools served by the local educational agency
3 that need whole school reforms or high schools
4 served by the local educational agency that need
5 replacement.

6 (E) An assurance that the local edu-
7 cational agency shall provide ongoing support
8 and resources to high schools that need whole
9 school reforms and that need replacement, and
10 are making progress on school performance in-
11 dicators, to ensure continued improvement.

12 (F) A description of how the local edu-
13 cational agency will increase its capacity to im-
14 prove high schools with low student achieve-
15 ment and graduation rates.

16 (c) SUPPLEMENT, NOT SUPPLANT.—A local edu-
17 cational agency that receives a subgrant under this title
18 shall use the subgrant funds to supplement, and not sup-
19 plant, Federal and non-Federal funds available for high
20 schools.

21 (d) MATCHING FUNDS.—

22 (1) IN GENERAL.—A local educational agency
23 receiving a grant under this title shall provide
24 matching funds, from non-Federal sources, in an
25 amount equal to not less than 15 percent of the

1 total subgrant award for the local educational agen-
2 cy, which may be provided in cash or in-kind, to pro-
3 vide technical assistance to high schools served by
4 the local educational agency in developing their high
5 school improvement plans, conducting the capacity
6 and needs assessment, and in implementing and
7 monitoring the implementation of the high school
8 improvement plans.

9 (2) **WAIVER.**—The Secretary may waive all or
10 part of the matching requirement described in para-
11 graph (1) for any fiscal year for a local educational
12 agency if the Secretary determines that applying the
13 matching requirement to such local educational
14 agency would result in serious hardship or an inabil-
15 ity to carry out the authorized activities described in
16 section 110.

17 **SEC. 112. SCHOOL IMPROVEMENT ACTIVITIES.**

18 (a) **IN GENERAL.**—Each school improvement team
19 convened as described in section 111 shall ensure that the
20 school improvement activities developed under the school
21 improvement plan are implemented.

22 (b) **TARGETED INTERVENTIONS.**—A high school or
23 local educational agency, as determined by the school im-
24 provement team, shall implement research-based targeted
25 interventions, using data from the school performance and

1 student indicators and capacity evaluations for schools
2 identified for such interventions pursuant to section 111.
3 The targeted interventions shall be designed, at a min-
4 imum, to address the specific problems identified by the
5 indicators.

6 (c) WHOLE SCHOOL REFORMS.—The local edu-
7 cational agency or State educational agency, with tech-
8 nical assistance from technical assistance providers, as de-
9 termined by the school improvement team, shall imple-
10 ment research-based whole school reforms, using data
11 from the school performance indicators (as described in
12 section 109(b)(2)) and capacity evaluations (as described
13 in section 109(b)(3)), to schools designated as needing
14 whole school reform pursuant to section 111. Such re-
15 forms—

16 (1) shall address the comprehensive aspects of
17 high school reform, such as—

18 (A) attendance;

19 (B) student engagement, behavior, and ef-
20 fort;

21 (C) academic success; and

22 (D) teacher and administrator skill and
23 collaboration;

24 (2) shall address resource allocation, includ-
25 ing—

- 1 (A) student supports;
- 2 (B) teacher and staff support;
- 3 (C) materials and equipment;
- 4 (D) time for collaboration; and
- 5 (E) the use of data;

6 (3) shall be designed to address—

- 7 (A) the multiple layers of school improve-
- 8 ment demonstrated by research and best prac-
- 9 tice;
- 10 (B) schoolwide needs;
- 11 (C) students who need targeted assistance;

12 and

- 13 (D) students who need intensive interven-
- 14 tions;

15 (4) shall include activities that serve to—

- 16 (A) personalize the school experience, in-
- 17 crease student engagement, attendance, and ef-
- 18 fort, and enable schools to provide the level and
- 19 intensity of student support needed, by creating
- 20 constructs, such as—

- 21 (i) smaller schools or smaller units
- 22 within schools with their own leadership,
- 23 such as 9th grade transition programs or
- 24 academies, and upper grade programs or
- 25 academies, including career academies;

1 (ii) thematic small-learning commu-
2 nities;

3 (iii) teams of teachers who work ex-
4 clusively with small groups of students;

5 (iv) using extended periods, such as
6 block scheduling, to reduce the number of
7 students for whom teachers are responsible
8 and the number of courses students are
9 taking at any one time; and

10 (v) one-on-one counseling for students
11 at risk of not graduating on time with a
12 standard diploma to develop and imple-
13 ment an individual graduation plan that
14 will define each student's career and edu-
15 cation goals, ensure enrollment in the
16 coursework necessary for graduation and
17 preparation for postsecondary education
18 and work, and identify the courses and
19 supplemental services necessary to meet
20 those goals;

21 (B) improve curriculum and instruction,
22 such as—

23 (i) implementing a college- and work-
24 ready curriculum for all students;

1 (ii) adopting well-designed curriculum
2 and instructional materials aligned to high
3 academic standards for all students, in-
4 cluding students with diverse learning
5 needs;

6 (iii) offering extended learning oppor-
7 tunities, both in school and through after-
8 school and summer programs;

9 (iv) emphasizing intensive core aca-
10 ademic preparation and college and work-
11 ready skills development;

12 (v) increasing rigor through advanced
13 placement courses, international bacca-
14 laureate courses, dual enrollment, and
15 early college high schools opportunities;

16 (vi) creating contextual learning op-
17 portunities aligned with college and work
18 readiness, such as through a high-quality
19 career and technical education (as defined
20 in section 3 of the Carl D. Perkins Career
21 and Technical Education Act of 2006 (20
22 U.S.C. 2302)) option for upper grades;

23 (vii) collecting and using comprehen-
24 sive data, including formative assessments;

- 1 (viii) offering mentoring and tutoring;
2 and
3 (ix) implementing pedagogies that ac-
4 tively engage students in the learning proc-
5 ess;
6 (C) increase teacher and principal effec-
7 tiveness through activities such as—
8 (i) providing teacher and adminis-
9 trator supports and research-based, ongo-
10 ing professional development tied to needs
11 identified in the school improvement plan;
12 (ii) providing regular opportunities for
13 teachers of core academic subjects to—
14 (I) meet together in both subject
15 area and interdisciplinary groups;
16 (II) review student achievement
17 data; and
18 (III) plan instruction;
19 (iii) implementing a schoolwide lit-
20 eracy or mathematics plan that may in-
21 clude hiring literacy or mathematics coach-
22 es;
23 (iv) developing administrator learning
24 networks and supports; and

- 1 (v) developing professional commu-
2 nities to foster collaboration and distribute
3 responsibility for school improvement ac-
4 tivities across the staff;
- 5 (D) increase student supports, such as—
- 6 (i) student advisories;
- 7 (ii) 9th grade transition programs;
- 8 (iii) credit completion recovery pro-
9 grams;
- 10 (iv) additional counselors, social work-
11 ers, and mental and behavioral health serv-
12 ice providers;
- 13 (v) student advocates;
- 14 (vi) strengthening involvement of par-
15 ents in the academic life of students;
- 16 (vii) school-family-community partner-
17 ships;
- 18 (viii) wraparound social services;
- 19 (ix) before and after school programs;
- 20 or
- 21 (x) additional supports for students
22 with diverse learning needs, including stu-
23 dents with disabilities and English lan-
24 guage learners;

1 (E) improve middle schools within a local
2 educational agency whose students go on to at-
3 tend such high schools and establish an early
4 indicator warning system consisting of factors
5 used to identify students who are struggling
6 academically and have poor attendance records
7 or have been suspended in or before the middle
8 grades or are likely to struggle in high school
9 or not to graduate and provide supports to get
10 them back on track; and

11 (F) provide the local educational agency or
12 high school with flexible budget and hiring au-
13 thority where needed to implement improve-
14 ments; and

15 (5) may include other activities designed to ad-
16 dress whole school needs, such as implementing a
17 comprehensive reform model.

18 (d) REPLACEMENT.—The local educational agency or
19 the State educational agency, with assistance from tech-
20 nical assistance providers, shall replace high schools, using
21 data from the school performance indicators and high
22 school capacity and needs assessment (described in para-
23 graphs (2) and (3) of section 109(b), respectively) des-
24 ignated as needing replacement pursuant to section 111.

1 Replacement shall be implemented through one of the fol-
2 lowing actions:

3 (1) By replacing such schools with one or more
4 new small public schools using effective school mod-
5 els with evidence of success with students with simi-
6 lar academic challenges and outcomes to those at-
7 tending the school being replaced.

8 (2) By reopening such schools after combining
9 the assignment of a new administrative team that
10 has the authority to select a new teaching staff with
11 the use of research-based strategies through—

12 (A) the implementation of a whole school
13 reform model with evidence of success with stu-
14 dents with similar academic outcomes to those
15 attending the school being replaced; and

16 (B) increasing learning time.

17 (3) By closing such schools and reassigning the
18 students to public high schools that have made ade-
19 quate yearly progress for the past 2 years.

20 **SEC. 113. EVALUATION AND REPORTING.**

21 (a) **LOCAL EDUCATIONAL AGENCY REPORTING.**—On
22 an annual basis, each local educational agency receiving
23 funds under this title shall report to the State educational
24 agency and to the public on—

1 (1) the designated category of school improve-
2 ment for each high school served by the local edu-
3 cational agency under this title;

4 (2) the school performance indicators (as de-
5 scribed in section 109(b)(2)) for each school served
6 under this title, in the aggregate and desegregated
7 by the subgroups described in section
8 1111(b)(2)(C)(v)(II) of the Elementary and Sec-
9 ondary Education Act of 1965 (20 U.S.C.
10 6311(b)(2)(C)(v)(II));

11 (3) progress in meeting the benchmarks for
12 each high school served pursuant to this title; and

13 (4) the use of funds by the local educational
14 agency and each such school.

15 (b) STATE EDUCATIONAL AGENCY REPORTING.—On
16 an annual basis, each State educational agency receiving
17 funds under this title shall report to the Secretary and
18 to the public on—

19 (1) the school performance indicators (as de-
20 scribed in section 109(b)(2)), in the aggregate and
21 desegregated by the subgroups described in section
22 1111(b)(2)(C)(v)(II) of the Elementary and Sec-
23 ondary Education Act of 1965 (20 U.S.C.
24 6311(b)(2)(C)(v)(II));

1 (2) progress in meeting the benchmarks for
2 each high school served pursuant to this title;

3 (3) the high schools that have changed school
4 improvement categories in accordance with section
5 111(h); and

6 (4) the use of funds by each local educational
7 agency and each school served with such funds.

8 (c) REPORT TO CONGRESS.—Every 2 years, the Sec-
9 retary shall report to Congress and to the public—

10 (1) a summary of the State reports; and

11 (2) on the use of funds by each State under
12 this title.

13 **SEC. 114. AUTHORIZATION OF APPROPRIATIONS.**

14 There is authorized to be appropriated to carry out
15 the activities authorized under this title, \$2,400,000,000
16 for fiscal year 2008 and each of the 4 succeeding fiscal
17 years.

18 **TITLE II—DEVELOPMENT OF**
19 **EFFECTIVE SCHOOL MODELS**

20 **SEC. 201. FINDINGS AND PURPOSES.**

21 (a) FINDINGS.—The Senate finds the following:

22 (1) With close to a third of our Nation's high
23 school students failing to graduate in 4 years, and
24 another third graduating without the skills and
25 knowledge needed to succeed in college or the work-

1 place, new models of high school are clearly needed,
2 especially for struggling students who are not on
3 track to a high school diploma.

4 (2) Researchers have identified leading indica-
5 tors that, taken together, are as much as 85 percent
6 predictive of which 9th graders will not graduate
7 from high school 4 years later.

8 (3) In the 2000 high schools nationwide with
9 estimated 4-year graduation rates of 60 percent or
10 lower, 80 percent of the 9th graders are significantly
11 behind in skills or credits. By a conservative esti-
12 mate, this adds up to not fewer than 500,000 stu-
13 dents who are not on track to graduation.

14 (4) Poor outcomes for struggling students are
15 endemic in cities, towns, and rural areas across the
16 country. Graduation rates for students who are not
17 on-track to an on-time graduation in ninth grade are
18 as low as 20 percent.

19 (5) Schools designed to accelerate students'
20 learning and get them on track to a college-ready di-
21 ploma make a difference. The Early College High
22 School Initiative has started 130 schools serving ap-
23 proximately 16,000 students in 23 States. Early re-
24 sults indicate that in the first programs to graduate
25 students, over 95 percent earned a high school di-

1 ploma, over 57 percent earned an associate’s degree,
2 and over 80 percent were accepted at a 4-year col-
3 lege.

4 (6) Most States and districts have limited ca-
5 pacity to expand and spread proven practices and
6 models for improving graduation rates within a high
7 standards environment.

8 (7) The Nation’s young people understand the
9 value of education and will persist, often against
10 considerable odds, to further their education. From
11 1980 to 2002, a period of time with no discernible
12 increase in the country’s graduation rates, the per-
13 centage of 10th graders aspiring to a bachelor’s de-
14 gree or higher increased from 40 percent to 80 per-
15 cent, with the largest increase among low-income
16 youth.

17 (8) Young people who fall behind and drop out
18 of high school often report that they regret leaving
19 and wish they had been encouraged and supported
20 to work harder while they were in school. Many per-
21 severe despite a lack of school options or pathways
22 designed to help them succeed. Close to 60 percent
23 of dropouts eventually earn a high school creden-
24 tial—in most cases a GED certificate. Almost half
25 of these students—44 percent—later enroll in 2-year

1 or 4-year colleges, but despite their efforts fewer
2 than 10 percent earn a postsecondary degree.

3 (b) PURPOSES.—The purposes of this title are—

4 (1) to facilitate the development and implemen-
5 tation of effective secondary school models for strug-
6 gling students and dropouts; and

7 (2) to build the capacity of State educational
8 agencies, local educational agencies, nonprofit orga-
9 nizations, and institutions of higher education to im-
10 plement effective secondary school models for strug-
11 gling students and dropouts.

12 **SEC. 202. DEFINITIONS.**

13 In this title:

14 (1) DROPOUT.—The term “dropout” means an
15 individual who—

16 (A) is not older than 21;

17 (B)(i) is not attending any school; or

18 (ii) prior to attending a school based on an
19 effective school model, was not attending any
20 school; and

21 (C) has not received a secondary school
22 regular diploma or its recognized equivalent.

23 (2) EFFECTIVE SCHOOL MODEL.—The term
24 “effective school model” means—

1 (A) an existing secondary school model
2 with demonstrated effectiveness in improving
3 student academic achievement and outcomes for
4 struggling students or dropouts; or

5 (B) a proposed new secondary school
6 model design that is based on research-based
7 organizational and instructional practices for
8 improving student academic achievement and
9 outcomes for struggling students or dropouts.

10 (3) ELIGIBLE ENTITY.—The term “eligible enti-
11 ty” means—

12 (A) a local educational agency, nonprofit
13 organization, or institution of higher edu-
14 cation—

15 (i) that proposes to enhance or ex-
16 pand an existing effective school model for
17 struggling students or dropouts; or

18 (ii) that has a track record of serving
19 struggling students or dropouts and pro-
20 poses to develop a new effective school
21 model for struggling students or dropouts;
22 or

23 (B) a partnership involving two or more
24 entities described in subparagraph (A).

1 (4) STRUGGLING STUDENT.—The term “strug-
2 gling student”—

3 (A) means a high school-aged student who
4 is not making sufficient progress toward grad-
5 uating from secondary school with a regular di-
6 ploma in the standard number of years; and

7 (B) includes a student who—

8 (i) has been retained in grade level;

9 (ii) is under-credited, defined as a
10 high school student who lacks either the
11 necessary credits or courses, as determined
12 by the relevant local educational agency
13 and State educational agency, to graduate
14 from secondary school with a regular di-
15 ploma in the standard number of years; or

16 (iii) is a late entrant English language
17 learner, defined as a high school student
18 who—

19 (I) enters a school served by a
20 local educational agency at grade 9 or
21 higher; and

22 (II) is identified by the local edu-
23 cational agency as being limited
24 English proficient and as having expe-
25 rienced interrupted formal education.

1 **SEC. 203. GRANTS AUTHORIZED.**

2 (a) IN GENERAL.—The Secretary is authorized to
3 award grants, on a competitive basis, to eligible entities
4 to enable the eligible entities to develop and implement,
5 or replicate, effective school models for struggling students
6 and dropouts.

7 (b) PERIOD OF GRANT.—A grant awarded under this
8 section shall be for a period of 5 years.

9 **SEC. 204. APPLICATION.**

10 (a) IN GENERAL.—Each eligible entity desiring a
11 grant under this title shall submit an application to the
12 Secretary at such time, in such manner, and containing
13 such information as the Secretary may require.

14 (b) CONTENTS.—Each application submitted under
15 this section shall include a description of—

16 (1) how the eligible entity will carry out the
17 mandatory activities under section 206(a);

18 (2) the research or evidence concerning the ef-
19 fective school model that the eligible entity proposes
20 to develop and implement or replicate, including—

21 (A) for an existing effective school model
22 described in section 203(2)(A), the evidence
23 that the model has improved academic out-
24 comes for struggling students or dropouts; or

25 (B) for a proposed effective school model
26 described in section 203(2)(B), the research

1 that supports the key organizational and in-
2 structional practices of the proposed effective
3 school model;

4 (3) the eligible entity’s school design elements
5 and principles that will be used in the effective
6 school model, including—

7 (A) the academic program;

8 (B) the instructional practices;

9 (C) the methods of assessment; and

10 (D) student supports and services, such as
11 those provided by the school or offered by other
12 organizations and agencies in the community,
13 to support positive student academic achieve-
14 ment and outcomes;

15 (4) how the eligible entity will use student data
16 from the local educational agency or State edu-
17 cational agency—

18 (A) to demonstrate the need for and pro-
19 jected benefits of the effective school model; and

20 (B) in the implementation of the model, in
21 order to improve academic outcomes for strug-
22 gling students or dropouts;

23 (5) for each school in which the eligible entity
24 implements or replicates an effective school model
25 under this title, how the eligibility entity will sustain

1 the implementation or replication of the effective
2 school model, including the financing mechanism to
3 be used;

4 (6) how the eligible entity will collect data and
5 information to assess the performance of the effec-
6 tive school model and will make necessary adjust-
7 ments to ensure continuous and substantial improve-
8 ment in student academic achievement and out-
9 comes; and

10 (7) how the eligible entity will make the per-
11 formance data available to State educational agen-
12 cies, local educational agencies, and schools serving
13 struggling students or dropouts.

14 **SEC. 205. SECRETARIAL PEER REVIEW AND APPROVAL.**

15 The Secretary shall—

16 (1) establish a peer-review process to assist in
17 the review and approval of applications submitted by
18 eligible entities under section 204; and

19 (2) appoint individuals to the peer-review proc-
20 ess who are experts in high school reform, dropout
21 prevention and recovery, new school development for
22 struggling students and dropouts, and adolescent
23 and academic development.

1 **SEC. 206. USE OF FUNDS.**

2 (a) MANDATORY USE OF FUNDS.—An eligible entity
3 receiving a grant under this title shall use grant funds
4 to—

5 (1) enhance and expand, or replicate, an exist-
6 ing effective school model described in section
7 202(2)(A), or develop a proposed effective school
8 model described in section 202(2)(B), for struggling
9 students and dropouts;

10 (2) assess the progress of the implementation
11 or replication of the effective school model and make
12 necessary adjustments to ensure continuous im-
13 provement;

14 (3) provide opportunities for professional devel-
15 opment associated with the continuous improvement
16 and implementation or replication of the effective
17 school model;

18 (4) collect data and information on the school
19 model's effectiveness in improving student academic
20 achievement and outcomes for struggling students
21 and dropouts and disseminate such data and infor-
22 mation to State educational agencies, local edu-
23 cational agencies, and schools; and

24 (5) build the capacity of the eligible entity to—

25 (A) sustain the implementation or replica-
26 tion of the effective school model assisted under

1 paragraph (1) after the grant period has ended;
2 and

3 (B) replicate the effective school model.

4 (b) OPTIONAL USE OF FUNDS.—An eligible entity re-
5 ceiving a grant under this title may use grant funds to—

6 (1) identify and create partnerships needed to
7 improve the academic achievement and outcomes of
8 the students attending a school assisted under this
9 title;

10 (2) support family and community engagement
11 in the effective school model; and

12 (3) carry out any additional activities that the
13 Secretary determines are within the purposes de-
14 scribed in section 201.

15 **SEC. 207. EVALUATION AND REPORTING.**

16 (a) CONTENTS OF REPORT.—Each eligible entity re-
17 ceiving a grant under this title shall annually report to
18 the Secretary on—

19 (1) the data and information being gathered to
20 assess the effective school model's effectiveness in
21 improving student academic achievement and out-
22 comes for struggling students and dropouts;

23 (2) the implementation status of the models,
24 any barriers to implementation, and actions taken to
25 overcome the barriers;

1 (3) any professional development activities to
2 build the capacity of—

3 (A) the eligible entity to sustain or rep-
4 licate the effective school model; or

5 (B) the staff of a school assisted under
6 this title to implement or improve the effective
7 school model;

8 (4) the progress made in improving student
9 academic achievement and outcomes in the effective
10 school models for struggling students and dropouts;
11 and

12 (5) the use of grant funds by the eligible entity.

13 (b) INDEPENDENT EVALUATIONS.—The Secretary
14 shall reserve not more than \$5,000,000 to carry out an
15 independent evaluation of the grant program under this
16 title and the progress of the eligible entities receiving
17 grants under this title.

18 **SEC. 208. AUTHORIZATION OF APPROPRIATIONS.**

19 There is authorized to be appropriated to carry out
20 this title \$60,000,000 for fiscal year 2008 and each of
21 the 4 succeeding fiscal years.

22 **TITLE III—STRENGTHENING**
23 **STATE POLICIES**

24 **SEC. 301. FINDINGS AND PURPOSES.**

25 (a) FINDINGS.—The Senate finds the following:

1 (1) Frontrunner States have begun to move
2 more aggressively on the dual challenge of raising
3 high school graduation rates while also raising the
4 standards to the level of a college and work-ready di-
5 ploma.

6 (2) Seven States are publically reporting 4-year
7 cohort graduation rates and 20 States plan to pub-
8 lically report by 2008.

9 (3) Thirteen States now require students to
10 take a college-and work-ready course of study to
11 earn a diploma, up from just three in 2006. Another
12 16 States report that they plan to raise require-
13 ments during 2007.

14 (4) States that act aggressively to raise gradua-
15 tion rates without conceding ground on academic
16 proficiency are gaining traction in such cutting-edge
17 policy areas as—

18 (A) dual enrollment to support early col-
19 lege high schools that lead to high school diplo-
20 mas and 2 years of postsecondary credit;

21 (B) early warning data systems to enable
22 identification of struggling students before or
23 early in high school;

24 (C) incentives for high schools to keep
25 struggling students in school and on track to a

1 college and work-ready high school diploma;
2 and

3 (D) multiple pathways to high school grad-
4 uation, including small school models and drop-
5 out recovery or alternative models.

6 (5) Even frontrunner States have not yet
7 adopted a comprehensive set of policies and systems
8 to support high standards and high graduation
9 rates. They lack the supports and resources to track
10 implementation of the policies they have put in place
11 or to partner with districts to build further capacity
12 to carry out evidence-based practices and program-
13 ming.

14 (6) Past Federal educational initiatives have
15 been effective in supporting and accelerating bolder,
16 more strategic action with positive results, for exam-
17 ple the National Science Foundation State Systemic
18 Initiative.

19 (7) Supporting frontrunner States to become
20 laboratories of innovation and models for other
21 States will accelerate the number of young people
22 graduating from high schools across the Nation who
23 are college and career ready.

24 (b) PURPOSES.—The purposes of this title are to—

1 (1) provide incentives for States to strengthen
2 and develop new State policies in order to substan-
3 tially raise the graduation rate in the State while en-
4 suring rigorous secondary education content stand-
5 ards and assessments; and

6 (2) evaluate the effectiveness of such changes to
7 the State policies.

8 **SEC. 302. DEFINITIONS.**

9 In this title:

10 (1) DROPOUT.—The term “dropout” means an
11 individual who—

12 (A) is not older than 21;

13 (B) is not attending any school; and

14 (C) has not received a secondary school
15 regular diploma or its recognized equivalent.

16 (2) STRUGGLING STUDENT.—The term “strug-
17 gling student”—

18 (A) means a high school-aged student who
19 is not making sufficient progress toward grad-
20 uation from secondary school with a regular di-
21 ploma in the standard number of years; and

22 (B) includes a student who—

23 (i) has been retained in grade level;

24 (ii) is under-credited, defined as a
25 high school student who lacks either the

1 necessary credits or courses, as determined
2 by the relevant local educational agency
3 and State educational agency, to graduate
4 from secondary school with a regular di-
5 ploma in the standard number of years; or

6 (iii) is a late entrant English language
7 learner, defined as a high school student
8 who—

9 (I) enters a school served by an
10 local educational agency at grade 9 or
11 higher; and

12 (II) is identified by the local edu-
13 cation agency as being limited English
14 proficient and as having experienced
15 interrupted formal education.

16 (2) DUAL OR CONCURRENT ENROLLMENT.—
17 The term “dual or concurrent enrollment” means an
18 arrangement or policy by which a student enrolled in
19 secondary school takes courses for credit offered by
20 an institution of higher education.

21 (3) WEIGHTED STUDENT FUNDING.—The term
22 “weighted student funding” means funding that—

23 (A) follows the student on a per-student
24 basis, to the publicly funded school that the
25 student attends; and

1 (B) uses transparent funding weights
2 based on student academic needs and other rel-
3 evant circumstances, including—

4 (i) students from low income families;

5 (ii) English language learner;

6 (iii) students with disabilities;

7 (iv) late Entrant English language
8 learners;

9 (v) gifted and talented students;

10 (vi) struggling students and returning
11 dropouts; or

12 (vii) other weights determined by the
13 State within guidelines established by the
14 Secretary based on advisement from ex-
15 perts on school funding.

16 **SEC. 303. STATE POLICY INNOVATION FUND TO IMPROVE**
17 **HIGH SCHOOL GRADUATION RATE.**

18 (a) GRANT PROGRAM AUTHORIZED.—The Secretary
19 is authorized to award grants, on a competitive basis, to
20 States that meet the requirements of section 304 to design
21 and align State policies and systems in order to act as
22 laboratories of innovation by reducing barriers and cre-
23 ating incentives to improve outcomes for high school stu-
24 dents.

25 (b) NUMBER OF GRANTS; DURATION.—

1 (1) NUMBER OF GRANTS.—For each of the first
2 3 consecutive years of the grant program under this
3 title, the Secretary shall award four or more grants
4 under this title, except that the Secretary shall
5 award a total of not more than 20 grants under this
6 title for all 3 such years.

7 (2) DURATION OF GRANT.—Each grant award-
8 ed under this title shall be for a period of 5 years.

9 **SEC. 304. ELIGIBLE STATE.**

10 To be eligible to receive a grant under this title, a
11 State shall comply with each of the following:

12 (1) The State shall receive a grant under title
13 I and carry out the activities required under such
14 title.

15 (2) The State shall have implemented, or be in
16 the process of developing, a statewide longitudinal
17 data system with individual student identifiers.

18 (3) The Governor of the State and any indi-
19 vidual, entity, or agency designated under section
20 304(a) by the Governor shall regularly consult with
21 each other and with the State board of education,
22 the State educational agency, the head of the State
23 higher education entity, the head of career and tech-
24 nical education in the State, and other agencies as

1 appropriate, regarding carrying out the activities re-
2 quired under this title.

3 (4) The State shall meet any additional criteria
4 determined by the Secretary to be necessary to carry
5 out the purposes of this title.

6 **SEC. 305. APPLICATION.**

7 (a) IN GENERAL.—If a State desires a grant under
8 this title, the Governor of the State, or an individual, enti-
9 ty, or agency designated by the Governor, shall submit an
10 application to the Secretary at such time, in such manner,
11 and containing such information as the Secretary may re-
12 quire.

13 (b) CONTENTS.—The contents of the application
14 must be based upon a policy gap and impact analysis con-
15 ducted or commissioned by the State identifying existing
16 barriers to and potential incentives for improving edu-
17 cational outcomes for high school students. Each applica-
18 tion submitted under this section shall include the fol-
19 lowing:

20 (1) A plan to effectively reduce barriers and
21 create incentives to improve educational outcomes
22 for high school students, especially struggling stu-
23 dents and dropouts by conducting one or more of
24 the eligible activities in section 306 of this title. The
25 plan must include:

1 (A) A description of how the State will en-
2 sure that the State elementary and secondary
3 education content standards and academic as-
4 sessments describe in section 1111(b) of the El-
5 elementary and Secondary Education Act of 1965
6 (20 U.S.C. 6311(b)) are aligned to college and
7 work readiness.

8 (B) A description of how the State will en-
9 sure that all students have access to college pre-
10 paratory curriculum.

11 (C) A description of how the State will en-
12 sure the statewide longitudinal student data
13 system, other statewide data systems, and data
14 protocols are designed and implemented in such
15 a way that allows for data interoperability and
16 portability across local educational agencies and
17 among pre-kindergarten through grade 12 sys-
18 tems, institutions of higher education, and sys-
19 tems that identify whether student enter the
20 Armed Forces.

21 (D) A description of how the State will
22 stimulate the development of multiple pathways
23 and expanded educational options to enable all
24 secondary students, including struggling stu-
25 dents and dropouts, to attain a high school di-

1 ploma that signifies that the student has the
2 necessary skills to succeed in higher education
3 and work.

4 (2) A plan to measure how the changes carried
5 out by the State under this title improve student
6 outcomes at the State and local levels. The plan
7 must include:

8 (A) A description of a plan to adjust the
9 policies of the State accordingly in order to
10 achieve the targets and student outcomes at the
11 State and local levels.

12 (B) A description of a plan to devote re-
13 sources to ensure the sustainability of the ac-
14 tivities carried out under this title.

15 (3) An assurance that the following stake-
16 holders are committed to achieving the goals and ob-
17 jectives set forth in the grant application:

18 (A) The Governor of the State.

19 (B) The chief executive officer of the State
20 higher education coordinating board.

21 (C) The chief State school officer.

22 (D) The head of the State Board of Edu-
23 cation.

24 (E) The head of career and technical edu-
25 cation in the State.

1 (F) Other agency heads, as determined ap-
2 propriate by the Governor and the individuals
3 entities involved in consultation under section
4 303(3).

5 **SEC. 306. SECRETARIAL PEER REVIEW AND APPROVAL.**

6 The Secretary shall—

- 7 (1) establish a peer-review process to assist in
8 the review and approval of applications submitted
9 under section 302(3); and
- 10 (2) appoint individuals to the peer-review proc-
11 ess who are experts in secondary education policy,
12 high school reform, dropout prevention and recovery,
13 new school development for struggling students and
14 dropouts, dual enrollment, school funding, and ado-
15 lescent and academic development.

16 **SEC. 307. ELIGIBLE STATE ACTIVITIES.**

17 A State receiving a grant under this title may use
18 funding for the following activities:

- 19 (1) Enact and implement the changes to the
20 State policies, capacities, and systems identified in
21 the plan submitted under section 305. Such changes
22 may include—
- 23 (A) innovative finance models, including
24 weighted student funding to create incentives
25 for schools to serve struggling students;

1 (B) enhanced data capacity, including—

2 (i) early warning systems for identi-
3 fying struggling students before and soon
4 after entry into high school; and

5 (ii) longitudinal and cross-sectoral
6 analysis of State education and other sys-
7 tems, such as juvenile justice, social service
8 and early childhood;

9 (C) the development of additional edu-
10 cational options offering multiple pathways to
11 graduation for all students, especially strug-
12 gling students and dropouts, including—

13 (i) small school models (grades 6–12,
14 7–12, 9–12) implementing evidence-based
15 practices;

16 (ii) secondary schools that offer a
17 high school diploma and post-secondary
18 credential; and

19 (iii) alternative schools for recovering
20 and graduating dropouts;

21 (D) the dissemination and implementation
22 of effective local secondary school improvement
23 activities throughout the State;

24 (E) dual student enrollment, including de-
25 veloping or strengthening—

1 (i) data capacity to track academic
2 outcomes of dual enrollment by subgroups
3 as defined in the Elementary and Sec-
4 ondary Education Act of 1965 using the
5 data system described in section 304(5);

6 (ii) course articulation activities with
7 postsecondary institutions;

8 (iii) standards for dual crediting col-
9 lege courses toward high school graduation
10 requirements and the completion of a post-
11 secondary degree or credential; and

12 (iv) teacher certification for dual en-
13 rollment instructors;

14 (F) the development of school-family-com-
15 munity partnerships to improve the educational
16 attainment and achievement of high school stu-
17 dents, especially struggling students and drop-
18 outs;

19 (G) development of a system to ensure eq-
20 uity and consistency in the delivery of a core
21 college-preparatory program of study includ-
22 ing—

23 (i) use of student level data to mon-
24 itor course-taking patterns by income and
25 subgroups;

1 (ii) course-by-course standards that
2 articulate what should be taught and
3 learned and model curricula and other in-
4 structional guides; and

5 (iii) an examination of local education
6 agency secondary school curricula to deter-
7 mine whether they are adequately aligned
8 with state standards; or

9 (H) any other activity as determined by
10 the Secretary meets the purposes of this Act.

11 (2) States receiving funding under this title
12 may set aside up to 2 percent of funding for the fol-
13 lowing:

14 (A) Convening peer learning or profes-
15 sional development opportunities as a part of
16 Statewide activities conducted under this Act,
17 including entities and agencies designated
18 under 305(a).

19 (B) Statewide communication activities to
20 inform communities, families, and students of
21 educational opportunities developed under this
22 Act.

23 **SEC. 308. USE OF FUNDS.**

24 A State receiving a grant under this title shall carry
25 out the following:

1 (1) Conduct, or enter into a contract with a
2 third party to conduct, a policy gap and impact
3 analysis to determine how to strengthen the policies
4 of the State in order to substantially raise the grad-
5 uation rate in the State while ensuring rigorous sec-
6 ondary education content standards and assess-
7 ments. Such analysis shall—

8 (A) examine the policies of the State, and
9 of the local educational agencies within the
10 State, affecting—

11 (i) school funding;

12 (ii) data capacity;

13 (iii) accountability systems;

14 (iv) interventions in high-priority sec-
15 ondary schools;

16 (v) new school development; and

17 (vi) the dissemination and implemen-
18 tation of effective local school improvement
19 activities throughout the State; and

20 (B) provide recommendations regarding
21 how the State can strengthen the policies of the
22 State to substantially raise the graduation rate
23 in the State while ensuring rigorous postsec-
24 ondary and work-ready academic standards, in-
25 cluding recommendations on—

- 1 (i) innovative finance models, such as
2 weighted student funding;
- 3 (ii) data capacity that enables longitu-
4 dinal and cross-sectoral analysis of State
5 education and other systems, such as juve-
6 nile justice, social services, and early child-
7 hood;
- 8 (iii) improving a differentiated system
9 of supports, sanctions, and interventions
10 for high-priority high schools;
- 11 (iv) the development of additional sec-
12 ondary educational options, including both
13 the development of small school models
14 and recovery or alternative models for
15 struggling students and dropouts;
- 16 (v) additional accountability measures
17 in the State accountability system;
- 18 (vi) dual student enrollment in sec-
19 ondary schools and institutions of higher
20 education; and
- 21 (vii) the development of school-family-
22 community partnerships to improve stu-
23 dent achievement.
- 24 (2) Implement or enact—

1 (A) the changes to the policies of the State
2 recommended by the policy gap and impact
3 analysis under paragraph (1)(B); and

4 (B) any additional changes to the policies
5 of the State necessary to enable the State to
6 carry out all of the plans described in the appli-
7 cation under subsection (b).

8 (3) Develop a system to—

9 (A) measure how the changes to the poli-
10 cies of the State carried out under this title im-
11 prove student outcomes at the State and local
12 levels; and

13 (B) adjust the policies of the State accord-
14 ingly in order to achieve the desired policy tar-
15 gets and student outcomes at the State and
16 local levels.

17 (4) Devote resources to ensure the sustain-
18 ability of the activities carried out under this title
19 and the long-term success of the secondary schools
20 within the State.

21 **SEC. 309. EVALUATION AND REPORTING.**

22 (a) EVALUATION AND REPORT.—Not later than 180
23 days after the date of enactment of this Act, and annually
24 thereafter for the period of the grant, each State receiving
25 a grant under this title shall—

1 (1) conduct an evaluation of the State's
2 progress regarding the impact of the changes made
3 to the policies of the State in accordance with this
4 title, on substantially raising the graduation rate in
5 the State while ensuring rigorous postsecondary and
6 work-ready academic standards, including—

7 (A) a description of the specific changes
8 made, or in the process of being made, to poli-
9 cies as a result of the grant;

10 (B) a discussion of any barriers hindering
11 the identified changes in policies, and strategies
12 to overcome such barriers;

13 (C) evidence of the impact of changes to
14 policies on desired behavior and actions at the
15 local educational agency and school level;

16 (D) after the first year of the grant period,
17 a description of how the results of the previous
18 year's evaluation were used to adjust policies of
19 the State as necessary to achieve the purposes
20 of this title; and

21 (E) evidence of the impact of the changes
22 to policies in accordance with this title on im-
23 proving graduation rates or other measures,
24 such as percent of students who are making

1 sufficient progress toward graduating secondary
2 school in the standard number of years;

3 (2) use the results of the evaluation conducted
4 under paragraph (1) to adjust the policies of the
5 State as necessary to achieve the purposes of this
6 title; and

7 (3) submit the results of the evaluation to the
8 Secretary.

9 (b) AVAILABILITY.—The Secretary shall make the re-
10 sults of each State’s evaluation under subsection (a) avail-
11 able to other States and local educational agencies.

12 **SEC. 310. AUTHORIZATION OF APPROPRIATIONS.**

13 There is authorized to be appropriated to carry out
14 this title \$40,000,000 for fiscal year 2008 and the 4 suc-
15 ceeding fiscal years.

16 **TITLE IV—GENERAL**
17 **PROVISIONS**

18 **SEC. 401. FINANCIAL OR EDUCATIONAL BENEFITS OR BUR-**
19 **DENS.**

20 Nothing in this Act shall be construed to require, au-
21 thorize, or permit, the Secretary, or a State educational
22 agency, local educational agency, or school to grant to a
23 student, or deny or impose upon a student, any financial
24 or educational benefit or burden, in violation of the Fifth
25 or Fourteenth amendments to the Constitution or other

1 law relating to discrimination in the provision of federally
2 funded programs or activities.

3 **SEC. 402. DISCRIMINATION.**

4 (a) IN GENERAL.—Nothing in this Act shall be con-
5 strued to permit discrimination on the basis of race, color,
6 religion, sex (except as otherwise permitted under title IX
7 of the Education Amendments of 1972), national origin,
8 or disability in any program funded under this Act.

9 (b) APPLICABILITY.—All entities that receive funds
10 authorized by this Act, regardless of the mechanism of the
11 distribution of such funds, shall be considered recipients
12 of Federal funds and subject to the requirements of sub-
13 section (a).

14 **SEC. 403. RELIGIOUS WORSHIP OR INSTRUCTION.**

15 Nothing in this Act shall be construed to authorize
16 the making of any payment under this Act for religious
17 worship or instruction.

18 **SEC. 404 CONSTRUCTION.**

19 Nothing in this Act shall be construed to alter or oth-
20 erwise affect the rights, remedies, and procedures afforded
21 school or school district employees under Federal, State,
22 or local laws (including applicable regulations or court or-
23 ders) or under the terms of collective bargaining agree-

- 1 ments, memoranda of understanding, or other agreements
- 2 between such employees and their employers.

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