

what war is like. If teachers needed help, I'm sure organizations like the VFW would be glad to participate and even speak to the students.

Veterans Week should be given special attention on television, too, just like Black History Month. I've learned a lot about the history of Black Americans from the stories they feature on television. Movies about heroic battles should be broadcast all week long. Veterans could talk about their experiences in those wars.

In conclusion, it's very sad that many Americans know little or nothing about the great wars our country has fought in. I believe Veterans Week would do a lot to change that.

AMENDMENTS SUBMITTED

EDUCATIONAL OPPORTUNITIES ACT

LIEBERMAN (AND OTHERS) AMENDMENT NO. 3127

Mr. LIEBERMAN (for himself, Mr. BAYH, Ms. LANDRIEU, Mrs. LINCOLN, Mr. KOHL, Mr. GRAHAM, Mr. ROBB, Mr. BREAU, Mr. BRYAN, and Mrs. FEINSTEIN) proposed an amendment to the bill (S. 2) to extend programs and activities under the Elementary and Secondary Education Act of 1965; as follows:

Beginning on page 1, line 3, strike "1." and all that follows through line 18 on page 922, and insert the following:

1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Public Education Reinvestment, Reinvention, and Responsibility Act (Three R's)".

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

- Sec. 1. Short title; table of contents.
- Sec. 2. References.
- Sec. 3. Declaration of priorities.

TITLE I—STUDENT PERFORMANCE

- Sec. 101. Heading.
- Sec. 102. Findings, policy, and purpose.
- Sec. 103. Authorization of appropriations.
- Sec. 104. Reservation for school improvement.

PART A—IMPROVING BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

- Sec. 105. State plans.
- Sec. 106. Local educational agency plans.
- Sec. 107. Schoolwide programs.
- Sec. 108. School choice.
- Sec. 109. Assessment and local educational agency and school improvement.
- Sec. 110. State assistance for school support and improvement.
- Sec. 111. Parental involvement changes.
- Sec. 112. Qualifications for teachers and paraprofessionals.
- Sec. 113. Professional development.
- Sec. 114. Fiscal requirements.
- Sec. 115. Coordination requirements.
- Sec. 116. Grants for the outlying areas and the Secretary of the Interior.
- Sec. 117. Amounts for grants.
- Sec. 118. Basic grants to local educational agencies.
- Sec. 119. Concentration grants.
- Sec. 120. Targeted grants.
- Sec. 121. Special allocation procedures.

PART B—EVEN START FAMILY LITERACY PROGRAMS

- Sec. 131. Program authorized.
- Sec. 132. Applications.
- Sec. 133. Research.

PART C—EDUCATION OF MIGRATORY CHILDREN

- Sec. 141. Comprehensive needs assessment and service-delivery plan; authorized activities.

PART D—PREVENTION AND INTERVENTION PROGRAMS FOR CHILDREN AND YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT RISK OF DROPPING OUT

- Sec. 151. State plan and State agency applications.
- Sec. 152. Use of funds.

PART E—FEDERAL EVALUATIONS, DEMONSTRATIONS, AND TRANSITION PROJECTS

- Sec. 161. Evaluations.
- Sec. 162. Demonstrations of innovative practices.

PART F—RURAL EDUCATION DEVELOPMENT INITIATIVE

- Sec. 171. Rural education development initiative.

PART G—GENERAL PROVISIONS

- Sec. 181. Federal regulations.
- Sec. 182. State administration.

TITLE II—TEACHER AND PRINCIPAL QUALITY, PROFESSIONAL DEVELOPMENT, AND CLASS SIZE

- Sec. 201. Teacher and principal quality, professional development, and class size.

TITLE III—LANGUAGE MINORITY STUDENTS AND INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

- Sec. 301. Language minority students.
- Sec. 302. Emergency immigrant education program.
- Sec. 303. Indian, Native Hawaiian, and Alaska Native education.

TITLE IV—PUBLIC SCHOOL CHOICE

- Sec. 401. Public school choice.
- Sec. 402. Development of public school choice programs; report cards.

TITLE V—IMPACT AID

- Sec. 501. Impact aid.

TITLE VI—HIGH PERFORMANCE AND QUALITY EDUCATION INITIATIVES

- Sec. 601. High performance and quality education initiatives.

TITLE VII—ACCOUNTABILITY

- Sec. 701. Accountability.

TITLE VIII—GENERAL PROVISIONS AND REPEALS

- Sec. 801. Repeals, transfers, and redesignations regarding titles VIII and XIV.
- Sec. 802. Other repeals.

SEC. 2. REFERENCES.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

SEC. 3. DECLARATION OF PRIORITIES.

Congress declares that our national educational priorities are to—

(1) introduce real accountability by making public elementary school and secondary school education funding performance-based rather than a guaranteed source of revenue for States and local educational agencies;

(2) require State educational agencies and local educational agencies to establish high

student performance objectives, and to provide the State educational agencies and local educational agencies with flexibility in using Federal resources to ensure that the performance objectives are met;

(3) concentrate Federal funding around a small number of central education goals, including compensatory education for disadvantaged children and youth, teacher quality and professional development, programs for limited English proficient students, public school choice programs, innovative educational programs, student safety, and the incorporation of educational technology;

(4) concentrate Federal education funding on impoverished areas where elementary schools and secondary schools are most likely to be in distress;

(5) sanction State educational agencies and local educational agencies that consistently fail to meet established benchmarks; and

(6) reward State educational agencies, local educational agencies, and elementary schools and secondary schools that demonstrate high performance.

TITLE I—STUDENT PERFORMANCE

SEC. 101. HEADING.

The heading for title I (20 U.S.C. 6301 et seq.) is amended to read as follows:

"TITLE I—STUDENT PERFORMANCE".

SEC. 102. FINDINGS, POLICY, AND PURPOSE.

Section 1001 (20 U.S.C. 6301) is amended to read as follows:

"SEC. 1001. FINDINGS, POLICY AND PURPOSE.

"(a) FINDINGS.—Congress makes the following findings:

"(1) Despite more than 3 decades of Federal assistance, a sizable achievement gap remains between low-income and middle-class students.

"(2) The 1994 reauthorization of the Elementary and Secondary Education Act of 1965 was an important step in focusing our Nation's priorities on closing the achievement gap between poor and affluent students in the United States. The Federal Government must continue to build on these improvements made in 1994 by holding States and local educational agencies accountable for student achievement.

"(3) States can help close this achievement gap by developing challenging curriculum content and student performance standards so that all elementary school and secondary school students perform at an advanced level. States should implement vigorous and comprehensive student performance assessments, such as the National Assessment of Educational Progress (NAEP) so as to measure fully the progress of our Nation's students.

"(4) In order to ensure that no child is left behind in the new economy, the Federal Government must better target Federal resources on those children who are most at risk for falling behind academically.

"(5)(A) Title I funds have been targeted on high-poverty areas, but not to the degree they should be as demonstrated by the following:

"(B) Although 95 percent of schools with poverty levels of 75 percent to 100 percent receive title I funding, 20 percent of schools with poverty levels of 50 to 74 percent do not receive any title I funding.

"(C) Only 64 percent of schools with poverty levels in the 35 percent to 49 percent range receive title I funding.

"(6) Title I funding should be significantly increased and more effectively targeted to ensure that all low-income students have an opportunity to excel academically.

“(7) The Federal Government should provide greater decisionmaking authority and flexibility to schools and teachers in exchange for greater responsibility for student performance. Federal, State, and local efforts should be focused on raising the academic achievement of all students. Our Nation’s children deserve nothing less than holding accountable those responsible for shaping our children’s future and our country’s future.

“(b) POLICY.—Congress declares that it is the policy of the United States to ensure that all students receive a high-quality education by holding States, local educational agencies, and elementary schools and secondary schools accountable for increased student academic performance results, and by facilitating improved classroom instruction.

“(c) PURPOSES.—The purposes of this title are as follows:

“(1) To eliminate the existing 2-tiered educational system, which set lower academic expectations for impoverished students than for affluent students.

“(2) To require all States to have challenging content and student performance standards and assessment measures in place.

“(3) To require all States to ensure adequate yearly progress for all students by establishing annual, numerical performance objectives.

“(4) To ensure that all title I students receive educational instruction from a fully qualified teacher.

“(5) To support State and local educational agencies in identifying, assisting, and correcting low-performing schools.

“(6) To increase Federal funding for part A programs for disadvantaged students in return for increased academic performance of all students.

“(7) To target Federal funding to local educational agencies serving the highest percentages of low-income students.”

SEC. 103. AUTHORIZATION OF APPROPRIATIONS.

Section 1002 (20 U.S.C. 6302) is amended to read as follows:

“SEC. 1002. AUTHORIZATION OF APPROPRIATIONS.

“(a) LOCAL EDUCATIONAL AGENCY GRANTS.—For the purpose of carrying out part A, other than section 1120(e), there are authorized to be appropriated \$12,000,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

“(b) EVEN START.—For the purpose of carrying out part B, there are authorized to be appropriated such sums as may be necessary for fiscal year 2001 and each of the 4 succeeding fiscal years.

“(c) EDUCATION OF MIGRATORY CHILDREN.—For the purpose of carrying out part C, there are authorized to be appropriated such sums as may be necessary for fiscal year 2001 and each of the 4 succeeding fiscal years.

“(d) PREVENTION AND INTERVENTION PROGRAMS FOR YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT RISK OF DROPPING OUT.—For the purpose of carrying out part D, there are authorized to be appropriated such sums as may be necessary for fiscal year 2001 and each of the 4 succeeding fiscal years.

“(e) CAPITAL EXPENSES.—For the purpose of carrying out section 1120(e), there are authorized to be appropriated \$12,000,000 for fiscal year 2001 and \$5,000,000 for fiscal year 2002.

“(f) FEDERAL ACTIVITIES.—For the purpose of carrying out sections 1501 and 1502, there are authorized to be appropriated such sums as may be necessary for fiscal year 2001 and each of the 4 succeeding fiscal years.”

SEC. 104. RESERVATION FOR SCHOOL IMPROVEMENT.

Section 1003 (20 U.S.C. 6303) is amended to read as follows:

“SEC. 1003. RESERVATION FOR SCHOOL IMPROVEMENT.

“(a) STATE RESERVATIONS.—

“(1) IN GENERAL.—Each State educational agency shall reserve 2.5 percent of the amount the State educational agency receives under part A for fiscal years 2001 and 2002, and 3.5 percent of that amount for fiscal years 2003 through 2005, to carry out paragraph (2) and to carry out the State educational agency’s responsibilities under sections 1116 and 1117, including the State educational agency’s statewide system of technical assistance and support for local educational agencies.

“(2) USES.—Of the amount reserved under paragraph (1) for any fiscal year, the State educational agency shall make available at least 80 percent of such amount directly to local educational agencies.

PART A—IMPROVING BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

SEC. 105. STATE PLANS.

Section 1111 (20 U.S.C. 6311) is amended to read as follows:

“SEC. 1111. STATE PLANS.

“(a) PLANS REQUIRED.—

“(1) IN GENERAL.—Any State educational agency desiring a grant under this part shall submit to the Secretary a plan, developed in consultation with local educational agencies, teachers, pupil services personnel, administrators (including administrators of programs described in other parts of this title), local school boards, other staff, and parents, that satisfies the requirements of this section and that is coordinated with other programs under this Act, the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, and the Head Start Act.

“(2) CONSOLIDATED PLAN.—A State plan submitted under paragraph (1) may be submitted as part of a consolidated plan under section 8302.

“(b) STANDARDS, ASSESSMENTS, AND ACCOUNTABILITY.—

“(1) CHALLENGING STANDARDS.—

“(A) IN GENERAL.—Each State plan shall demonstrate that the State has adopted challenging content standards and challenging student performance standards that will be used by the State, and the local educational agencies, and elementary schools and secondary schools, within the State to carry out this part.

“(B) UNIFORMITY.—The standards required by subparagraph (A) shall be the same standards that the State applies to all elementary schools and secondary schools within the State and all children attending such schools.

“(C) SUBJECTS.—The State shall have such standards for elementary school and secondary school children served under this part in subjects determined by the State, but including at least mathematics, science, and English language arts, and which shall include the same knowledge, skills, and levels of performance expected of all children.

“(D) STANDARDS.—Standards under this paragraph shall include—

“(i) challenging content standards in academic subjects that—

“(I) specify what children are expected to know and be able to do;

“(II) contain coherent and rigorous content; and

“(III) encourage the teaching of advanced skills; and

“(ii) challenging student performance standards that—

“(I) are aligned with the State’s content standards;

“(II) describe 2 levels of high performance, proficient and advanced levels of performance, that determine how well children are mastering the material in the State content standards; and

“(III) describe a third level of performance, a basic level of performance, to provide complete information about the progress of the lower performing children toward achieving to the proficient and advanced levels of performance.

“(E) ADDITIONAL SUBJECTS.—For the subjects in which students will be served under this part, but for which a State is not required under subparagraphs (A), (B), and (C) to develop, and has not otherwise developed, challenging content and student performance standards, the State plan shall describe a strategy for ensuring that such students are taught the same knowledge and skills and held to the same expectations as are all children.

“(F) SPECIAL RULE.—In the case of a State that allows local educational agencies to adopt more rigorous standards than those set by the State, local educational agencies shall be allowed to implement such standards.

“(2) ADEQUATE YEARLY PROGRESS.—

“(A) IN GENERAL.—Each State plan shall demonstrate, based on assessments described under paragraph (4), what constitutes adequate yearly progress of—

“(i) any school served under this part toward enabling all children to meet the State’s challenging student performance standards;

“(ii) any local educational agency that receives funds under this part toward enabling all children in schools served by the local educational agency and receiving assistance under this part to meet the State’s challenging student performance standards; and

“(iii) the State in enabling all children in schools receiving assistance under this part to meet the State’s challenging student performance standards.

“(B) DEFINITION.—Adequate yearly progress shall be defined by the State in a manner that—

“(i) applies the same high standards of academic performance to all students in the State;

“(ii) takes into account the progress of all students in the State and in each local educational agency and school served under section 1114 or 1115;

“(iii) uses the State challenging content and challenging student performance standards and assessments described in paragraphs (1) and (4);

“(iv) compares separately, within each State, local educational agency, and school, the performance and progress of students, by each major ethnic and racial group, by gender, by English proficiency status, and by economically disadvantaged students as compared to students who are not economically disadvantaged (except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal individually identifiable information about an individual student);

“(v) compares the proportions of students at the basic, proficient, and advanced levels

of performance with the proportions of students at each of the 3 performance levels in the same grade in the previous school year;

“(vi) endeavors to include other academic measures such as promotion, attendance, drop-out rates, completion of college preparatory courses, college admission tests taken, and secondary school completion, except that failure to meet another academic measure, other than student performance on State assessments aligned with State standards, shall not provide the sole basis for designating a district or school as in need of improvement;

“(vii) includes annual numerical objectives for improving the performance of all groups described in clause (iv) and narrowing gaps in performance between these groups in, at least, the areas of mathematics and English language arts; and

“(viii) includes a timeline for ensuring that each group of students described in clause (iv) meets or exceeds the State’s proficient level of performance on each State assessment used for the purposes of this section and section 1116 not later than 10 years after the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act.

“(C) ACCOUNTABILITY.—Each State plan shall demonstrate that the State has developed and is implementing a statewide accountability system that has been or will be effective in ensuring that all local educational agencies, elementary schools, and secondary schools are making adequate yearly progress as defined in section 1111(b)(2)(B). Each State accountability system shall—

“(i) be based on the standards and assessments adopted under paragraphs (1) and (4) and take into account the performance of all students required by law to be included in such assessments;

“(ii) be the same accountability system the State uses for all schools or all local educational agencies, if the State has an accountability system for all schools or all local educational agencies;

“(iii) provide for the identification of schools or local educational agencies receiving funds under this part that for 2 consecutive years have exceeded such schools’ or agencies’ adequate yearly progress goals so that information about the practices and strategies of such schools or agencies can be disseminated to other schools in the local educational agency and in the State and such schools can be considered for rewards provided under title VII of this Act;

“(iv) provide for the identification of schools and local educational agencies in need of improvement, as required by section 1116, and for the provision of technical assistance, professional development, and other capacity-building as needed, including those measures specified in sections 1116(d)(9) and 1117, to ensure that schools and local educational agencies so identified have the resources, skills, and knowledge needed to carry out their obligations under sections 1114 and 1115 and to meet the requirements for annual improvement described in paragraph (2); and

“(v) provide for the identification of schools and local educational agencies for corrective action or actions as required by section 1116, and for the implementation of corrective actions against school and school districts when such actions are required under such section.

“(D) ANNUAL IMPROVEMENT FOR STATES.—For a State to make adequate yearly progress under subparagraph (A)(iii), not less than 90 percent of the local educational

agencies within the State shall meet the State’s criteria for adequate yearly progress.

“(E) ANNUAL IMPROVEMENT FOR LOCAL EDUCATIONAL AGENCIES.—For a local educational agency to make adequate yearly progress under subparagraph (A)(ii), not less than 90 percent of the schools served by the local educational agency shall meet the State’s criteria for adequate yearly progress.

“(F) ANNUAL IMPROVEMENT FOR SCHOOLS.—For an elementary school or a secondary school to make adequate yearly progress under subparagraph (A)(i), not less than 90 percent of each group of students described in subparagraph (B)(iv) who are enrolled in such school shall take the assessments described in paragraph (4)(D) and in section 612(a)(17)(A) of the Individuals with Disabilities Education Act.

“(G) PUBLIC NOTICE AND COMMENT.—

“(i) IN GENERAL.—Each State shall submit information in the State plan demonstrating that in developing such plan—

“(I) the State diligently sought public comment from a range of institutions and individuals in the State with an interest in improved student achievement; and

“(II) the State made and will continue to make a substantial effort to ensure that information regarding content standards, performance standards, assessments, and the State accountability system is widely known and understood by the public, parents, teachers, and school administrators throughout the State.

“(ii) EFFORTS.—The efforts described in clause (i), at a minimum, shall include annual publication of such information and explanatory text to the public through such means as the Internet, the media, and public agencies. Non-English language shall be used to communicate with parents where appropriate.

“(H) REVIEW.—The Secretary shall review information from each State on the adequate yearly progress of schools and local educational agencies within the State required under subparagraphs (A) and (B) for the purpose of determining State and local compliance with section 1116.

“(3) STATE AUTHORITY.—If a State educational agency provides evidence that is satisfactory to the Secretary that neither the State educational agency nor any other State government official, agency, or entity has sufficient authority under State law to adopt curriculum content and student performance standards, and assessments aligned with such standards, that will be applicable to all students enrolled in the State’s public schools, then the State educational agency may meet the requirements of this subsection by—

“(A) adopting curriculum content and student performance standards and assessments that meet the requirements of this subsection, on a statewide basis, and limiting the applicability of such standards and assessments to students served under this part; or

“(B) adopting and implementing policies that ensure that each local educational agency within a State receiving a grant under this part will adopt curriculum content and student performance standards and assessments—

“(i) that are aligned with the standards described in subparagraph (A); and

“(ii) that meet the criteria in this subsection and any regulations regarding such standards and assessments that the Secretary may publish and that are applicable to all students served by each such local educational agency.

“(4) ASSESSMENTS.—Each State plan shall demonstrate that the State has implemented a set of high quality, yearly student assessments that include, at a minimum, assessments in mathematics, science, and English language arts, that will be used, starting not later than the 2000–2001 school year as the primary means of determining the yearly performance of each local educational agency and school served by the State under this title in enabling all children to meet the State’s challenging content and student performance standards. Such assessments shall—

“(A) be the same assessments used to measure the performance of all children, if the State measures the performance of all children;

“(B) be aligned with the State’s challenging content and student performance standards, and provide coherent information about the local educational agency’s contribution to the student attainment of such standards;

“(C) be used only for purposes for which such assessments are valid and reliable, and be consistent with relevant, nationally recognized professional and technical standards for such assessments;

“(D) measure the performance of students against the challenging State content and student performance standards, and be administered not less than once during—

“(i) grades 3 through 5;

“(ii) grades 6 through 9; and

“(iii) grades 10 through 12;

“(E) include multiple, up-to-date measures of student performance and the local educational agency’s contribution to student performance, including measures that assess higher order thinking skills and understanding;

“(F) provide for—

“(i) the participation in such assessments of all students;

“(ii) the reasonable adaptations and accommodations for students with disabilities as defined in 602(3) of the Individuals with Disabilities Education Act necessary to measure the achievement of such students relative to State content and student performance standards;

“(iii) in the case of a student with limited English proficiency, the assessment of such student in the student’s native language if such a native language assessment is more likely than an English language assessment to yield accurate and reliable information on what that student knows and is able to do; and

“(iv) notwithstanding clause (iii), the assessment (using tests written in English) of English language arts of any student who has attended school in the United States (not including the Commonwealth of Puerto Rico) for 3 or more consecutive school years, except if the local educational agency determines, on a case-by-case individual basis, that assessments in another language and form would likely yield more accurate and reliable information on what such students know and can do, the local educational agency may assess such students in the appropriate language other than English for 1 additional consecutive year beyond the third consecutive year; and

“(G) include students who have attended schools in a local educational agency for a full academic year but have not attended a single school for a full academic year, except that the performance of students who have attended more than 1 school in the local educational agency in any academic year shall be used only in determining the progress of the local educational agency;

“(H) provide individual student reports to be submitted to parents, including assessment scores or other information on the attainment of student performance standards; and

“(I) enable results to be disaggregated within each State, local educational agency, and school by gender, by each major racial and ethnic group, by English proficiency status, and by economically disadvantaged students as compared to students who are not economically disadvantaged.

“(5) RIGOROUS CRITERIA.—States are encouraged to use rigorous criteria assessment measures.

“(6) FIRST GRADE LITERACY ASSESSMENT.—In addition to those assessments described in paragraph (4), each State receiving funds under this part shall describe in its State plan what reasonable steps it is taking to assist and encourage local educational agencies—

“(A) to measure literacy skills of first graders in schools receiving funds under this part by providing assessments of first graders that are—

“(i) developmentally appropriate;

“(ii) aligned with State content and student performance standards; and

“(iii) scientifically research-based; and

“(B) to assist and encourage local educational agencies receiving funds under this part in identifying and taking developmentally appropriate and effective interventions in any school served under this part in which a substantial number of first graders have not demonstrated grade-level literacy proficiency by the end of the school year.

“(7) LANGUAGE ASSESSMENTS.—Each State plan shall identify the languages other than English and Spanish that are present in the participating student populations in the State, and indicate the languages for which yearly student assessments are not available and are needed. The State may request assistance from the Secretary if linguistically accessible assessment measures are needed. Upon request, the Secretary shall assist with the identification of appropriate assessment measures in the needed languages, but shall not mandate a specific assessment or mode of instruction.

“(8) ASSESSMENT DEVELOPMENT.—A State shall develop and implement the State assessments, including, at a minimum, mathematics and English language arts, by the 2000–2001 school year.

“(9) REQUIREMENT.—Each State plan shall describe—

“(A) how the State educational agency will assist each local educational agency and school affected by the State plan to develop the capacity to comply with each of the requirements of sections 1114(b), 1115(c), and 1116 that are applicable to such agency or school;

“(B) how the State educational agency will—

“(i) hold each local educational agency affected by the State plan accountable for improved student performance, including a procedure for—

“(I) identifying local educational agencies and schools in need of improvement; and

“(II) assisting local educational agencies and schools identified under subclause (I) to address achievement problems, including thorough descriptions of the amounts and types of professional development to be provided instructional staff, the amount of any financial assistance to be provided by the State under section 1003, and the amount of any funds to be provided by other sources and the activities to be provided by those sources; and

“(ii) implementing corrective action if assistance is not effective;

“(C) how the State educational agency is providing low-performing students additional academic instruction, such as before- and after-school programs and summer academic programs;

“(D) such other factors the State considers appropriate to provide students an opportunity to achieve the knowledge and skills described in the State’s challenging content standards;

“(E) the specific steps the State educational agency will take or the specific strategies the State educational agency will use to ensure that—

“(i) all teachers in both schoolwide programs and targeted assistance programs are fully qualified not later than December 31, 2005; and

“(ii) low-income students and minority students are not taught at higher rates than other students by unexperienced, uncertified, or out-of-field teachers; and

“(F) the measures the State educational agency will use to evaluate and publicly report the State’s progress in improving the quality of instruction in the schools served by the State educational agency and local educational agencies receiving funding under this Act.

“(c) OTHER PROVISIONS TO SUPPORT TEACHING AND LEARNING.—Each State plan shall contain assurances that—

“(1) the State educational agency will work with other agencies, including educational service agencies or other local consortia and institutions to provide technical assistance to local educational agencies and elementary schools and secondary schools to carry out the State educational agency’s responsibilities under this part, including technical assistance in providing professional development under section 1119(A) and technical assistance under section 1117; and

“(2)(A) where educational service agencies exist, the State educational agency will consider providing professional development and technical assistance through such agencies; and

“(B) where educational service agencies do not exist, the State educational agency will consider providing professional development and technical assistance through other cooperative agreements, such as through a consortium of local educational agencies;

“(3) the State educational agency will use the disaggregated results of the student assessments required under subsection (b)(4), and other measures or indicators available to the State, to review annually the progress of each local educational agency and school served under this part to determine whether each such agency and school is making the annual progress necessary to ensure that all students will meet the proficient level of performance on the assessments described in subsection (b)(4) within 10 years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act;

“(4) the State educational agency will provide the least restrictive and burdensome regulations for local educational agencies and individual elementary schools and secondary schools participating in a program assisted under this part;

“(5) the State educational agency will regularly inform the Secretary and the public in the State of how Federal laws, if any, hinder the ability of States to hold local educational agencies and schools accountable for student academic performance;

“(6) the State educational agency will encourage elementary schools and secondary

schools to consolidate funds from other Federal, State, and local sources for schoolwide reform in schoolwide programs under section 1114;

“(7) the State educational agency will modify or eliminate State fiscal and accounting barriers so that elementary schools and secondary schools can easily consolidate funds from other Federal, State, and local sources for schoolwide programs under section 1114;

“(8) the State educational agency has involved the committee of practitioners established under section 1703(b) (as redesignated by section 161(2)) in developing and monitoring the implementation of the State plan; and

“(9) the State educational agency will inform local educational agencies of the local educational agency’s authority to obtain waivers under title VIII and, if the State is an Ed-Flex Partnership State, waivers under the Education Flexibility Partnership Act of 1999.

“(d) PEER REVIEW AND SECRETARIAL APPROVAL.—The Secretary shall—

“(1) establish a peer review process to assist in the review of State plans;

“(2) only approve a State plan meeting each of the requirements of this section;

“(3) if the Secretary determines that the State plan does not meet each of the requirements of subsection (a), (b), or (c), immediately notify the State of such determination and the reasons for such determination;

“(4) not disapprove a State plan before—

“(A) notifying the State educational agency in writing of the specific deficiencies of the State plan;

“(B) offering the State an opportunity to revise the State plan;

“(C) providing technical assistance in order to assist the State to meet the requirements under subsections (a), (b), and (c); and

“(D) providing a hearing;

“(5) have the authority to disapprove a State plan for not meeting the requirements of this section, but shall not have the authority to require a State, as a condition of approval of the State plan, to include in, or delete from, such plan 1 or more specific elements of the challenging State content standards or to use specific assessment instruments or items; and

“(6) require a State to submit a revised State plan that meets the requirements of this section to the Secretary for approval not later than 1 year after the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act.

“(e) DURATION OF THE PLAN.—

“(1) IN GENERAL.—Each State plan shall—

“(A) remain in effect for the duration of the State’s participation under this part; and

“(B) be periodically reviewed and revised by the State, as necessary, to reflect changes in the State’s strategies and programs under this part.

“(2) ADDITIONAL INFORMATION.—If the State makes significant changes in its State plan, such as the adoption of new challenging State content standards and State student performance standards, new assessments, or a new definition of adequate yearly progress, the State shall submit such information to the Secretary.

“(f) LIMITATION ON CONDITIONS.—Nothing in this part shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State’s, local educational agency’s, or elementary school’s or secondary school’s specific challenging content or student performance standards, assessments, curricula, or

program of instruction, as a condition of eligibility to receive funds under this part.

“(g) PENALTIES.—

“(1) IN GENERAL.—If a State fails to meet the statutory deadlines for demonstrating that the State has in place challenging content standards and student performance standards, assessments, a system for measuring and monitoring adequate yearly progress, and a statewide system for holding schools and local educational agencies accountable for making adequate yearly progress with each group of students specified in subsection (b)(2)(B)(iv), the State shall be ineligible to receive any administrative funds under section 1703(c) that exceed the amount received by the State for such purposes in the previous year.

“(2) ADDITIONAL FUNDS.—Based on the extent to which challenging content standards and student performance standards, assessments, systems for measuring and monitoring adequate yearly progress, and a statewide system for holding schools and local educational agencies accountable for making adequate yearly progress with each group of students specified in subsection (b)(2)(B)(iv), are not in place, the Secretary shall withhold additional administrative funds in such amount as the Secretary determines appropriate, except that for each additional year that the State fails to comply with such requirements, the Secretary shall withhold not less than 1/5 of the amount the State receives for administrative expenses under section 1703(c).

“(3) WAIVER.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), notwithstanding part D of title VIII, the Education Flexibility Partnership Act of 1999, or any other provision of law, a waiver of this section shall not be granted, except that a State may request a 1-time, 1-year waiver to meet the requirements of this section.

“(B) EXCEPTION.—A waiver granted pursuant to subparagraph (A) shall not apply to the requirements described under subsection (h).

“(h) SPECIAL RULE ON SCIENCE STANDARDS AND ASSESSMENTS.—Notwithstanding subsection (b) and part D of title IV, no State shall be required to meet the requirements under this title relating to science standards or assessments until the beginning of the 2005–2006 school year.”

SEC. 106. LOCAL EDUCATIONAL AGENCY PLANS.

(a) SUBGRANTS.—Section 1112(a)(1) (20 U.S.C. 6312(a)(1)) is amended by striking “” and all that follows and inserting “the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Head Start Act, and other Acts, as appropriate.”

(b) PLAN PROVISIONS.—Section 1112(b) (20 U.S.C. 6312(b)) is amended—

(1) by striking “Each” and inserting “In order to help low-achieving children achieve high standards, each”;

(2) in paragraph (1)—

(A) by striking “part” each place it appears and inserting “title”; and

(B) in subparagraph (B), by inserting “low-achieving” before “children”;

(3) in paragraph (4)—

(A) in subparagraph (A)—

(i) by striking “program,” and inserting “programs and”; and

(ii) by striking “, and school-to-work transition programs”; and

(B) in subparagraph (B), by striking “under part C” and all that follows through “dropping out” and inserting “under part C, neglected or delinquent youth.”;

(4) in paragraph (7), by striking “eligible”;

(5) in paragraph (9), by striking the period and inserting a semicolon; and

(6) by adding at the end the following new paragraphs:

“(10) a description of the actions the local educational agency will take to assist the low-performing schools served by the local educational agency, including schools identified under section 1116 as in need of improvement; and

“(11) a description of how the local educational agency will promote the use of alternative instructional methods, and extended learning time, such as an extended school year, before- and after-school programs, and summer programs.”

(c) ASSURANCES.—Section 1112(c) (20 U.S.C. 6312(c)) is amended to read as follows:

“(c) ASSURANCES.—

“(1) IN GENERAL.—Each local educational agency plan shall provide assurances that the local educational agency will—

“(A) specify the steps the local educational agency will take to ensure that all teachers in both schoolwide programs and targeted assistance are fully qualified not later than December 31, 2005 and the strategies the local educational agency will use to ensure that low-income students and minority students are not taught at higher rates than other children by inexperienced, uncertified, or out-of-field teachers, and the measures the agency will use to evaluate and publicly report progress in improving the quality of instruction in schools served by the local educational agency and receiving funding under this Act;

“(B) reserve not less than 10 percent of the funds the agency receives under this part for high quality professional development, as defined in section 1119, for professional instruction staff;

“(C) provide eligible schools and parents with information regarding schoolwide project authority and the ability of such schools to consolidate funds from Federal, State, and local sources;

“(D) provide technical assistance and support to schoolwide programs;

“(E) work in consultation with schools as the schools develop a school plan pursuant to section 1114(b)(2), and assist schools in implementing such plans or undertaking activities pursuant to section 1115(c), so that each school can make adequate yearly progress toward meeting the challenging State student performance standards;

“(F) use the disaggregated results of the student assessments required under section 1111(b)(4), and other measures or indicators available to the agency, to review annually the progress of each school served by the agency and receiving funds under this title to determine whether or not all schools are making the annual progress necessary to ensure that all students will meet the proficient level of performance on the assessments described in section 1111(b)(4) within 10 years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act;

“(G) set and hold schools served by the local educational agency accountable for meeting annual numerical goals for improving the performance of all groups of students based on the performance standards set by the State under section 1111(b)(1)(D)(ii);

“(H) fulfill the local educational agency’s school improvement responsibilities under section 1116, including taking corrective actions under section 1116(c)(9);

“(I) provide the State educational agency with—

“(i) an annual, up-to-date, and accurate list of all schools served by the local educational agency that are eligible for school improvement and corrective action;

“(ii) the reasons why each school described in clause (i) was identified for school improvement or corrective action; and

“(iii) the specific plans for improving student performance in each of the schools described in clause (i), including the specific numerical achievement goals for the succeeding 2 school years, for each group of students specified in section 1111(b)(2)(B)(iv) enrolled in each such school;

“(J) provide services to eligible children attending private elementary schools and secondary schools in accordance with section 1120, and provide timely and meaningful consultation with private school officials regarding such services;

“(K) take into account the experience of model programs for the educationally disadvantaged and the findings of relevant scientifically based research when developing technical assistance plans for, and delivering technical assistance to, schools served by the local educational agency that are receiving funds under this part and are in school improvement or corrective action;

“(L) in the case of a local educational agency that chooses to use funds under this part to provide early childhood development services to low-income children below the age of compulsory school attendance, ensure that such services comply with the performance standards established under section 641A(a) of the Head Start Act;

“(M) comply with the requirements of section 1119 regarding the qualifications of teachers and paraprofessionals;

“(N) inform eligible schools served by the local educational agency of the agency’s authority to obtain waivers on such school’s behalf under title VIII, and if the State is an Ed-Flex Partnership State, under the Education Flexibility Partnership Act of 1999; and

“(O) coordinate and collaborate, to the extent feasible and necessary as determined by the local educational agency, with other agencies providing services to children, youth, and their families.

(2) MODEL PROGRAMS; SCIENTIFICALLY BASED RESEARCH.—In carrying out paragraph (1)(K)—

“(A) the Secretary shall consult with the Secretary of Health and Human Services on the implementation of such subparagraph, and shall establish procedures (taking into consideration existing State and local laws and local teacher contracts) to assist local educational agencies to comply with such subparagraph;

“(B) the Secretary shall disseminate to local educational agencies the Head Start performance standards under section 641A(a) of the Head Start Act upon such standard’s publication; and

“(C) local educational agencies affected by such subparagraph shall plan for the implementation of such subparagraph (taking into consideration existing State and local laws, and local teacher contracts), including pursuing the availability of other Federal, State, and local funding sources to assist in compliance with such subparagraph.

(3) INAPPLICABILITY.—The provisions of this subsection shall not apply to preschool programs using the Even Start model or to Even Start programs.”

(d) PLAN DEVELOPMENT AND DURATION.—Section 1112(d) (20 U.S.C. 6312(d)) is amended to read as follows:

“(d) PLAN DEVELOPMENT AND DURATION.—

“(1) CONSULTATION.—Each local educational agency plan shall be developed in consultation with teachers, principals, local school boards, administrators (including administrators of programs described in other parts of this title), other appropriate school personnel, and parents of children in elementary schools and secondary schools served under this part.

“(2) DURATION.—Each plan described in paragraph (1) shall remain in effect for the duration of the local educational agency’s participation under this part.

“(3) REVIEW.—Each local educational agency shall periodically review, and as necessary, revise its plan.”.

(e) STATE APPROVAL.—Section 1112(e) (20 U.S.C. 6312(e)) is amended to read as follows:

“(e) PEER REVIEW AND STATE APPROVAL.—

“(1) IN GENERAL.—Each local educational agency plan shall be filed according to a schedule established by the State educational agency.

“(2) APPROVAL.—The State educational agency shall establish a peer review process to assist in the review of local educational agency plans. The State educational agency shall approve a local educational agency plan only if the State educational agency determines that the local educational agency plan—

“(A) will enable elementary schools and secondary schools served by the local educational agency and under this part to help all groups of students specified in section 1111(b)(1) meet or exceed the proficient level of performance on the assessments required under section 1111(b)(4) within 10 years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act; and

“(B) meets each of the requirements of this section.

“(3) STATE REVIEW.—Each State educational agency shall at least annually review each local agency plan approved under this subsection against the results of the disaggregated assessments required under section 1111(b)(4) for each local educational agency to ensure that the progress of all students in schools served by each local educational agency under this part is adequate to ensure that all students in the State will meet or exceed the proficient standard level of performance on assessments within 10 years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act.

“(4) PUBLIC REVIEW.—Each State educational agency will make publicly available each local educational agency plan.”.

(f) PARENTAL NOTIFICATION FOR ENGLISH LANGUAGE INSTRUCTION.—Section 1112 (20 U.S.C. 6312) is amended by adding at the end the following:

“(g) PARENTAL NOTIFICATION FOR ENGLISH LANGUAGE INSTRUCTION.—

“(1) NOTIFICATION.—If a local educational agency uses funds under this part to provide English language instruction to limited English proficient students, the local educational agency shall inform a parent or the parents of a child participating in an English language assistance educational program assisted under this part of—

“(A) the reasons for the identification of the child as being in need of English language instruction;

“(B) the child’s level of English proficiency, how such level was assessed, and the status of the child’s academic achievement;

“(C) how the English language assistance educational program will specifically help

the child learn English and meet age-appropriate standards for grade promotion and graduation;

“(D) the specific exit requirements of the English language assistance educational program;

“(E) the expected rate of graduation from the English language assistance educational program into mainstream classes; and

“(F) the expected rate of graduation from secondary school if funds under this part are used for children in secondary schools.

“(2) PARENTAL RIGHTS.—

“(A) IN GENERAL.—A parent or the parents of a child participating in an English language assistance educational program under this part shall—

“(i) have the option of selecting among methods of instruction, if more than one method is offered in the program; and

“(ii) have the right to have their child immediately removed from the program upon their request.

“(B) RECEIPT OF INFORMATION.—A parent or the parents of a child identified for participation in an English language assistance educational program under this part shall receive, in a manner and form understandable to the parent or parents, the information required by this subsection. At a minimum, the parent or parents shall receive—

“(i) timely information about English language assistance educational programs for limited English proficient children assisted under this part; and

“(ii) if a parent of a participating child so desires, notice of opportunities for regular meetings of parents of limited English proficient children participating in English language assistance educational programs under this part for the purpose of formulating and responding to recommendations from such parents.

“(3) BASIS FOR ADMISSION OR EXCLUSION.—No student shall be admitted to or excluded from any federally assisted education program solely on the basis of a surname or language minority status.”.

SEC. 107. SCHOOLWIDE PROGRAMS.

(a) USE OF FUNDS FOR SCHOOLWIDE PROGRAMS.—Section 1114(a) (20 U.S.C. 6314(a)) is amended—

(1) in paragraph (1), by striking “school described in subparagraph (A)” and all that follows through “such families.” the second place it appears and inserting “school that serves an eligible school attendance area in which—

“(A) not less than 40 percent of the children are from low-income families; or

“(B) not less than 40 percent of the children enrolled in the school are from such families.”; and

(2) in paragraph (2)—

(A) in subparagraph (A), by striking “subsections (c)(1) and (e) of”; and

(B) in subparagraph (B), by striking “subsections (c)(1) and (e) of”.

(b) COMPONENTS OF A SCHOOLWIDE PROGRAM.—Section 1114(b) (20 U.S.C. 6314(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking “section 1111(b)(1)” and inserting “section 1111(b)”;

(B) in subparagraph (B)—

(i) in clause (i), by striking “section 1111(b)(1)(D)” and inserting “1111(b)”;

(ii) in clause (iii)(II), by inserting “and” after the semicolon;

(iii) in clause (iv)(II), by striking “; and” and inserting a period; and

(iv) by striking clause (vii); and

(C) in subparagraph (G), by striking “section 1112(b)(1)” and inserting “section 1112”; and

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking “Improving America’s Schools Act of 1994” and inserting “Public Education Reinvestment, Reinvention, and Responsibility Act”;

(ii) by striking “subsections (c)(1) and (e) of”; and

(iii) in clause (iv), by striking “section 1111(b)(3)” and inserting “section 1111(b)(4)”;

(B) in subparagraph (B), by striking “paragraphs (1) and (3) of section 1111(b)” and inserting “paragraphs (1) and (4) of section 1111(b)”;

(C) in subparagraph (C)(i)—

(i) in subclause (I), by striking “subsections (c) and (e) of”; and

(ii) in subclause (II), by striking “Improving America’s Schools Act of 1994” and inserting “Public Education Reinvestment, Reinvention, and Responsibility Act”.

SEC. 108. SCHOOL CHOICE.

Section 1115A (20 U.S.C. 6316) is amended to read as follows:

“SEC. 1115A. SCHOOL CHOICE.

“(a) CHOICE PROGRAMS.—A local educational agency may use funds under this part, in combination with State, local, and private funds, to develop and implement public school choice programs, for children eligible for assistance under this part, that permit parents to select the public school that their child will attend and are consistent with State and local law, policy, and practice related to public school choice and local pupil transfer.

“(b) CHOICE PLAN.—A local educational agency that chooses to implement a public school choice program under this section shall first develop a plan that—

“(1) contains an assurance that all eligible students across grade levels served under this part will have equal access to the program;

“(2) contains an assurance that the program does not include elementary schools or secondary schools that follow a racially discriminatory policy;

“(3) describes how elementary schools or secondary schools will use resources under this part, and from other sources, to implement the plan;

“(4) contains an assurance that the plan will be developed with the involvement of parents and others in the community to be served, and individuals who will carry out the plan, including administrators, teachers, principals, and other staff;

“(5) contains an assurance that parents of eligible students served by the local educational agency will be given prompt notice of the existence of the public school choice program, the program’s availability to such parents, and a clear explanation of how the program will operate;

“(6) contains an assurance that the public school choice program—

“(A) shall include charter schools and any other public elementary school and secondary school; and

“(B) shall not include as a ‘receiving school’ an elementary school or a secondary school that—

“(i) is or has been identified as a school in, or eligible for, school improvement or corrective action;

“(ii) has been in school improvement or corrective action within the last 2 consecutive academic years; or

“(iii) is at risk of being eligible for school improvement within the next school year;

“(7) contains an assurance that transportation services or the costs of transportation to and from the public school choice program—

“(A) may be provided by the local educational agency with funds under this part and from other sources; and

“(B) shall not be provided from funds made available under this part to the local educational agency that exceed 10 percent of such funds; and

“(8) contains an assurance that such local educational agency will comply with the other requirements of this part.”

SEC. 109. ASSESSMENT AND LOCAL EDUCATIONAL AGENCY AND SCHOOL IMPROVEMENT.

(a) LOCAL REVIEW.—Section 1116(a) (20 U.S.C. 6317(a)) is amended—

(1) in paragraph (2), by striking “1111(b)(2)(A)(i)” and inserting “1111(b)(2)(B)”;

(2) in paragraph (3)—

(A) by striking “individual school performance profiles” and inserting “school report cards”;

(B) by striking “1111(b)(3)(I)” and inserting “1111(b)(4)(I)”;

(C) by striking “and” after the semicolon; (3) in paragraph (4), by striking the period and inserting “; and”;

(4) by adding at the end the following:

“(5) review the effectiveness of the actions and activities the schools are carrying out under this part with respect to parental involvement assisted under this Act.”

(b) SCHOOL IMPROVEMENT.—Section 1116(c) (20 U.S.C. 6317(c)) is amended to read as follows:

“(c) SCHOOL IMPROVEMENT.—

“(1) IN GENERAL.—A local educational agency shall identify for school improvement any elementary school or secondary school served under this part that—

“(A) for 2 consecutive years failed to make adequate yearly progress as defined in the State’s plan under section 1111(b)(2); or

“(B) was in, or was eligible for, school improvement status under this section on the day preceding the date of the enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act.

“(2) TRANSITION.—The 2-year period described in paragraph (1)(A) shall include any continuous period of time immediately preceding the date of the enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act during which an elementary school or a secondary school did not make adequate yearly progress as defined in the State’s plan, as such plan was in effect on the day preceding the date of enactment of the Public Education Reinvestment, Reinvention and Responsibility Act.

“(3) TARGETED ASSISTANCE SCHOOLS.—To determine if an elementary school or a secondary school that is conducting a targeted assistance program under section 1115 should be identified as in need of improvement under this subsection, a local educational agency may choose to review the progress of only those students in such school who are served, or are eligible for services, under this part.

“(4) OPPORTUNITY TO REVIEW AND PRESENT EVIDENCE.—(A) Before identifying an elementary school or a secondary school for school improvement under paragraph (1), the local educational agency shall provide the school with an opportunity to review the school level data, including assessment data, on which the proposed identification is based.

“(B) If the principal of a school proposed for identification as in need of school im-

provement believes that the proposed identification is in error for statistical or other substantive reasons, the principal may provide supporting evidence to the local educational agency, which the agency shall consider before making a final determination.

“(5) TIME LIMITS.—Not later than 30 days after a local educational agency makes its initial determination that a school served by the agency and receiving assistance under this part is eligible for school improvement, the local educational agency shall make public a final determination on the status of the school.

“(6) NOTIFICATION TO PARENTS.—A local educational agency shall, in an easily understandable format, and in the 3 languages, other than English, spoken by the greatest number of individuals in the area served by the local educational agency, provide in writing to parents of each student in an elementary school or a secondary school identified for school improvement—

“(A) an explanation of what the school improvement identification means, and how the school identified for improvement compares in terms of academic performance to other elementary schools or secondary schools served by the local educational agency and the State educational agency;

“(B) the reasons for such identification;

“(C) the data on which such identification was based;

“(D) an explanation of what the school identified for improvement is doing to address the problem of low achievement;

“(E) an explanation of what the local educational agency or State educational agency is doing to help the school address its achievement problems, including the amounts and types of professional development being provided to the instructional staff in such school, the amount of any financial assistance being provided by the State educational agency under section 1003, and the activities that are being provided with such financial assistance;

“(F) an explanation of how parents described in this paragraph can become involved in addressing the academic issues that caused the school to be identified as in need of improvement; and

“(G) an explanation of the right of parents, pursuant to paragraph (7), to transfer their child to a higher performing public school, including a public charter school or magnet school, that is not in school improvement, and how such transfer shall operate.

“(7) PUBLIC SCHOOL CHOICE OPTION.—

“(A) SCHOOLS IN CORRECTIVE ACTION.—

“(i) SCHOOLS IN CORRECTIVE ACTION ON OR BEFORE DATE OF ENACTMENT.—In the case of a school identified for corrective action on or before the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act, a local educational agency shall not later than 18 months after such date of enactment provide all students enrolled in the school an option to transfer (consistent with State and local law, policy, and practices related to public school choice and local pupil transfer) to any other higher performing public school, including a public charter or magnet school, that—

“(I) has not been identified for school improvement or corrective action;

“(II) is not at risk of being identified for school improvement or corrective action within the succeeding academic year; and

“(III) has not been in corrective action at any time during the 2 preceding academic years.

“(ii) SCHOOLS IDENTIFIED AFTER DATE OF ENACTMENT.—In the case of a school identified

for corrective action after the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act, a local educational agency shall not later than 12 months after the date on which a local educational agency identifies the school for corrective action provide all students enrolled in the school with the transfer option described in clause (i).

“(B) COOPERATIVE AGREEMENT.—If all public schools served by the local educational agency to which a child may transfer under clause (i) are identified for corrective action, or, if public schools in the agency’s jurisdiction that are not in corrective action cannot accommodate all of the students who are eligible to transfer because of capacity, or State or local law, policy, and practices related to public school choice and local pupil transfer, the local educational agency shall, to the extent practicable, establish a cooperative agreement with other local educational agencies that serve geographic areas in proximity to the geographic area served by the local educational agency, to enable a child to transfer (consistent with State and local law, policy, and practices related to public school choice and local pupil transfer) to a school served by such other local educational agencies that meets the requirements described in subparagraph (A)(i).

“(C) TRANSPORTATION.—A local educational agency that serves a school that has been identified for corrective action shall provide transportation services or the costs of such services for children of parents who choose to transfer their children pursuant to this paragraph to a different school. Not more than 10 percent of the funds allocated to a local educational agency under this part may be used to provide such transportation services or costs of such services.

“(D) CONTINUATION OPTION.—Once a school is no longer identified for or in corrective action, the local educational agency shall continue to provide public school choice as an option to students in such schools for a period of not less than 2 years.

“(8) SCHOOL PLAN.—(A) Each school identified under paragraph (1) for school improvement shall, after being so identified, develop or revise a school plan, in consultation with parents, school staff, the local educational agency serving the school, the local school board, and other outside experts, for approval by such local educational agency. The school plan shall—

“(i) incorporate scientifically based research strategies that strengthen the core academic programs in the school and address the specific academic issues that caused the school to be identified for school improvement;

“(ii) adopt policies and practices in the school’s core academic program that have the greatest likelihood of ensuring that all groups of students specified in section 1111(b)(2)(B)(iv) enrolled in the school will meet or exceed the State’s proficient level of performance on the assessment required in section 1111(b)(4) within 10 years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act;

“(iii) assure that the school will reserve not less than 10 percent of the funds made available to it under this part for each fiscal year that the school is in school improvement for the purpose of providing the school’s teachers and principal high quality professional development that—

“(I) directly addresses the academic achievement problem that caused the school to be identified for school improvement; and

“(II) meets the requirements for professional development activities under section 1119;

“(iv) specify how the funds described in clause (iii) will be used to remove the school from school improvement status;

“(v) establish specific annual, numerical progress goals for each group of students specified in section 1111(b)(2)(B)(iv) enrolled in the school that will ensure that all such groups of students meet or exceed the State’s proficient standard level of performance within 10 years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act;

“(vi) identify how the school will provide written notification to parents of each child enrolled in such school, in a format and, to the extent practicable, in a language such parents can understand; and

“(vii) specify the responsibilities of the school, the local educational agency, and the State educational agency serving such school under the plan.

“(B) The local educational agency described in subparagraph (A)(vi) may condition approval of a school plan on inclusion of 1 or more of the corrective actions specified in paragraph (10)(C).

“(C) A school shall implement the school plan or revised plan expeditiously, but not later than the beginning of the school year following the school year in which the school was identified for improvement.

“(D) The local educational agency described in subparagraph (A)(vi) shall establish a peer review process to assist with review of a school improvement plan prepared by the school served by the local educational agency, promptly review the school plan, work with the school as necessary, and approve the school plan if the school plan meets the requirements of this paragraph.

“(9) TECHNICAL ASSISTANCE.—(A) For each school identified for school improvement under paragraph (1), the local educational agency serving the school shall provide technical assistance as the school develops and implements its school plan.

“(B) Such technical assistance—

“(i) shall include assistance in analyzing data from the assessments required under section 1111(b)(4), and other samples of student work, to identify and address instructional problems and solutions;

“(ii) shall include assistance in identifying and implementing scientifically based instructional strategies and methods that have proven effective in addressing the specific instructional issues that caused the school to be identified for school improvement;

“(iii) shall include assistance in analyzing and revising the school’s budget such that the school resources are more effectively focused on those activities most likely to increase student achievement and to remove the school from school improvement status;

“(iv) may be provided directly by the local educational agency, through mechanisms authorized under section 1117, or with the local educational agency’s approval, by the State educational agency, an institution of higher education in full compliance with all the reporting provisions of title II of the Higher Education Act of 1965, a private not-for-profit organization or for-profit organization, an educational service agency, the recipient of a Federal contract or cooperative agreement as described under section 7005, or other entity with experience in helping schools improve achievement.

“(C) Technical assistance provided under this section by a local educational agency or an entity authorized by such agency shall be based upon scientifically based research.

“(10) CORRECTIVE ACTION.—In order to help students served under this part meet challenging State standards, each local educational agency shall implement a system of corrective action in accordance with the following:

“(A) After providing technical assistance under paragraph (9) and subject to subparagraph (F), the local educational agency—

“(i) may take corrective action at any time with respect to a school served by the local educational agency that has been identified under paragraph (1);

“(ii) shall take corrective action with respect to any school served by the local educational agency that fails to make adequate yearly progress, as defined by the State under section 1111(b)(2)(B), after the end of the second year following the school year in which the school was identified under paragraph (1); and

“(iii) shall continue to provide technical assistance while instituting any corrective action under clause (i) or (ii).

“(B) As used in this paragraph, the term ‘corrective action’ means action, consistent with State and local law, that—

“(i) substantially and directly responds to—

“(I) the consistent academic failure of a school that caused the local educational agency to take such action; and

“(II) any underlying staffing, curricula, or other problem in the school; and

“(ii) is designed to increase substantially the likelihood that students enrolled in the school subject to corrective action will perform at the proficient and advanced performance levels.

“(C) In the case of a school described in subparagraph (A)(ii), the local educational agency shall take not less than 1 of the following corrective actions:

“(i) Withhold funds from the school.

“(ii) Make alternative governance arrangements, including reopening the school as a public charter school.

“(iii) Reconstitute the relevant school staff.

“(iv)(I) Authorize students to transfer to other higher performing public schools served by the local educational agency, including public charter and magnet schools.

“(II) Provide such students transportation services, or the costs of transportation, to such schools (except that such funds used to provide transportation services or costs of transportation shall not exceed 10 percent of the amount authorized under section 1122(a)(2)).

“(III) Take not less than 1 additional action described under this subparagraph.

“(v) Institute and fully implement a new curriculum, including appropriate professional development for all relevant staff, that is based upon scientifically based research and offers substantial promise of improving educational achievement for low-performing students.

“(D) A local educational agency may delay, for a period not to exceed 1 year, implementation of corrective action only if the failure to make adequate yearly progress was justified due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the local educational agency or school.

“(E) The local educational agency shall publish and disseminate to the public and to the parents of each student enrolled in a school subject to corrective action, in a format and, to the extent practicable, in a language that the parents can understand, in-

formation regarding any corrective action the local educational agency takes under this paragraph through such means as the Internet, the media, and public agencies.

“(F)(i) Before taking corrective action with respect to any school under this paragraph, a local educational agency shall provide the school an opportunity to review the school level data, including assessment data, on which the proposed determination is made.

“(ii) If the school believes that the proposed determination is in error for statistical or other substantive reasons, the school principal may provide supporting evidence to the local educational agency, which shall consider such evidence before making a final determination.

“(G) TIME LIMITS.—Not later than 30 days after the local educational agency makes its initial determination that a school served by the local educational agency and receiving assistance under this part is eligible for corrective action, the local educational agency shall make a final and public determination on the status of the school.

“(11) STATE EDUCATIONAL AGENCY RESPONSIBILITIES.—If a State educational agency determines that a local educational agency failed to carry out its responsibilities under this section, or determines that, after 1 year of implementation of the corrective action, such action has not resulted in sufficient progress in increased student performance, the State educational agency shall take such action as the agency finds necessary, including designating a course of corrective action described in paragraph (10)(C), consistent with this section, to improve the affected schools and to ensure that the local educational agency carries out the local educational agency’s responsibilities under this section.

“(12) SPECIAL RULES.—Schools that, for at least 2 of the 3 years following identification under paragraph (1), make adequate yearly progress toward meeting the State’s proficient and advanced levels of performance shall no longer be identified for school improvement.”.

(C) STATE REVIEW AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.—Section 1116(d) (20 U.S.C. 6317(d)) is amended to read as follows:

“(d) STATE REVIEW AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.—

“(1) IN GENERAL.—A State educational agency shall annually review the progress of each local educational agency within the State receiving funds under this part to determine whether schools served by such agencies and receiving assistance under this part are making adequate yearly progress, as defined in section 1111(b)(2), toward meeting the State’s student performance standards and to determine whether each local educational agency is carrying out its responsibilities under sections 1116 and 1117.

“(2) IDENTIFICATION OF LOCAL EDUCATIONAL AGENCY FOR IMPROVEMENT.—A State educational agency shall identify for improvement any local educational agency that—

“(A) for 2 consecutive years fails to make adequate yearly progress as defined in the State’s plan under section 1111(b)(2); or

“(B) had been identified for, or was eligible for, improvement under this section as this section was in effect on the day preceding the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act.

“(3) TRANSITION.—The 2-year period described in paragraph (2)(A) shall include any continuous period of time immediately preceding the date of the enactment of the Public Education Reinvestment, Reinvention,

and Responsibility Act during which a local educational agency did not make adequate yearly progress as defined in the State's plan, as such plan was in effect on the day preceding the date of the enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act.

“(4) TARGETED ASSISTANCE SCHOOLS.—For purposes of targeted assistance schools within a local educational agency, a State educational agency may choose to review the progress of only the students in such schools who are served under this part.

“(5) OPPORTUNITY TO REVIEW AND PRESENT EVIDENCE.—(A) Before identifying a local educational agency for improvement under paragraph (2), a State educational agency shall provide the local educational agency with an opportunity to review the local educational agency data, including assessment data, on which the proposed identification is based.

“(B) If the local educational agency believes that the proposed identification is in error for statistical or other substantive reasons, the local educational agency may provide supporting evidence to the State educational agency, which the State educational agency shall consider before making a final determination.

“(6) TIME LIMITS.—Not later than 45 days after the State educational agency makes its initial determination that a local educational agency within the State and receiving assistance under this part is eligible for improvement, the State educational agency shall make public a final determination on the status of the local educational agency.

“(7) NOTIFICATION TO PARENTS.—The State educational agency shall promptly notify parents of each student enrolled in a school served by a local educational agency identified for improvement, in a format, and to the extent practicable, in a language the parents can understand, of the reasons for such agency's identification and how parents can participate in upgrading the quality of the local educational agency.

“(8) LOCAL EDUCATIONAL AGENCY REVISIONS.—

“(A) IN GENERAL.—Each local educational agency identified under paragraph (2) shall, after being so identified, develop or revise a local educational agency plan, in consultation with the local school board, parents, teachers, school staff, and others, for approval by the State educational agency. Such plan shall—

“(i) incorporate scientifically based research strategies that strengthen the core academic program in the local educational agency;

“(ii) identify specific annual numerical academic achievement objectives in at least the areas of mathematics and English language arts that the local educational agency will meet, with such objectives being calculated in a manner such that their achievement will ensure that each group of students enrolled in each school served by the local educational agency will meet or exceed the proficient standard level of performance in assessments required under section 1111(b)(4) within 10 years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act; and

“(iii) assure that the local educational agency will—

“(I) reserve not less than 10 percent of the funds made available to the local educational agency under this part for each fiscal year that the agency is in improvement for the purpose of providing high quality professional development to teachers and prin-

cipals at schools served by the agency and receiving funds under this part that directly address the academic achievement problem that caused the local educational agency to be identified for improvement and shall be in keeping with the definition of professional development provided in section 1119; and

“(II) the improvement plan shall specify how these funds will be used to remove the local educational agency from improvement status;

“(iv) identify how the local educational agency will provide written notification to parents described in paragraph (7) in a format, and to the extent practicable in a language, that the parents can understand, pursuant to paragraph (7);

“(v) specify the responsibilities of the State educational agency and the local educational agency under the plan; and

“(vi) include a review of the local educational agency budget to ensure that resources are focused on those activities that are most likely to improve student achievement and to remove the agency from improvement status.

“(B) PEER REVIEW.—The State educational agency shall establish a peer review process to assist with the review of the local educational agency improvement plan, promptly review the plan, work with the local educational agency as necessary, and approve the plan if the plan meets the requirements of this paragraph.

“(C) DEADLINE FOR IMPLEMENTATION.—The local educational agency shall implement the local educational agency plan or revised plan expeditiously, but not later than the beginning of the school year following the school year in which the agency was identified for improvement.

“(D) RESOURCES REALLOCATION.—If the local educational agency budget fails to allocate resources, consistent with, subparagraph (A)(iv), the State educational agency may direct the local educational agency to reallocate resources to more effective activities.

“(9) STATE EDUCATIONAL AGENCY RESPONSIBILITY.—For each local educational agency identified under paragraph (2), the State educational agency shall provide technical or other assistance, if requested, as authorized under section 1117, to better enable the local educational agency—

“(A) to develop and implement the local educational agency plan or revised plan as approved by the State educational agency consistent with the requirements of this section; and

“(B) to work with schools served by the local educational agency that are identified for improvement.

“(10) TECHNICAL ASSISTANCE.—Technical assistance provided by the State educational agency—

“(A) shall include assistance in analyzing data from the assessments required under section 1111(b)(4) to identify and address instructional problems and solutions;

“(B) shall include assistance in identifying and implementing scientifically based instructional strategies and methods that have proven effective in addressing the specific instructional issues that caused the local educational agency to be identified for improvement;

“(C) shall include assistance in analyzing and revising the local educational agency's budget such that the agency's resources are more effectively focused on those activities most likely to increase student achievement and to remove the agency from improvement status; and

“(D) may be provided by—

“(i) the State educational agency; or

“(ii) with the local educational agency's approval, by an institution of higher education (in full compliance with all the reporting provisions of title II of the Higher Education Act of 1965), a private not-for-profit or for-profit organization, an educational service agency, the recipient of a Federal contract or cooperative agreement as described under section 7005, or any other entity with experience in helping schools improve achievement.

“(11) RESOURCES REALLOCATION.—The State educational agency may, as a condition of providing the local educational agency with technical assistance and financial support in developing and carrying out an improvement plan, require that the local educational agency reallocate resources away from ineffective or inefficient activities to activities that, through scientific research, have proven to have the greatest impact on increasing student achievement and closing the achievement gap between groups of students.

“(12) CORRECTIVE ACTION.—In order to help students served under this part meet challenging State standards, each State educational agency shall implement a system of corrective action in accordance with the following:

“(A) After providing technical assistance under paragraph (10), and subject to subparagraph (D), the State educational agency—

“(i) shall take corrective action with respect to any local educational agency that fails to make adequate yearly progress, as defined by the State, after the end of the second year following its identification under paragraph (2); and

“(ii) shall continue to provide technical assistance while instituting any corrective action under clause (i) or (ii).

“(B) As used in this paragraph, the term ‘corrective action’ means action, consistent with State law, that—

“(i) substantially and directly responds to—

“(I) the consistent academic failure of schools served by a local educational agency that caused the State educational agency to take such action with respect to the local educational agency; and

“(II) any underlying staffing, curricular, or other problem in the schools served by the local educational agency; and

“(ii) is designed to meet the goal of having all students served under this part perform at the proficient and advanced performance levels.

“(C) In the case of a local educational agency described in subparagraph (A)(ii), the State educational agency shall take not less than 1 of the following corrective actions:

“(i) Withhold funds from the local educational agency.

“(ii) Reconstitute the relevant local educational agency personnel.

“(iii) Remove particular schools from the area served by the local educational agency, and establish alternative arrangements for public governance and supervision of such schools.

“(iv) Appoint, through the State educational agency, a receiver or trustee to administer the affairs of the local educational agency in place of the local educational agency's superintendent and school board.

“(v) Abolish or restructure the local educational agency.

“(vi)(I) Authorize students to transfer from a school operated by the local educational agency to a higher performing public school, including a public charter or magnet school,

operated by another local educational agency.

“(II) Provide students described in subclause (I) transportation services, or the costs of transportation, not to exceed 10 percent of the funds allocated to a local educational agency under this part, to such higher performing schools or public charter schools.

“(III) Take not less than 1 additional action described under this subparagraph.

“(D) Prior to implementing any corrective action, the State educational agency shall provide notice and an opportunity for a hearing to the affected local educational agency, if State law provides for such notice and opportunity.

“(E) Not later than 45 days after the State educational agency makes its initial determination that a local educational agency in the State and receiving assistance under this part is eligible for improvement, the State educational agency shall make public a final determination on the status of the local educational agency.

“(F) The State educational agency shall publish and disseminate to parents described in paragraph (7) and the public information regarding any corrective action the State educational agency takes under this paragraph through such means as the Internet, the media, and public agencies.

“(G) The State educational agency may delay, for a period not to exceed 1 year, implementation of corrective action if the local educational agency’s failure to make adequate yearly progress was justified due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the local educational agency or schools served by the local educational agency.”.

SEC. 110. STATE ASSISTANCE FOR SCHOOL SUPPORT AND IMPROVEMENT.

Section 1117 (20 U.S.C. 6318) is amended to read as follows:

“SEC. 1117. STATE ASSISTANCE FOR SCHOOL SUPPORT AND IMPROVEMENT.

“(a) **SYSTEM FOR SUPPORT.**—Using funds allocated under section 1003(a)(1), each State educational agency shall establish a statewide system of intensive and sustained support and improvement for local educational agencies, elementary schools, and secondary schools receiving funds under this part, in order to ensure that all groups of students specified in section 1111 and attending such schools meet or exceed the proficient standard level performance on the assessments required by section 1111(b)(4) within 10 years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act.

“(b) **PRIORITIES.**—In carrying out this section, a State educational agency shall—

“(1) first, provide support and assistance to local educational agencies and schools identified as in need of improvement under section 1116;

“(2) second, provide support and assistance to local educational agencies subject to corrective action under section 1116, and assist elementary schools and secondary schools, in accordance with section 1116(c)(11), for which a local educational agency has failed to carry out its responsibilities under section 1116(c) (9) and (10); and

“(3) third, provide support and assistance to local educational agencies and schools that are at risk of being identified as being in need of improvement within the next academic year, participating under this part.

“(c) **APPROACHES.**—In order to achieve the purpose described in subsection (a), each

statewide system shall provide technical assistance and support through approaches such as—

“(1) school support teams, composed of individuals who are knowledgeable about scientifically based research, teaching and learning practices, and particularly about strategies for improving educational results for low-achieving children; and

“(2) designating and using Distinguished Educators, who are chosen from schools served under this part that have been especially successful in improving academic achievement.

“(d) **FUNDS.**—Each State educational agency—

“(1) shall use funds reserved under section 1003(a)(1), but not used under section 1003(a)(2), to carry out this section; and

“(2) may use State administrative funds authorized under section 1703(c) to carry out this section.

“(e) **ALTERNATIVES.**—The State educational agency may—

“(1) devise additional approaches to providing the technical assistance and support described in subsection (c), such as providing assistance through institutions of higher education, educational service agencies, or other local consortia; and

“(2) seek approval from the Secretary to use funds under section 1003(a)(2) for such approaches as part of the State plan.”.

SEC. 111. PARENTAL INVOLVEMENT CHANGES.

(a) **LOCAL EDUCATIONAL AGENCY POLICY.**—Section 1118(a) (20 U.S.C. 6319(a)) is amended—

(1) in paragraph (1), by striking “programs, activities, and procedures” and inserting “activities and procedures”;

(2) in paragraph (2), by striking subparagraphs (E) and (F) and inserting the following:

“(E) conduct, with the involvement of parents, an annual evaluation of the content and effectiveness of the parental involvement policy in improving the academic quality of the schools served under this part;

“(F) involve parents in the activities of the schools served under this part; and

“(G) promote consumer friendly environments within the local educational agency and schools served under this part.”;

(3) in paragraph (3), by adding at the end the following new subparagraph:

“(C) Not less than 90 percent of the funds reserved under subparagraph (A) shall be distributed to schools served under this part.”.

(b) **NOTICE.**—Section 1118(b)(1) (20 U.S.C. 6319(b)(1)) is amended by inserting after the first sentence “Parents shall be notified of the policy in a format, and to the extent practicable in a language, that the parents can understand.”.

(c) **PARENTAL INVOLVEMENT.**—Section 1118(c)(4) (20 U.S.C. 6319(c)(4)) is amended—

(1) in subparagraph (B), by striking “school performance profiles required under section 1116(a)(3)” and inserting “school reports described under section 4401”;

(2) by redesignating subparagraphs (D) and (E) as subparagraphs (F) and (G), respectively;

(3) by inserting after subparagraph (C) the following:

“(D) notice of the school’s designation as a school in need of improvement under section 1116(b), if applicable, and a clear explanation of what such designation means;

“(E) notice of corrective action taken against the school under section 1116(c)(9) and 1116(d)(12), if applicable, and a clear explanation of what such action means;”;

(4) in subparagraph (G) (as redesignated by paragraph (2)), by striking “subparagraph (D)” and inserting “subparagraph (F)”.

(d) **BUILDING CAPACITY FOR INVOLVEMENT.**—Section 1118(e) (20 U.S.C. 6319(e)) is amended—

(1) in paragraph (1), by striking “National Educational Goals;”;

(2) by redesignating paragraphs (14) and (15) as paragraphs (16) and (17), respectively;

(3) by inserting after paragraph (13) the following:

“(14) may establish a district wide parent advisory council to advise on all matters related to parental involvement in programs supported under this part;”;

(4) by redesignating paragraph (5) as paragraph (15) and transferring such paragraph to follow paragraph 14 (as redesignated by paragraph (3));

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

“(5) shall expand the use of electronic communications among teachers, students, and parents, such as through the use of websites and e-mail communications;”;

(6) in paragraph (8), by inserting “, to the extent practicable, in a language and format the parent can understand” before the semicolon; and

(7) in paragraph (15) (as redesignated by paragraph (4)), by striking “shall” and inserting “may”.

(e) **ACCESSIBILITY.**—Section 1118(f) (20 U.S.C. 6319(f)) is amended by striking “, including” and all that follows through the period and inserting “and of parents of migratory children, including providing information and school reports required under section 1111 and described in section 4401 in a language and form such parents understand.”.

SEC. 112. QUALIFICATIONS FOR TEACHERS AND PARAPROFESSIONALS.

Title I of the Act (20 U.S.C. 6301 et seq.) is amended—

(1) by redesignating section 1119 (20 U.S.C. 6320) as section 1119A; and

(2) by inserting after section 1118 the following:

“SEC. 1119. QUALIFICATIONS FOR TEACHERS AND PARAPROFESSIONALS.

“(a) **IN GENERAL.**—

“(1) **PLAN.**—Each State educational agency receiving assistance under this part shall develop and submit to the Secretary a plan to ensure that all teachers teaching within the State are fully qualified, as defined in section 2001(1), not later than December 31, 2005. Such plan shall include an assurance that the State educational agency will require each local educational agency and school receiving funds under this part publicly to report the annual progress with respect to the local educational agency’s and school’s performance in increasing the percentage of classes in core academic areas taught by fully qualified teachers.

“(2) **SPECIAL RULE.**—Notwithstanding any other provision of law, the provisions of this section governing teacher qualifications shall not supersede State laws governing public charter schools.

“(b) **NEW PARAPROFESSIONALS.**—Each local educational agency receiving assistance under this part shall ensure that each paraprofessional hired after December 31, 2002, and working in a program assisted under this part—

“(1) has completed at least the number of courses at an institution of higher education in the area of elementary education, or in the related subject area in which the paraprofessional is working, for a minor degree at such institution;

“(2) has obtained an associate’s (or higher) degree; or

“(3) has met a rigorous standard of quality that demonstrates, through formal State certification (as established in subsection (h)),—

“(A) knowledge of, and the ability to provide tutorial assistance in, reading, writing, and mathematics; or

“(B) knowledge of, and the ability to provide tutorial assistance in, reading readiness, writing readiness, and mathematics readiness, as appropriate.

“(c) EXISTING PARAPROFESSIONALS.—Each local educational agency receiving assistance under this part shall ensure that each paraprofessional working in a program assisted under this part shall, not later than 4 years after the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act, satisfy the requirements of subsection (b).

“(d) EXCEPTIONS FOR TRANSLATION AND PARENTAL INVOLVEMENT ACTIVITIES.—Subsections (b) and (c) shall not apply to a paraprofessional—

“(1) who is proficient in English and a language other than English, and who provides services primarily to enhance the participation of children in programs under this part by acting as a translator; or

“(2) whose duties consist solely of conducting parental involvement activities consistent with section 1118 or other school readiness activities that are noninstructional.

“(e) GENERAL REQUIREMENT FOR ALL PARAPROFESSIONALS.—Each local educational agency receiving assistance under this part shall ensure that each paraprofessional working in a program assisted under this part, regardless of the paraprofessional’s hiring date, possesses a secondary school diploma or its recognized equivalent.

“(f) DUTIES OF PARAPROFESSIONALS.—

“(1) IN GENERAL.—Each local educational agency receiving assistance under this part shall ensure that a paraprofessional working in a program assisted under this part is not assigned a duty inconsistent with this subsection.

“(2) AUTHORIZED RESPONSIBILITIES.—A paraprofessional described in paragraph (1) may be assigned—

“(A) to provide 1-on-1 tutoring for eligible students under this part, if the tutoring is scheduled at a time when the student would not otherwise receive instruction from a teacher;

“(B) to assist with classroom management, such as organizing instructional and other materials;

“(C) to provide assistance in a computer laboratory;

“(D) to conduct parental involvement activities or school readiness activities that are noninstructional;

“(E) to provide support in a library or media center;

“(F) to act as a translator; or

“(G) to provide assistance with extra-curricular activities which are noninstructional.

“(3) LIMITATIONS.—A paraprofessional described in paragraph (1)—

“(A) shall not perform the duties of a certified teacher or a substitute; and

“(B) shall not perform any duty assigned under paragraph (2) unless under the direct supervision of a fully qualified teacher or other appropriate professional.

“(g) USES OF FUNDS.—

“(1) PROFESSIONAL DEVELOPMENT.—Notwithstanding subsection (h)(2), a local edu-

cational agency receiving funds under this part may use such funds to support ongoing training and professional development to assist teachers and paraprofessionals in satisfying the requirements of this section.

“(2) LIMITATION ON USE OF FUNDS FOR PARAPROFESSIONALS.—

“(A) IN GENERAL.—Beginning on the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act, a local educational agency may not use funds received under this part to fund any paraprofessional hired after such date unless—

“(i) the hiring is to fill a vacancy created by the departure of another paraprofessional funded under this part; or

“(ii) the local educational agency can demonstrate that a significant influx of population has substantially increased student enrollment, or demonstrate an increased need for translators or assistance with parent involvement activities.

“(B) EXCEPTION.—Subparagraph (A) shall not apply to a local educational agency that can demonstrate to the State that all core classes taught in the schools served by the local educational agency are taught by fully qualified teachers.

“(h) STATE CERTIFICATION.—Each State educational agency receiving assistance under this part shall—

“(1) ensure that the State educational agency has in place State criteria for the certification of paraprofessionals by December 31, 2002; and

“(2) ensure that paraprofessionals hired before December 31, 2002, are in high-quality professional development activities that ensure that the paraprofessional has the ability to provide tutorial assistance in—

“(A) reading, writing, and mathematics; or

“(B) reading readiness, writing readiness, and mathematics readiness, as appropriate.

“(i) VERIFICATION OF COMPLIANCE.—

“(1) IN GENERAL.—In verifying compliance with this section, each local educational agency, at a minimum, shall require that the principal of each elementary school and secondary school operating a program under section 1114 or 1115 annually attest in writing as to whether each such school is in compliance with the requirements of this section.

“(2) AVAILABILITY OF INFORMATION.—Copies of the annual certification described in paragraph (1)—

“(A) shall be maintained at each elementary school and secondary school operating a program under section 1114 or 1115 and at the main office of the local educational agency; and

“(B) shall be available to any member of the general public upon request.”.

SEC. 113. PROFESSIONAL DEVELOPMENT.

Section 1119A (as redesignated by section 112(a)) is amended—

(1) by amending subsection (a) to read as follows:

“(a) PURPOSE.—The purpose of this section is to assist each local educational agency receiving assistance under this part in increasing the academic achievement of eligible children (as identified under section 1115(b)(1)(B)) (in this section referred to as eligible children) through improved teacher quality.”;

(2) in subsection (b)—

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

“(1) REQUIRED ACTIVITIES.—Each local educational agency receiving assistance under this part shall provide professional development activities under this section that shall—

“(A) give teachers, principals, and administrators the knowledge and skills to provide eligible children with the opportunity to meet challenging State or local content standards and student performance standards;

“(B) support the recruiting, hiring, and training of fully qualified teachers, including teachers fully qualified through State and local alternative routes;

“(C) advance teacher understanding of effective instructional strategies, based on scientifically based research, for improving eligible children achievement, at a minimum, in mathematics, science, and English language arts;

“(D) be directly related to the curricula and content areas in which the teacher provides instruction;

“(E) be designed to enhance the ability of a teacher to understand and use the State’s standards for the subject area in which the teacher provides instruction;

“(F) be tied to scientifically based research that demonstrates the effectiveness of such professional development activities or programs in increasing eligible children achievement or substantially increasing the knowledge and teaching skills of teachers;

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

“(H) be developed with extensive participation of teachers, principals, parents, administrators of schools, and local school boards of schools to be served under this part;

“(I) to the extent appropriate, provide training for teachers in the use of technology so that technology and its applications are effectively used in the classroom to improve teaching and learning in the curricula and academic content areas in which the teachers provide instruction;

“(J) as a whole, be regularly evaluated for such activities’ impact on increased teacher effectiveness and improved student achievement, with the findings of such evaluations used to improve the quality of professional development; and

“(K) include strategies for identifying and eliminating gender and racial bias in instructional materials, methods, and practices.”;

(B) in paragraph (2)—

(i) in subparagraph (A), by inserting “and data to inform and instruct classroom practice” before the semicolon;

(ii) by striking subparagraphs (D) and (G);

(iii) by redesignating subparagraphs (E), (F), (H), and (I), as subparagraphs (D), (E), (F) and (G), respectively; and

(iv) by inserting after subparagraph (G) (as redesignated by clause (iii)) the following new subparagraph:

“(H) instruction in the ways that teachers, principals, and guidance counselors can work with parents and students from groups, such as females and minorities, that are underrepresented in careers in mathematics, science, engineering, and technology, to encourage and maintain the interest of such students in those careers.”;

(3) by striking subsections (f) through (i); and

(4) by adding after subsection (e) the following:

“(f) CONSOLIDATION OF FUNDS.—Funds provided under this part that are used for professional development purposes may be consolidated with funds provided under title II of this Act and other sources.

“(g) DEFINITION.—The term ‘fully qualified’ has the same meaning given such term in section 2001(1).

“(h) SPECIAL RULE.—

“(1) IN GENERAL.—No State educational agency shall require a local educational agency or elementary school or secondary school to expend a specific amount of funds for professional development activities under this part.

“(2) EXCEPTION.—Paragraph (1) shall not apply with respect to requirements under section 1116(d)(9).”.

SEC. 114. FISCAL REQUIREMENTS.

Section 1120A(a) (20 U.S.C. 6322(a)) is amended by striking “section 14501” and inserting “section 8501”.

SEC. 115. COORDINATION REQUIREMENTS.

Section 1120B (20 U.S.C. 6323) is amended—

(1) in subsection (a), by striking “to the extent feasible” and all that follows through the period and inserting “in coordination with local Head Start agencies, and if feasible, other early childhood development programs.”;

(2) in subsection (b)—

(A) in paragraph (3) by striking “and” after the semicolon;

(B) in paragraph (4) by striking the period and inserting “; and”; and

(C) by adding at the end, the following:

“(5) linking the educational services provided in such local educational agency with the services provided in local Head Start agencies.”.

SEC. 115A. LIMITATIONS ON FUNDS.

Subpart 1 of part A of title I (20 U.S.C. 6311 et seq.) is amended by inserting after section 1120B (20 U.S.C. 6321) the following:

“SEC. 1120C. LIMITATIONS ON FUNDS.

“(a) IN GENERAL.—Notwithstanding any other provision of this Act, a local educational agency shall use funds received under this subpart only to provide instruction to students, and for services directly related to instruction, in preschool through grade 12 to assist eligible children to improve their academic achievement and to meet achievement standards established by the State.

“(b) PERMISSIBLE AND PROHIBITED ACTIVITIES.—In this subpart, the term ‘academic instruction’—

“(1) includes—

“(A) the employment of teachers and other instructional personnel, including providing teachers and instructional personnel with employee benefits;

“(B) the extension of academic instruction beyond the normal school day and year, including summer school;

“(C) the provision of instructional services to pre-kindergarten children to prepare such children for the transition to kindergarten;

“(D) the purchase of instructional resources, such as books, materials, computers, and other instructional equipment and wiring to support instructional equipment;

“(E) the development and administration of curriculum, educational materials, and assessments;

“(F) the implementation of—

“(i) instructional interventions in schools in need of improvement; and

“(ii) corrective actions to improve student achievement; and

“(G) the transportation of students to assist them in improving academic achievement, except that not more than 10 percent of the funds made available under this subpart to a local educational agency shall be used to carry out this subparagraph;

“(2) but does not include—

“(A) the purchase or provision of janitorial services and utility costs;

“(B) the construction or operation of facilities;

“(C) the acquisition of real property;

“(D) costs for food and refreshments; or

“(E) the purchase or lease of vehicles.”.

SEC. 116. GRANTS FOR THE OUTLYING AREAS AND THE SECRETARY OF THE INTERIOR.

Section 1121 (20 U.S.C. 6331) is amended to read as follows:

“SEC. 1121. GRANTS FOR THE OUTLYING AREAS AND THE SECRETARY OF THE INTERIOR.

“(a) RESERVATION OF FUNDS.—From the amount appropriated for payments to States for any fiscal year under section 1002(a), the Secretary shall reserve a total of 1 percent to provide assistance to—

“(1) the outlying areas in the amount determined in accordance with subsection (b); and

“(2) the Secretary of the Interior in the amount necessary to make payments pursuant to subsection (d).

“(b) ASSISTANCE TO OUTLYING AREAS.—

“(1) GRANTS AUTHORIZED.—From the amount made available for a fiscal year under subsection (a), the Secretary shall award grants to the outlying areas and freely associated States to carry out the purposes of this part.

“(2) COMPETITIVE GRANTS.—For each of fiscal years 2000 and 2001, the Secretary shall ensure that grants are awarded under this subsection on a competitive basis in accordance with paragraph (3).

“(3) REQUIREMENTS AND LIMITATION FOR COMPETITIVE GRANTS.—

“(A) RECOMMENDATIONS.—The Secretary shall award grants under this subsection on the basis of the recommendations of the Pacific Region Educational Laboratory in Honolulu, Hawaii.

“(B) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the freely associated States shall not be eligible to receive funds under this part after September 30, 2001.

“(C) ADMINISTRATIVE COSTS.—The Secretary may provide that not more than 5 percent of the amount reserved for grants under this subsection will be used to pay the administrative costs of the Pacific Region Educational Laboratory for services provided under subparagraph (A).

“(4) SPECIAL RULE.—The provisions of Public Law 95-134 (91 Stat. 1159) that permit the consolidation of grants by the outlying areas shall not apply to funds provided to the freely associated States under this subsection.

“(5) FUNDING.—The amount reserved by the Secretary to award grants under this subsection shall not exceed the amount reserved under this section (as this section existed on the day prior to the date of enactment of the Public Education Reinvestment, Reintervention, and Responsibility Act) for the freely associated States for fiscal year 1999.

“(6) DEFINITIONS.—In this subsection and subsection (a):

“(A) FREELY ASSOCIATED STATES.—The term ‘freely associated States’ means the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

“(B) OUTLYING AREA.—The term ‘outlying area’ means the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

“(C) ALLOTMENT TO THE SECRETARY OF THE INTERIOR.—

“(1) IN GENERAL.—The amount allotted for payments to the Secretary of the Interior under subsection (a)(2) for any fiscal year shall be, as determined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of—

“(A) Indian children on reservations served by elementary and secondary schools for Indian children operated or supported by the Department of the Interior; and

“(B) out-of-State Indian children in elementary and secondary schools in local educational agencies under special contracts with the Department of the Interior.

“(2) PAYMENTS.—From the amount allotted for payments to the Secretary of the Interior under subsection (a)(2), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Secretary determines will best carry out the purposes of this part, with respect to out-of-State Indian children described in paragraph (1). The amount of such payment may not exceed, for each such child, the greater of—

“(A) 40 percent of the average per pupil expenditure in the State in which the agency is located; or

“(B) 48 percent of such expenditure in the United States.”.

SEC. 117. AMOUNTS FOR GRANTS.

Section 1122 (20 U.S.C. 6332) is amended to read as follows:

“SEC. 1122. AMOUNTS FOR BASIC GRANTS, CONCENTRATION GRANTS, AND TARGETED GRANTS.

“(a) ALLOCATION FORMULA.—

“(1) ALLOCATION TO STATES.—Of the amount appropriated to carry out this part for each of fiscal years 2001 through 2005 (each such year, as appropriate, shall be referred to in this subsection as the ‘current fiscal year’), the amount to be allocated to States for a fiscal year based on population data for local educational agencies in such States, shall be equal to the sum of—

“(A) an amount equal to the sum of—

“(i) the amount made available to carry out section 1124 (as such section existed on the day prior to the date of enactment of the Public Education Reinvestment, Reintervention, and Responsibility Act) for fiscal year 1999; and

“(ii) 21.25 percent of the amount, if any, by which the amount appropriated under section 1002(a) for the current fiscal year exceeds the amount appropriated under such section (as such section existed on the day prior to the date of enactment of the Public Education Reinvestment, Reintervention, and Responsibility Act) for fiscal year 1999; and

“(B) an amount equal to the sum of—

“(i) the amount made available to carry out section 1124A (as such section existed on the day prior to the date of enactment of the Public Education Reinvestment, Reintervention, and Responsibility Act) for fiscal year 1999; and

“(ii) 3.75 percent of the amount, if any, by which the amount appropriated under section 1002(a) for the current fiscal year exceeds the amount appropriated under such section (as such section existed on the day prior to the date of enactment of the Public Education Reinvestment, Reintervention, and Responsibility Act) for fiscal year 1999, to be allocated in accordance with section 1124A; and

“(C) an amount equal to 75 percent of the amount, if any, by which the amount appropriated under section 1002(a) for the current fiscal year exceeds the amount appropriated under such section (as such section existed on the day prior to the date of enactment of the Public Education Reinvestment, Re-invention, and Responsibility Act) for fiscal year 1999, to be allocated in accordance with section 1125.

“(2) ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.—Of the total amounts allocated to a State under this part for each of fiscal years 2001 and 2002, 96.5 percent shall be allocated by the State educational agency to local educational agencies, and for each of fiscal years 2003 through 2005, 95.5 percent shall be allocated to local educational agencies, of which—

“(A) 75 percent shall be allocated in accordance with section 1125;

“(B) 21.25 percent shall be allocated in accordance with section 1124; and

“(C) 3.75 percent shall be allocated in accordance with section 1124A.

“(b) ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.—

“(1) IN GENERAL.—If the sums available under this part for any fiscal year are insufficient to pay the full amounts that all States and local educational agencies are eligible to receive under sections 1124, 1124A, and 1125 for such fiscal year, the Secretary shall ratably reduce the allocations to such States and local educational agencies, subject to subsections (c) and (d).

“(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under sections 1124, 1124A, and 1125 for such fiscal year, allocations that were reduced under paragraph (1) shall be increased on the same basis as they were reduced.

“(c) HOLD-HARMLESS AMOUNTS.—

“(1) GRANTS TO STATES.—The total amount allocated to each State under this part in each fiscal year shall not be less than the amount allocated to each State in the preceding fiscal year.

“(2) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—The total amount allocated to each local educational agency under this part in each fiscal year shall not be less than an amount equal to 85 percent of the amount allocated to each local educational agency in the preceding fiscal year.

“(d) RATABLE REDUCTIONS.—

“(1) IN GENERAL.—If the sums made available under this part for any fiscal year are insufficient to pay the full amounts that all States are eligible to receive under subsection (c) for such year, the Secretary shall ratably reduce such amounts for such year.

“(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under subsection (c) for such fiscal year, amounts that were reduced under paragraph (1) shall be increased on the same basis as such amounts were reduced.

“(e) DEFINITION.—For the purpose of this section and sections 1124, 1124A, and 1125, the term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.”

SEC. 118. BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES.

Section 1124 (20 U.S.C. 6333) is amended to read as follows:

“SEC. 1124. BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES.

“(a) AMOUNT OF GRANTS.—

“(1) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—Except as provided in paragraph (3) and in section 1126, the amount of a grant that a local educational agency is

eligible to receive under this section for a fiscal year shall be determined by multiplying—

“(A) the number of children counted under subsection (c); and

“(B) 40 percent of the average per-pupil expenditure in the State involved, except that the amount determined under this subparagraph shall not be less than 32 percent or more than 48 percent, of the average per-pupil expenditure in the United States.

“(2) CALCULATION OF GRANTS.—

“(A) ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—The Secretary shall calculate the amount of grants under this section on the basis of the number of children counted under subsection (c) for local educational agencies. For purposes of this subparagraph, the Secretary and the Secretary of Commerce shall publicly disclose the reasoning for their determinations under subsection (c) in detail.

“(B) ALLOCATIONS TO LARGE AND SMALL LOCAL EDUCATIONAL AGENCIES.—

“(i) APPLICATION OF PROVISION.—The Secretary shall determine the amount of grant awards under this section for each large or small local educational agency.

“(ii) LARGE AGENCIES.—The amount of a grant awarded under this section for each large local educational agency shall be the amount determined by the Secretary under clause (i).

“(iii) SMALL AGENCIES.—With respect to the amount of a grant awarded under this section to a small local educational agency, the State educational agency may—

“(I) provide such grant in an amount determined by the Secretary under clause (i); or

“(II) use an alternative method approved by the Secretary to distribute the portion of the State’s total grants under this section that is based on the number of small local educational agencies.

“(iv) ALTERNATIVE METHOD.—An alternative method approved under clause (iii)(II) shall be based on population data that the State educational agency determines best reflects the current distribution of children in poor families among the State’s small local educational agencies that meet the eligibility criteria of subsection (b).

“(v) APPEALS.—A small local educational agency that is dissatisfied with the determination of its grant amount by the State educational agency under clause (iii)(II), may appeal that determination to the Secretary, who shall respond not later than 45 days after receipt of such appeal.

“(vi) DEFINITION.—In this subparagraph:

“(I) LARGE LOCAL EDUCATIONAL AGENCY.—The term ‘large local educational agency’ means a local educational agency serving an area with a total population of 20,000 or more.

“(II) SMALL LOCAL EDUCATIONAL AGENCY.—The term ‘small local educational agency’ means a local educational agency serving an area with a total population of less than 20,000.

“(3) PUERTO RICO.—

“(A) IN GENERAL.—For each fiscal year, the amount of the grant that the Commonwealth of Puerto Rico shall be eligible to receive under this section shall be determined by multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

“(i) the percentage which the average per pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per pupil expenditure of any of the 50 States; and

“(ii) 32 percent of the average per pupil expenditure in the United States.

“(B) MINIMUM PERCENTAGE.—The percentage in subparagraph (A)(i) shall not be less than—

“(i) for fiscal year 2000, 75.0 percent;

“(ii) for fiscal year 2001, 77.5 percent;

“(iii) for fiscal year 2002, 80.0 percent;

“(iv) for fiscal year 2003, 82.5 percent; and

“(v) for fiscal year 2004, and succeeding fiscal years, 85.0 percent.

“(C) LIMITATION.—If the application of subparagraph (B) would result in any of the 50 States or the District of Columbia receiving less under this part than the State or District received under this part for the preceding fiscal year, the percentage shall be the greater of the percentage described in subparagraph (A)(i) or the percentage used for the preceding fiscal year.

“(4) DEFINITION.—In this subsection, the term ‘State’ does not include Guam, American Samoa, the Virgin Islands, and the Northern Mariana Islands.

“(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—A local educational agency shall be eligible for a basic grant under this section for any fiscal year only if—

“(1) there are 10 or more children counted under subsection (c) with respect to that agency; and

“(2) such children make up more than 2 percent of the total school-age population in the agency’s jurisdiction.

“(c) CHILDREN TO BE COUNTED.—

“(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section is the aggregate of—

“(A) the number of children ages 5 to 17, inclusive, in the school district of the local educational agency involved from families below the poverty level as determined under paragraph (2); and

“(B) the number of children (determined under paragraph (4) for either the preceding year as described in that paragraph, or for the second preceding year, as the Secretary finds appropriate) ages 5 to 17, inclusive, in the school district of the local educational agency involved in institutions for neglected and delinquent children (other than such institutions operated by the United States), but not counted pursuant to subpart 1 of part D for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

“(2) DETERMINATION OF NUMBER OF CHILDREN.—

“(A) NUMBER OF CHILDREN BELOW THE POVERTY LEVEL.—For purposes of this subsection, the Secretary shall determine the number of children ages 5 to 17, inclusive, from families below the poverty level on the basis of the most recent satisfactory data, described in paragraph (3), that is available from the Department of Commerce.

“(B) SPECIAL RULES.—

“(i) DISTRICT OF COLUMBIA AND PUERTO RICO.—The District of Columbia and the Commonwealth of Puerto Rico shall be treated as individual local educational agencies for purposes of this paragraph.

“(ii) MULTIPLE COUNTIES.—If a local educational agency contains 2 or more counties in their entirety, then each county will be treated as if such county were a separate local educational agency for purposes of calculating grants under this part. The total of grants for such counties shall be allocated to such local educational agency and the local educational agency shall distribute to schools in each county within such agency a share of the local educational agency’s total grant in an amount that is not less than the county’s share of the population counts used to calculate the local educational agency’s grant.

“(3) POPULATION UPDATES.—

“(A) IN GENERAL.—In fiscal year 2001, and every 2 years thereafter, the Secretary shall use updated data on the number of children, ages 5 to 17, inclusive, from families below the poverty level for local educational agencies or counties, as published by the Department of Commerce, unless the Secretary and the Secretary of Commerce determine that the use of the updated population data would be inappropriate or unreliable.

“(B) CRITERIA OF POVERTY.—In determining the families which are below the poverty level, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census, in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics.

“(C) INAPPROPRIATE OR UNRELIABLE DATA.—If the Secretary and the Secretary of Commerce determine that some or all of the data referred to in subparagraph (A) are inappropriate or unreliable, the Secretaries shall publicly disclose the reasons for such determination.

“(4) OTHER CHILDREN TO BE COUNTED.—

“(A) IN GENERAL.—For the purposes of this section, the Secretary shall—

“(i) determine the number of children ages 5 to 17, inclusive, from families above the poverty line on the basis of the number of such children from families receiving an annual income in excess of the annual income current criteria of poverty for payments under a State program funded under part A of title IV of the Social Security Act; and

“(ii) in making a determination under clause (i), utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of 4 in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics.

“(B) CASELOAD DATA.—The Secretary shall determine the number of children described in subparagraph (A) and the number of children ages 5 to 17, inclusive, living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the year preceding the fiscal year for which the determination is being made (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination. For the purpose of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

“(C) COLLECTION AND TRANSMISSION OF DATA.—The Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year.

“(5) ESTIMATE.—When requested by the Secretary, the Secretary of Commerce shall make a special updated estimate of the number of children of such ages who are from families below the poverty level in each school district, and the Secretary may pay (either in advance or by way of reimburse-

ment) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information.

“(d) STATE MINIMUM.—Notwithstanding section 1122, the aggregate amount allotted for all local educational agencies within a State may not be less than the lesser of—

“(1) 0.25 percent of total amount of grants awarded under this section; or

“(2) the average of—

“(A) one-quarter of 1 percent of the total amount available for such fiscal year under this section; and

“(B) the number of children in such State counted under subsection (c) in the fiscal year multiplied by 150 percent of the national average per pupil payment made with funds available under this section for that year.”

SEC. 119. CONCENTRATION GRANTS.

Section 1124A (20 U.S.C. 6334.) is amended to read as follows:

“SEC. 1124A. CONCENTRATION GRANTS TO LOCAL EDUCATIONAL AGENCIES.

“(a) ELIGIBILITY FOR AND AMOUNT OF GRANTS.—

“(1) ELIGIBILITY.—

“(A) IN GENERAL.—Except as otherwise provided in this paragraph, each local educational agency in a State other than Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands, that is eligible for a grant under section 1124 for any fiscal year shall be eligible for an additional grant under this section for that fiscal year if the number of children counted under section 1124(c) with respect to the agency exceeds—

“(i) 6,500; or

“(ii) 15 percent of the total number of children ages 5 through 17, inclusive, in the agency.

“(B) MINIMUM AMOUNT.—Notwithstanding section 1122, no State described in subparagraph (A) shall receive an amount under this section that is less than the lesser of—

“(i) 0.25 percent of the total amount of grants awarded under this section; or

“(ii) the average of—

“(I) one-quarter of 1 percent of the amounts made available to carry out this section for such fiscal year; and

“(II) the greater of—

“(aa) \$340,000; or

“(bb) the number of children in such State counted for purposes of this section in that fiscal year multiplied by 150 percent of the national average per pupil payment made with funds available under this section for that year.

“(2) SPECIAL RULE.—For each local educational agency eligible to receive an additional grant under this section for any fiscal year the Secretary shall determine the product of—

“(A) the number of children counted under section 1124(c) for that fiscal year; and

“(B) the quotient resulting from the division of the amount determined for those agencies under section 1124(a)(1) for the fiscal year for which the determination is being made divided by the total number of children counted under section 1124(c) for that agency for that fiscal year.

“(3) AMOUNT.—The amount of an additional grant for which an eligible local educational agency is eligible under this section for any fiscal year shall be an amount that bears the same ratio to the amount available to carry out this section for that fiscal year as the product determined under paragraph (2) for

such local educational agency for that fiscal year bears to the sum of such product for all local educational agencies in the United States for that fiscal year.

“(4) LOCAL ALLOCATIONS.—Grant amounts under this section shall be determined in accordance with section 1124(a)(2) and (3).

“(b) STATES RECEIVING MINIMUM GRANTS.—With respect to a State that receives a grant for the minimum amount under subsection (a)(1)(B), the State educational agency shall allocate such amount among the local educational agencies in each State either—

“(1) in accordance with paragraphs (2) and (4) of subsection (a); or

“(2) based on their respective concentrations and numbers of children counted under section 1124(c), except that only those local educational agencies with concentrations or numbers of children counted under section 1124(c) that exceed the statewide average percentage of such children or the statewide average number of such children shall receive any funds on the basis of this paragraph.”

SEC. 120. TARGETED GRANTS.

Section 1125 (20 U.S.C. 6335) is amended to read as follows:

“SEC. 1125. TARGETED GRANTS TO LOCAL EDUCATIONAL AGENCIES.

“(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES.—A local educational agency in a State shall be eligible to receive a targeted grant under this section for any fiscal year if the number of children in the local educational agency counted under subsection 1124(c), before the application of the weighting factor described in subsection (c), is at least 10, and if the number of children counted for grants under section 1124 is at least 5 percent of the total population age 5 to 17 years, inclusive, in the local educational agency.

“(b) GRANTS FOR LOCAL EDUCATIONAL AGENCIES, THE DISTRICT OF COLUMBIA, AND PUERTO RICO.—

“(1) IN GENERAL.—The amount of a grant that a local educational agency in a State or that the District of Columbia is eligible to receive under this section for any fiscal year shall be equal to the product of—

“(A) the weighted child count determined under subsection (c); and

“(B) the amount determined under section 1124(a)(1)(B).

“(2) PUERTO RICO.—For each fiscal year, the amount of the grant for which the Commonwealth of Puerto Rico is eligible to receive under this section shall be equal to the number of children counted under subsection (c) for Puerto Rico, multiplied by the amount determined under section 1124(a)(4).

“(c) WEIGHTED CHILD COUNT.—

“(1) IN GENERAL.—For each fiscal year, the weighted child count used to determine a local educational agency's grant under this section shall be equal to the sum of—

“(A) the number of children determined under section 1124(c) for that local educational agency constituting up to 14.265 percent, inclusive, of the agency's total population ages 5 to 17, inclusive, multiplied by 1.0;

“(B) the number of such children constituting more than 14.265 percent, but not more than 21.553 percent, of such population, multiplied by 1.75;

“(C) the number of such children constituting more than 21.553 percent, but not more than 29.223 percent, of such population, multiplied by 2.5;

“(D) the number of such children constituting more than 29.223 percent, but not more than 36.538 percent, of such population, multiplied by 3.25; and

“(E) the number of such children constituting more than 36.538 percent of such population, multiplied by 4.0.

“(2) PUERTO RICO.—Notwithstanding subparagraph (A), the weighted child count for Puerto Rico under this paragraph shall not be greater than the total number of children counted under section 1124(c) multiplied by 1.72.

“(d) CALCULATION OF GRANT AMOUNTS.—Grants under this section shall be calculated in accordance with section 1124(a)(2) and (3).

“(e) STATE MINIMUM.—Notwithstanding any other provision of this section or section 1122, from the total amount made available for any fiscal year to carry out this section, each State shall be allotted at least the lesser of—

“(1) 0.25 percent of the total amount of grants awarded under this section; or

“(2) the average of—

“(A) one-quarter of 1 percent of the total amount available for such fiscal year to carry out this section; and

“(B) 150 percent of the national average grant under this section per child described in section 1124(c), without application of a weighting factor, multiplied by the State's total number of children described in section 1124(c), without application of a weighting factor.”.

SEC. 121. SPECIAL ALLOCATION PROCEDURES.

Section 1126 (20 U.S.C. 6337) is amended to read as follows:

“SEC. 1126. SPECIAL ALLOCATION PROCEDURES.

“(a) ALLOCATIONS FOR NEGLECTED CHILDREN.—

“(1) IN GENERAL.—If a State educational agency determines that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children who are living in institutions for neglected children as described in subparagraph (B) of section 1124(c)(1), the State educational agency shall, if such agency assumes responsibility for the special educational needs of such children, receive the portion of such local educational agency's allocation under sections 1124, 1124A, and 1125 that is attributable to such children.

“(2) SPECIAL RULE.—If the State educational agency does not assume the responsibility described in paragraph (1), any other State or local public agency that does assume such responsibility shall receive that portion of the local educational agency's allocation.

“(b) ALLOCATIONS AMONG LOCAL EDUCATIONAL AGENCIES.—The State educational agency may allocate the amounts of grants under sections 1124, 1124A, and 1125 among the affected local educational agencies—

“(1) if 2 or more local educational agencies serve, in whole or in part, the same geographical area;

“(2) if a local educational agency provides free public education for children who reside in the school district of another local educational agency; or

“(3) to reflect the merger, creation, or change of boundaries of 1 or more local educational agencies.

“(c) REALLOCATION.—If a State educational agency determines that the amount of a grant that a local educational agency would receive under sections 1124, 1124A, and 1125 is more than such local agency will use, the State educational agency shall make the excess amount available to other local educational agencies in the State that need additional funds in accordance with criteria established by the State educational agency.”.

PART B—EVEN START FAMILY LITERACY PROGRAMS

SEC. 131. PROGRAM AUTHORIZED.

Section 1202(c) (20 U.S.C. 6362(c)) is amended—

(1) in paragraph (1), by striking “section 2260(b)(3)” and inserting “section 7004(c)”;

(2) by striking paragraph (2)(C); and

(3) in paragraph (3)—

(A) by striking “is defined” and inserting “was defined”; and

(B) by inserting “as such section was in effect on the day preceding the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act” after “2252”.

SEC. 132. APPLICATIONS.

Section 1207(c)(1)(F) (20 U.S.C. 6367(c)(1)(F)) is amended by striking “the Goals 2000” and all that follows through the period and inserting “or other Acts, as appropriate, consistent with section 8305.”.

SEC. 133. RESEARCH.

Section 1211(b) (20 U.S.C. 6396b(b)) is amended to read as follows:

“(b) DISSEMINATION.—The Secretary shall disseminate, or designate another entity to disseminate, the results of the research described in subsection (a) to States and recipients of subgrants under this part.”.

PART C—EDUCATION OF MIGRATORY CHILDREN

SEC. 141. COMPREHENSIVE NEEDS ASSESSMENT AND SERVICE-DELIVERY PLAN; AUTHORIZED ACTIVITIES.

Section 1306(a)(1) (20 U.S.C. 6369(a)(1)) is amended—

(1) in subparagraph (A), by striking “the Goals 2000” and all that follows through the period and inserting “or other Acts, as appropriate, consistent with section 8305.”;

(2) in subparagraph (B), by striking “section 14302” and inserting “section 8302”; and

(3) in subparagraph (F), by striking “bilingual education” and all that follows and inserting “language instruction programs under title III; and”.

PART D—PREVENTION AND INTERVENTION PROGRAMS FOR CHILDREN AND YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT RISK OF DROPPING OUT

SEC. 151. STATE PLAN AND STATE AGENCY APPLICATIONS.

Section 1414 (20 U.S.C. 6434) is amended—

(1) in subsection (a)(1), by striking “the Goals 2000” and all that follows through the period and inserting “or other Acts, as appropriate, consistent with section 8305.”; and

(2) in subsection (c)—

(A) in paragraph (6), by striking “section 14701” and inserting “section 8701”; and

(B) in paragraph (7), by striking “section 14501” and inserting “section 8501”.

SEC. 152. USE OF FUNDS.

Section 1415(a)(2)(D) (20 U.S.C. 6435(a)(2)(D)) is amended by striking “section 14701” and inserting “section 8701”.

PART E—FEDERAL EVALUATIONS, DEMONSTRATIONS, AND TRANSITION PROJECTS

SEC. 161. EVALUATIONS.

Section 1501 (20 U.S.C. 6491) is amended—

(1) in subsection (a)(4)—

(A) by striking “January 1, 1996” and inserting “January 1, 2002”; and

(B) by striking “January 1, 1999” and inserting “January 1, 2005”;

(2) in subsection (b)(1), by striking “December 31, 1997” and inserting “December 31, 2003”; and

(3) in subsection (e)(2), by striking “December 31, 1996” and inserting “December 31, 2002”.

SEC. 162. DEMONSTRATIONS OF INNOVATIVE PRACTICES.

Section 1502 (20 U.S.C. 6492) is amended to read as follows:

“SEC. 1502. COMPREHENSIVE SCHOOL REFORM.

“(a) FINDINGS AND PURPOSE.—

“(1) FINDINGS.—Congress finds the following:

“(A) A number of schools across the country have shown impressive gains in student performance through the use of comprehensive models for schoolwide change that incorporate virtually all aspects of school operations.

“(B) No single comprehensive school reform model may be suitable for every school, however, schools should be encouraged to examine successful, externally developed comprehensive school reform approaches as they undertake comprehensive school reform.

“(C) Comprehensive school reform is an important means by which children are assisted in meeting challenging State student performance standards.

“(2) PURPOSE.—The purpose of this section is to provide financial incentives for schools to develop comprehensive school reforms, based upon scientifically based research and effective practices that include an emphasis on basic academics and parental involvement so that all children can meet challenging State content and performance standards.

“(b) PROGRAM AUTHORIZED.—

“(1) IN GENERAL.—The Secretary is authorized to provide grants to State educational agencies to provide subgrants to local educational agencies to carry out the purpose described in subsection (a)(2).

“(2) ALLOCATION.—

“(A) RESERVATION.—Of the amount appropriated under this section, the Secretary may reserve—

“(i) not more than 1 percent for schools supported by the Bureau of Indian Affairs and in the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands; and

“(ii) not more than 1 percent to conduct national evaluation activities described under subsection (e).

“(B) IN GENERAL.—Of the amount of funds remaining after the reservation under subparagraph (A), the Secretary shall allocate to each State for a fiscal year, an amount that bears the same ratio to the amount appropriated for that fiscal year as the amount made available under section 1124 to the State for the preceding fiscal year bears to the total amount allocated under section 1124 to all States for that year.

“(C) REALLOCATION.—If a State does not apply for funds under this section, the Secretary shall reallocate such funds to other States that do apply in proportion to the amount allocated to such States under subparagraph (B).

“(c) STATE AWARDS.—

“(1) STATE APPLICATION.—

“(A) IN GENERAL.—Each State educational agency that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner and containing such other information as the Secretary may reasonably require.

“(B) CONTENTS.—Each State application shall also describe—

“(i) the process and selection criteria by which the State educational agency, using expert review, will select local educational agencies to receive subgrants under this section;

“(ii) how the agency will ensure that only comprehensive school reforms that are based

on scientifically based research receive funds under this section;

“(iii) how the agency will disseminate materials regarding information on comprehensive school reforms that are based on scientifically based research;

“(iv) how the agency will evaluate the implementation of such reforms and measure the extent to which the reforms resulted in increased student academic performance; and

“(v) how the agency will provide, upon request, technical assistance to the local educational agency in evaluating, developing, and implementing comprehensive school reform.

“(2) USES OF FUNDS.—

“(A) IN GENERAL.—Except as provided in subparagraph (E), a State educational agency that receives an award under this section shall use such funds to provide competitive grants to local educational agencies receiving funds under part A.

“(B) GRANT REQUIREMENTS.—A grant to a local educational agency shall be—

“(i) of sufficient size and scope to support the initial costs for the particular comprehensive school reform plan selected or designed by each school identified in the application of the local educational agency;

“(ii) in an amount not less than \$50,000 to each participating school; and

“(iii) renewable for two additional 1-year periods after the initial 1-year grant is made if schools are making substantial progress in the implementation of their reforms.

“(C) PRIORITY.—The State, in awarding grants under this paragraph, shall give priority to local educational agencies that—

“(i) plan to use the funds in schools identified as being in need of improvement or corrective action under section 1116(c); and

“(ii) demonstrate a commitment to assist schools with budget allocation, professional development, and other strategies necessary to ensure the comprehensive school reforms are properly implemented and are sustained in the future.

“(D) GRANT CONSIDERATION.—In making subgrant awards under this part, the State educational agency shall take into account the equitable distribution of awards to different geographic regions within the State, including urban and rural areas, and to schools serving elementary and secondary students.

“(E) ADMINISTRATIVE COSTS.—A State educational agency that receives a grant award under this section may reserve not more than 5 percent of such award for administrative, evaluation, and technical assistance expenses.

“(F) SUPPLEMENT.—Funds made available under this section shall be used to supplement, not supplant, any other Federal, State, or local funds that would otherwise be available to carry out this section.

“(3) REPORTING.—Each State educational agency that receives an award under this section shall provide to the Secretary such information as the Secretary may require, including the names of local educational agencies and schools selected to receive subgrant awards under this section, the amount of such award, and a description of the comprehensive school reform model selected and in use.

“(d) LOCAL AWARDS.—

“(1) IN GENERAL.—Each local educational agency that applies for a subgrant under this section shall—

“(A) identify which schools eligible for funds under part A plan to implement a comprehensive school reform program, including the projected costs of such a program;

“(B) describe the scientifically based comprehensive school reforms that such schools will implement;

“(C) describe how the agency will provide technical assistance and support for the effective implementation of the scientifically based school reforms selected by such schools; and

“(D) describe how the agency will evaluate the implementation of such reforms and measure the results achieved in improving student academic performance.

“(2) COMPONENTS OF THE PROGRAM.—A local educational agency that receives a subgrant award under this section shall provide such funds to schools that implement a comprehensive school reform program that—

“(A) employs innovative strategies and proven methods for student learning, teaching, and school management that are based on scientifically based research and effective practices and have been replicated successfully in schools with diverse characteristics;

“(B) integrates a comprehensive design for effective school functioning, including instruction, assessment, classroom management, professional development, parental involvement, and school management, that aligns the school's curriculum, technology, professional development into a comprehensive reform plan for schoolwide change designed to enable all students to meet challenging State content and challenging student performance standards and addresses needs identified through a school needs assessment;

“(C) provides high-quality and continuous teacher and staff professional development;

“(D) includes measurable goals for student performance and benchmarks for meeting such goals;

“(E) is supported by teachers, principals, administrators, and other professional staff;

“(F) provides for the meaningful involvement of parents and the local community in planning and implementing school improvement activities;

“(G) uses high quality external technical support and assistance from an entity, which may be an institution of higher education, with experience and expertise in schoolwide reform and improvement;

“(H) includes a plan for the evaluation of the implementation of school reforms and the student results achieved; and

“(I) identifies how other resources, including Federal, State, local, and private resources, available to the school will be used to coordinate services to support and sustain the school reform effort.

“(3) SPECIAL RULE.—A school that receives funds to develop a comprehensive school reform program shall not be limited to using the approaches identified or developed by the Department of Education, but may develop its own comprehensive school reform programs for schoolwide change that comply with paragraph (2).

“(e) EVALUATION AND REPORT.—

“(1) IN GENERAL.—The Secretary shall develop a plan for a national evaluation of the programs developed pursuant to this section.

“(2) EVALUATION.—This national evaluation shall evaluate the implementation and results achieved by schools after 3 years of implementing comprehensive school reforms, and assess the effectiveness of comprehensive school reforms in schools with diverse characteristics.

“(3) REPORTS.—Prior to the completion of a national evaluation, the Secretary shall submit an interim report outlining first year implementation activities to the Committees on Education and the Workforce and Ap-

propriations of the House of Representatives and the Committees on Health, Education, Labor, and Pensions and Appropriations of the Senate.

“(f) DEFINITION.—The term ‘scientifically based research’—

“(1) means the application of rigorous, systematic, and objective procedures in the development of comprehensive school reform models; and

“(2) shall include research that—

“(A) employs systematic, empirical methods that draw on observation or experiment;

“(B) involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn;

“(C) relies on measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations; and

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

“(g) AUTHORIZATION OF APPROPRIATIONS.—Funds appropriated for any fiscal year under section 1002(f) shall be used for carrying out the activities under this section.”

PART F—RURAL EDUCATION DEVELOPMENT INITIATIVE

SEC. 171. RURAL EDUCATION DEVELOPMENT INITIATIVE.

Title I (20 U.S.C. 6301 et seq.) is amended—

(1) by redesignating part F (20 U.S.C. 6511 et seq.) as part G;

(2) by redesignating sections 1601 through 1604 (20 U.S.C. 6511, 6514) as sections 1701 through 1704, respectively, and by redesignating accordingly the references to such sections in part G (as so redesignated); and

(3) by inserting after part E (20 U.S.C. 6491 et seq.) the following:

“PART F—RURAL EDUCATION DEVELOPMENT INITIATIVE

“SEC. 1601. FINDINGS.

“Congress makes the following findings:

“(1) The National Center for Educational Statistics reports that 46 percent of our Nation's public elementary schools and secondary schools serve rural areas.

“(2) While there are rural education initiatives identified at the State and local level, no Federal education policy focuses on the specific and unique needs of rural school districts and schools, especially those that serve poor students.

“(3) A critical problem for rural school districts involves the hiring and retention of qualified administrators and certified teachers, especially in science and mathematics. Consequently, teachers in rural schools are almost twice as likely to provide instruction in 3 or more subject areas than teachers in urban schools. Rural schools also face other tough challenges, such as shrinking local tax bases, high transportation costs, aging buildings, limited course offerings, and limited resources.

“(4) Data from the National Assessment of Educational Progress (NAEP) consistently shows large gaps between the achievement of students in high poverty schools and those in other schools. High-poverty schools will face special challenges in preparing their students to reach high standards of performance on State and national assessments.

“SEC. 1602. DEFINITIONS.

“In this part:

“(1) ELIGIBLE LOCAL EDUCATIONAL AGENCY.—The term ‘eligible local educational agency’ means a local educational agency that serves—

“(A) a school-age population, not less than 15 percent of which consists of students from families with incomes below the poverty line; and

“(B)(i) a rural locality; or

“(ii) a school-age population of not more than 800 students.

“(2) METROPOLITAN AREA.—The term ‘metropolitan area’ means an area defined as such by the Secretary of Commerce.

“(3) POVERTY LINE.—The term ‘poverty line’ means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

“(4) RURAL LOCALITY.—The term ‘rural locality’ means a locality that is not within a metropolitan area.

“(5) STATE.—The term ‘State’ means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(6) SCHOOL AGE POPULATION.—The term ‘school age population’ means the number of students aged 5 through 17.

“SEC. 1603. PROGRAM AUTHORIZED.

“(a) GRANTS AUTHORIZED.—The Secretary shall award grants, from allotments under subsection (b)(2), to each State having an application approved under section 1604 to enable the State educational agency to award grants to eligible local educational agencies to carry out local authorized activities described in section 1605(b).

“(b) RESERVATION AND ALLOTMENTS.—

“(1) RESERVATION.—From amounts appropriated under section 1608 for each fiscal year, the Secretary shall reserve ½ of 1 percent of such amount for payments to the Secretary of the Interior for activities approved by the Secretary, consistent with this subpart, in elementary schools and secondary schools operated or supported by the Bureau of Indian Affairs, on the basis of their respective needs for assistance under this part.

“(2) ALLOTMENTS.—

“(A) IN GENERAL.—From the amounts appropriated under section 1608 for each fiscal year that remain after making the reservation under paragraph (1), the Secretary shall allot to each State having an application approved under section 1604 an amount that bears the same relationship to the remainder as the school age population served by eligible local educational agencies in the State bears to the school age population served by eligible local educational agencies in all States.

“(B) DATA.—In determining the school age population under subparagraph (A), the Secretary shall use the most recent data available from the Bureau of the Census.

“(c) DIRECT AWARDS TO ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—

“(1) NONPARTICIPATING STATE.—If a State educational agency for a fiscal year elects not to participate in a program under this section, or does not have an application approved under section 1604, an eligible local educational agency in such State desiring a grant under this part for the fiscal year shall apply directly to the Secretary to receive a grant under this subsection.

“(2) DIRECT AWARDS.—The Secretary may award, on a competitive basis, the amount the State educational agency is eligible to receive under subsection (b)(2) directly to eligible local educational agencies in the State desiring a grant under paragraph (1).

“(3) ADMINISTRATIVE FUNDS.—An eligible local educational agency that receives a di-

rect grant under this subsection may use not more than 1 percent of the grant funds for the administrative costs of carrying out this part in the first year the agency receives a grant under this subsection and 0.5 percent for such costs in the second and each succeeding such year.

“(d) MATCHING REQUIREMENT.—Each eligible local educational agency receiving a grant under subsection (c) or section 1605(a) shall contribute resources with respect to the local authorized activities to be assisted under this part in cash or in-kind, from non-Federal sources, in an amount equal to the Federal funds awarded under the grant.

“(e) RELATION TO OTHER FEDERAL FUNDING.—Funds received under this part by a State educational agency or an eligible local educational agency shall not be taken into consideration in determining the eligibility for, or amount of, any other Federal funding awarded to such agencies.

“SEC. 1604. APPLICATIONS.

“(a) IN GENERAL.—Each State educational agency desiring a grant under section 1603 and eligible local educational agency desiring a grant under section 1603(c) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

“(b) CONTENTS.—Each application submitted under subsection (a) shall—

“(1) specify annual, measurable performance goals and objectives, at a minimum, with respect to—

“(A) increased student academic achievement;

“(B) decreased gaps in achievement between minority and non-minority students, and between economically disadvantaged and non-economically disadvantaged students; and

“(C) other factors that the State educational agency or eligible local educational agency may choose to measure;

“(2) describe how the State educational agency or eligible local educational agency will hold local educational agencies and elementary schools or secondary schools receiving funds under this part accountable for meeting the annual, measurable goals and objectives;

“(3) describe how the State educational agency or eligible local educational agency will provide technical assistance for a local educational agency, an elementary school, or a secondary school that does not meet the annual, measurable goals and objectives; and

“(4) describe how the State educational agency or eligible local educational agency will take action against a local educational agency, an elementary school, or a secondary school, if the local educational agency or school fails, over 2 consecutive years, to meet the annual, measurable goals and objectives.

“SEC. 1605. WITHIN-STATE ALLOCATIONS.

“(a) ALLOCATIONS.—A State educational agency shall award grants under this part to eligible local educational agencies within the State according to a formula developed by the State educational agency and approved by the Secretary.

“(b) USES OF FUNDS.—Grant funds awarded to eligible local educational agencies or made available to elementary schools and secondary schools under this section shall be used for—

“(1) educational technology, including software and hardware;

“(2) professional development;

“(3) technical assistance;

“(4) recruitment and retention of fully qualified teachers, as defined in title II, and highly qualified principals;

“(5) parental involvement activities; or

“(6) academic enrichment or other education programs.

“(c) RESERVATION OF ADMINISTRATIVE FUNDS.—

“(1) FIRST YEAR.—For the first year that a State educational agency receives a grant under this part, the agency—

“(A) shall use not less than 99 percent of the grant funds to award grants to eligible local educational agencies in the State; and

“(B) may use not more than 1 percent for State activities and the administrative costs of carrying out this part.

“(2) SUCCEEDING YEARS.—For the second and each succeeding year that a State educational agency receives a grant under this part, the agency—

“(A) shall use not less than 99.5 percent of the grant funds to award grants to eligible local educational agencies in the State; and

“(B) may use not more than 0.5 percent of the grant funds for State activities and the administrative costs of carrying out this part.

“SEC. 1606. ACCOUNTABILITY.

The Secretary, at the end of the third year that a State educational agency or an eligible local educational agency receiving a direct award under section 1603(c) participates in the program under this part, shall permit only those State educational agencies and eligible local educational agencies that meet their annual, measurable goals and objectives for 2 consecutive years to receive grant funds for the fourth or fifth fiscal years of the program under this part.

“SEC. 1607. REPORTS.

“(a) STATE REPORTS.—Each State educational agency that receives a grant under this part shall provide an annual report to the Secretary. The report shall describe—

“(1) the method the State educational agency used to award grants to eligible local educational agencies and to provide assistance to elementary schools and secondary schools under this part;

“(2) how eligible local educational agencies and elementary schools and secondary schools within the State used the grant funds provided under this part; and

“(3) the degree to which progress has been made toward meeting the annual, measurable goals and objectives described in the State application.

“(b) REPORTS FROM ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—Each eligible local educational agency receiving a grant under section 1603(c) shall provide an annual report to the Secretary. Such report shall describe—

“(1) how such agency used the grant funds provided under this part;

“(2) the degree to which progress has been made toward meeting the annual, measurable goals and objectives described in the eligible local educational agency’s application; and

“(3) how the local educational agency coordinated funds received under this part with other Federal, State, and local funds.

“(c) REPORT TO CONGRESS.—The Secretary shall prepare and submit to Congress an annual report setting forth the information provided to the Secretary pursuant to subsections (a) and (b).

“(d) STUDY.—The Comptroller General of the United States shall conduct a study regarding the impact of assistance provided under this part on student achievement, and shall submit such study to Congress.

“SEC. 1608. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this part \$200,000,000 for fiscal

year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.”.

PART G—GENERAL PROVISIONS

SEC. 181. FEDERAL REGULATIONS.

Section 1701(b)(4) (20 U.S.C. 6511(b)(4)) (as redesignated by section 161(2)) is amended by striking “July 1, 1995” and inserting “May 1, 2000”.

SEC. 182. STATE ADMINISTRATION.

Section 1703 (20 U.S.C. 6513) (as redesignated by section 161(2)) is amended by striking subsection (c).

TITLE II—TEACHER AND PRINCIPAL QUALITY, PROFESSIONAL DEVELOPMENT, AND CLASS SIZE

SEC. 201. TEACHER AND PRINCIPAL QUALITY, PROFESSIONAL DEVELOPMENT, AND CLASS SIZE.

Title II (20 U.S.C. 6601 et seq.) is amended to read as follows:

“TITLE II—TEACHER AND PRINCIPAL QUALITY, PROFESSIONAL DEVELOPMENT, AND CLASS SIZE

“SEC. 2001. PURPOSE.

“The purpose of this title is to provide grants to State educational agencies and local educational agencies in order to assist their efforts to increase student academic achievement through such strategies as improving teacher and principal quality, increasing professional development, and decreasing class size.

“SEC. 2002. DEFINITIONS.

“In this title:

“(1) FULLY QUALIFIED.—The term ‘fully qualified’ means—

“(A) in the case of an elementary school teacher (other than a teacher teaching in a public charter school), a teacher who, at a minimum—

“(i) has obtained State certification (which may include certification obtained through alternative means), or a State license, to teach in the State in which the teacher teaches;

“(ii) holds a bachelor’s degree from an institution of higher education; and

“(iii) demonstrates subject matter knowledge, teaching knowledge, and the teaching skills required to teach effectively reading, writing, mathematics, science, social studies, and other elements of a liberal arts education; and

“(B) in the case of a middle school or secondary school teacher (other than a teacher teaching in a public charter school), a teacher who, at a minimum—

“(i) has obtained State certification (which may include certification obtained through alternative means), or a State license, to teach in the State in which the teacher teaches;

“(ii) holds a bachelor’s degree from an institution of higher education; and

“(iii) demonstrates a high level of competence in all subject areas in which the teacher teaches through—

“(I) completion of an academic major (or courses totaling an equivalent number of credit hours) in each of the subject areas in which the teacher provides instruction;

“(II) in the case of other mid-career professionals entering the teaching profession, achievement of—

“(aa) a high level of performance in other professional employment experience in subject areas relevant to the subject areas in which instruction will be provided; and

“(bb) a requirement described in subclause (III); or

“(III) achievement of a high level of performance on rigorous academic subject area

tests administered by the State in which the teacher teaches.

“(2) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ means an institution of higher education, as defined in section 101 of the Higher Education Act of 1965, that—

“(A) has not been identified as low performing under section 208 of the Higher Education Act of 1965; and

“(B) is in full compliance with the public reporting requirements described in section 207 of the Higher Education Act of 1965.

“(3) OUTLYING AREA.—The term ‘outlying area’ means the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

“(4) POVERTY LINE.—The term ‘poverty line’ means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act) applicable to a family of the size involved, for the most recent year.

“(5) SCHOOL-AGE POPULATION.—The term ‘school-age population’ means the population aged 5 through 17, as determined on the basis of the most recent satisfactory data.

“(6) STATE.—The term ‘State’ means each of the several States in the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

“PART A—TEACHER AND PRINCIPAL QUALITY AND PROFESSIONAL DEVELOPMENT

“SEC. 2011. PROGRAM AUTHORIZED.

“(a) GRANTS AUTHORIZED.—The Secretary shall award a grant, from allotments made under subsection (b), to each State having a State plan approved under section 2013, to enable the State to raise the quality of, and provide professional development opportunities for, public elementary school and secondary school teachers, principals, and administrators.

“(b) RESERVATIONS AND ALLOTMENTS.—

“(1) RESERVATIONS.—From the amount appropriated under section 2023 to carry out this part for each fiscal year, the Secretary shall reserve—

“(A) ½ of 1 percent of such amount for payments to the Bureau of Indian Affairs for activities, approved by the Secretary, consistent with this part;

“(B) ½ of 1 percent of such amount for payments to outlying areas, to be allotted in accordance with their respective needs as determined by the Secretary, for activities, approved by the Secretary, consistent with this part; and

“(C) such sums as may be necessary to continue to support any multiyear partnership program award made under parts A, C, and D (as such parts were in effect on the day preceding the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act) until the termination of the multiyear award.

“(2) STATE ALLOTMENTS.—From the amount appropriated under section 2023 for a fiscal year and remaining after the Secretary makes reservations under paragraph (1), the Secretary shall allot to each State having a State plan approved under section 2013 the sum of—

“(A) an amount that bears the same relationship to 50 percent of the remainder as the school-age population from families with incomes below the poverty line in the State bears to the school-age population from families with incomes below the poverty line in all States; and

“(B) an amount that bears the same relationship to 50 percent of the remainder as the school-age population in the State bears to the school-age population in all States.

“(c) STATE MINIMUM.—For any fiscal year, no State shall be allotted under this section an amount that is less than ½ of 1 percent of the total amount allotted to all States under subsection (b)(2).

“(d) HOLD-HARMLESS AMOUNTS.—For fiscal year 2001, notwithstanding subsection (b)(2), the amount allotted to each State under this section shall be not less than 100 percent of the total amount the State was allotted under part B (as such part was in effect on the day preceding the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act) for the preceding fiscal year.

“(e) RATABLE REDUCTIONS.—If the sums made available under subsection (b)(2) for any fiscal year are insufficient to pay the full amounts that all States are eligible to receive under subsection (d) for such year, the Secretary shall ratably reduce such amounts for such year.

“SEC. 2012. WITHIN STATE ALLOCATION.

“(a) IN GENERAL.—Each State educational agency for a State receiving a grant under section 2011(a) shall—

“(1) set aside 10 percent of the grant funds to award educator partnership grants under section 2021;

“(2) set aside not more than 5 percent of the grant funds to carry out activities described in the State plan submitted under section 2013; and

“(3) using the remaining 85 percent of the grant funds, make subgrants by allocating to each local educational agency in the State the sum of—

“(A) an amount that bears the same relationship to 60 percent of the remainder as the school-age population from families with incomes below the poverty line in the area served by the local educational agency bears to the school-age population from families with incomes below the poverty line in the area served by all local educational agencies in the State; and

“(B) an amount that bears the same relationship to 40 percent of the remainder as the school-age population in the area served by the local educational agency bears to the school-age population in the area served by all local educational agencies in the State.

“(b) HOLD-HARMLESS AMOUNTS.—

“(1) FISCAL YEAR 2001.—For fiscal year 2001, notwithstanding subsection (a), the amount allocated to each local educational agency under this section shall be not less than 100 percent of the total amount the local educational agency was allocated under this title (as in effect on the day preceding the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act) for fiscal year 2000.

“(2) FISCAL YEAR 2002.—For fiscal year 2002, notwithstanding subsection (a), the amount allocated to each local educational agency under this section shall be not less than 85 percent of the amount allocated to the local educational agency under this section for fiscal year 2001.

“(3) FISCAL YEARS 2003–2005.—For each of fiscal years 2003 through 2005, notwithstanding subsection (a), the amount allocated to each local educational agency under this section shall be not less than 70 percent of the amount allocated to the local educational agency under this section for the previous fiscal year.

“(c) RATABLE REDUCTIONS.—If the sums made available under subsection (a)(3) for

any fiscal year are insufficient to pay the full amounts that all local educational agencies are eligible to receive under subsection (b) for such year, the State educational agency shall ratably reduce such amounts for such year.

“SEC. 2013. STATE PLANS.

“(a) PLAN REQUIRED.—

“(1) COMPREHENSIVE STATE PLAN.—The entity or agency responsible for teacher certification or licensing under the laws of the State desiring a grant under this part shall submit a State plan to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. If the State educational agency is not the entity or agency designated under the laws of the State as responsible for teacher certification or licensing in the State, then the plan shall be developed in consultation with the State educational agency. The entity or agency shall provide annual evidence of such consultation to the Secretary.

“(2) CONSOLIDATED PLAN.—A State plan submitted under paragraph (1) may be submitted as part of a consolidated plan under section 8302.

“(b) CONTENTS.—Each plan submitted under subsection (a) shall—

“(1) describe how the State is taking reasonable steps to—

“(A) reform teacher certification, recertification, or licensure requirements to ensure that—

“(i) teachers have the necessary teaching skills and academic content knowledge in the academic subjects in which the teachers are assigned to teach;

“(ii) such requirements are aligned with the challenging State content standards;

“(iii) teachers have the knowledge and skills necessary to help students meet the challenging State student performance standards;

“(iv) such requirements take into account the need, as determined by the State, for greater access to, and participation in, the teaching profession by individuals from historically underrepresented groups; and

“(v) teachers have the necessary technological skills to integrate more effectively technology in the teaching of content required by State and local standards in all academic subjects in which the teachers provide instruction;

“(B) develop and implement rigorous testing procedures for teachers, as required in section 2002(1)(A), to ensure that the teachers have teaching skills and academic content knowledge necessary to teach effectively the content called for by State and local standards in all academic subjects in which the teachers provide instruction;

“(C) establish, expand, or improve alternative routes to State certification of teachers, especially in the areas of mathematics and science, for highly qualified individuals with a baccalaureate degree, including mid-career professionals from other occupations, paraprofessionals, former military personnel, and recent college or university graduates who have records of academic distinction and who demonstrate the potential to become highly effective teachers;

“(D) reduce emergency teacher certification;

“(E) develop and implement effective programs, and provide financial assistance, to assist local educational agencies, elementary schools, and secondary schools in effectively recruiting and retaining fully qualified teachers and principals, particularly in schools that have the lowest proportion of fully qualified teachers or the highest proportion of low-performing students;

“(F) provide professional development programs that meet the requirements described in section 2019;

“(G) provide programs that are designed to assist new teachers during their first 3 years of teaching, such as mentoring programs that—

“(i) provide mentoring to new teachers from veteran teachers with expertise in the same subject matter as the new teachers are teaching;

“(ii) provide mentors time for activities such as coaching, observing, and assisting teachers who are being mentored; and

“(iii) use standards or assessments that are consistent with the State’s student performance standards and the requirements for professional development activities described in section 2019 in order to guide the new teachers;

“(H) provide technical assistance to local educational agencies in developing and implementing activities described in section 2018; and

“(I) ensure that programs in core academic subjects, particularly in mathematics and science, will take into account the need for greater access to, and participation in, such core academic subjects by students from historically underrepresented groups, including females, minorities, individuals with limited English proficiency, the economically disadvantaged, and individuals with disabilities, by incorporating pedagogical strategies and techniques that meet such students’ educational needs;

“(2) describe the activities for which assistance is sought under the grant, and how such activities will improve students’ academic achievement and close academic achievement gaps of low-income, minority, and limited English proficient students;

“(3) describe how the State will establish annual numerical performance objectives under section 2014 for improving the qualifications of teachers and the professional development of teachers, principals, administrators, and mental health professionals;

“(4) contain an assurance that the State consulted with local educational agencies, education-related community groups, non-profit organizations, parents, teachers, school administrators, local school boards, institutions of higher education in the State, and content specialists in establishing the performance objectives described in section 2014;

“(5) describe how the State will hold local educational agencies, elementary schools, and secondary schools accountable for meeting the performance objectives described in section 2014 and for reporting annually on the local educational agencies’ and schools’ progress in meeting the performance objectives;

“(6) describe how the State will ensure that a local educational agency receiving a subgrant under section 2012 will comply with the requirements of this part;

“(7) provide an assurance that the State will require each local educational agency, elementary school, or secondary school receiving funds under this part to report publicly the local educational agency’s or school’s annual progress with respect to the performance objectives described in section 2014; and

“(8) describe how the State will coordinate professional development activities authorized under this part with professional development activities provided under other Federal, State, and local programs, including programs authorized under titles I and III and, where appropriate, the Individuals with

Disabilities Education Act and the Carl D. Perkins Vocational and Technical Education Act of 1998.

“(c) SECRETARY APPROVAL.—The Secretary shall, using a peer review process, approve a State plan if the plan meets the requirements of this section.

“(d) DURATION OF THE PLAN.—

“(1) IN GENERAL.—Each State plan shall—

“(A) remain in effect for the duration of the State’s participation under this part; and

“(B) be periodically reviewed and revised by the State, as necessary, to reflect changes to the State’s strategies and programs carried out under this part.

“(2) ADDITIONAL INFORMATION.—If a State receiving a grant under this part makes significant changes to the State plan, such as the adoption of new performance objectives, the State shall submit information regarding the significant changes to the Secretary.

“SEC. 2014. PERFORMANCE OBJECTIVES.

“(a) IN GENERAL.—Each State receiving a grant under this part shall establish annual numerical performance objectives with respect to progress in improving the qualifications of teachers and the professional development of teachers, principals, administrators and mental health professionals. For each annual numerical performance objective established, the State shall specify an incremental percentage increase for the objective to be attained for each of the fiscal years for which the State receives a grant under this part, relative to the preceding fiscal year.

“(b) REQUIRED OBJECTIVES.—At a minimum, the annual numerical performance objectives described in subsection (a) shall include an incremental increase in the percentage of—

“(1) classes in core academic subjects that are being taught by fully qualified teachers;

“(2) new teachers and principals receiving professional development support, including mentoring for teachers, during the teachers’ first 3 years of teaching;

“(3) teachers, principals, and administrators participating in high quality professional development programs that are consistent with section 2019; and

“(4) fully qualified teachers teaching in the State, to ensure that all teachers teaching in such State are fully qualified by December 31, 2005.

“(c) REQUIREMENT FOR FULLY QUALIFIED TEACHERS.—Each State receiving a grant under this part shall ensure that all public elementary school and secondary school teachers in the State are fully qualified not later than December 31, 2005.

“(d) ACCOUNTABILITY.—

“(1) IN GENERAL.—Each State receiving a grant under this part shall be held accountable for—

“(A) meeting the State’s annual numerical performance objectives; and

“(B) meeting the reporting requirements described in section 4401.

“(2) SANCTIONS.—Any State that fails to meet the requirement described in paragraph (1)(A) shall be subject to sanctions under section 7001.

“(e) SPECIAL RULE.—Notwithstanding any other provision of law, the provisions of subsection (c) shall not supersede State laws governing public charter schools.

“(f) COORDINATION.—Each State that receives a grant under this part and a grant under section 202 of the Higher Education Act of 1965 shall coordinate the activities the State carries out under such section 202 with the activities the State carries out under this section.

SEC. 2015. OPTIONAL ACTIVITIES.

“Each State receiving a grant under section 2011(a) may use the grant funds—

“(1) to develop and implement a system to measure the effectiveness of specific professional development programs and strategies;

“(2) to increase the portability of teacher pensions and reciprocity of teaching certification or licensure among States, except that no reciprocity agreement developed under this section may lead to the weakening of any State teacher certification or licensing requirement;

“(3) to develop or assist local educational agencies in the development and utilization of proven, innovative strategies to deliver intensive professional development programs that are cost effective and easily accessible, such as programs offered through the use of technology and distance learning;

“(4) to provide assistance to local educational agencies for the development and implementation of innovative professional development programs that train teachers to use technology to improve teaching and learning and that are consistent with the requirements of section 2019;

“(5) to provide professional development to enable teachers to ensure that female students, minority students, limited English proficient students, students with disabilities, and economically disadvantaged students have the full opportunity to achieve challenging State content and performance standards in the core academic subjects;

“(6) to increase the number of women, minorities, and individuals with disabilities who teach in the State and who are fully qualified and provide instruction in core academic subjects in which such individuals are underrepresented; and

“(7) to increase the number of highly qualified women, minorities, and individuals from other underrepresented groups who are involved in the administration of elementary schools and secondary schools within the State.

SEC. 2016. STATE ADMINISTRATIVE EXPENSES.

“Each State receiving a grant under section 2011(a) may use not more than 5 percent of the amount set aside in section 2012(a)(2) for the cost of—

“(1) planning and administering the activities described in section 2013(b); and

“(2) making subgrants to local educational agencies under section 2012.

SEC. 2017. LOCAL PLANS.

“(a) IN GENERAL.—Each local educational agency desiring a grant from the State under section 2012(a)(3) shall submit a local plan to the State educational agency—

“(1) at such time, in such manner, and accompanied by such information as the State educational agency may require; and

“(2) that describes how the local educational agency will coordinate the activities for which assistance is sought under this part with other programs carried out under this Act, or other Acts, as appropriate.

“(b) LOCAL PLAN CONTENTS.—The local plan described in subsection (a) shall, at a minimum—

“(1) describe how the local educational agency will use the grant funds to meet the State performance objectives for teacher qualifications and professional development described in section 2014;

“(2) describe how the local educational agency will hold elementary schools and secondary schools accountable for meeting the requirements described in this part;

“(3) contain an assurance that the local educational agency will target funds to elementary schools and secondary schools

served by the local educational agency that—

“(A) have the lowest proportion of fully qualified teachers; and

“(B) are identified for school improvement under section 1116;

“(4) describe how the local educational agency will coordinate professional development activities authorized under section 2018(a) with professional development activities provided through other Federal, State, and local programs, including those authorized under titles I and III and, where applicable, the Individuals with Disabilities Education Act and the Carl D. Perkins Vocational and Technical Education Act of 1998; and

“(5) describe how the local educational agency has collaborated with teachers, principals, parents, and administrators in the preparation of the local plan.

SEC. 2018. LOCAL ACTIVITIES.

“(a) IN GENERAL.—Each local educational agency receiving a grant under section 2012(a)(3) shall use the grant funds to—

“(1) support professional development activities, consistent with section 2019, for—

“(A) teachers, in at least the areas of reading, mathematics, and science; and

“(B) teachers, principals, administrators and mental health professionals in order to provide such individuals with the knowledge and skills to provide all students, including female students, minority students, limited English proficient students, students with disabilities, and economically disadvantaged students, with the opportunity to meet challenging State content and student performance standards;

“(2) provide professional development to teachers, principals, and administrators to enhance the use of technology within elementary schools and secondary schools in order to deliver more effective curricula instruction;

“(3) recruit and retain fully qualified teachers and highly qualified principals, particularly for elementary schools and secondary schools located in areas with high percentages of low-performing students and students from families below the poverty line;

“(4) recruit and retain fully qualified teachers and high quality principals to serve in the elementary schools and secondary schools with the highest proportion of low-performing students, such as through—

“(A) mentoring programs for newly hired teachers, including programs provided by master teachers, and for newly hired principals; and

“(B) programs that provide other incentives, including financial incentives, to retain—

“(i) teachers who have a record of success in helping low-performing students improve those students' academic success; and

“(ii) principals who have a record of improving the performance of all students, or significantly narrowing the gaps between minority students and nonminority students, and economically disadvantaged students and noneconomically disadvantaged students, within the elementary schools or secondary schools served by the principals;

“(5) provide professional development that incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse groups of students, including female students, minority students, students with disabilities, limited English proficient students, and economically disadvantaged students; and

“(6) provide professional development for mental health professionals, including

school psychologists, school counselors, and school social workers, that is focused on enhancing the skills and knowledge of such individuals so that they may help students exhibiting distress (such as substance abuse, disruptive behavior, and suicidal behavior) meet the challenging State student performance standards.

“(b) OPTIONAL ACTIVITIES.—Each local educational agency receiving a grant under section 2012(a)(3) may use the subgrant funds—

“(1) to provide a signing bonus or other financial incentive, such as differential pay for—

“(A) a teacher to teach in an academic subject for which there exists a shortage of fully qualified teachers within the elementary school or secondary school in which the teacher teaches or within the elementary schools and secondary schools served by the local educational agency; or

“(B) a highly qualified principal in a school in which there is a large percentage of children—

“(i) from low-income families; or

“(ii) with high percentages of low-performance scores on State assessments;

“(2) to establish programs that—

“(A) recruit professionals into teaching from other fields and provide such professionals with alternative routes to teacher certification, especially in the areas of mathematics, science, and English language arts; and

“(B) provide increased teaching and administration opportunities for fully qualified females, minorities, individuals with disabilities, and other individuals underrepresented in the teaching or school administration professions;

“(3) to establish programs and activities that are designed to improve the quality of the teacher and principal force, such as innovative professional development programs (which may be provided through partnerships, including partnerships with institutions of higher education), and including programs that—

“(A) train teachers and principals to utilize technology to improve teaching and learning; and

“(B) are consistent with the requirements of section 2019;

“(4) to provide collaboratively designed performance pay systems for teachers and principals that encourage teachers and principals to work together to raise student performance;

“(5) to establish professional development programs that provide instruction in how to teach children with different learning styles, particularly children with disabilities and children with special learning needs (including children who are gifted and talented);

“(6) to establish professional development programs that provide instruction in how best to discipline children in the classroom, and to identify early and appropriate interventions to help children described in paragraph (5) learn;

“(7) to provide professional development programs that provide instruction in how to teach character education in a manner that—

“(A) reflects the values of parents, teachers, and local communities; and

“(B) incorporates elements of good character, including honesty, citizenship, courage, justice, respect, personal responsibility, and trustworthiness;

“(8) to provide scholarships or other incentives to assist teachers in attaining national board certification;

“(9) to support activities designed to provide effective professional development for

teachers of limited English proficient students;

“(10) to establish other activities designed—

“(A) to improve professional development for teachers, principals, and administrators that are consistent with section 2019; and

“(B) to recruit and retain fully qualified teachers and highly qualified principals; and

“(11) to establish master teacher programs to increase teacher salaries and employee benefits for teachers who enter into contracts with the local educational agency to serve as master teachers, in accordance with the requirements of subsection (c).

“(c) REQUIREMENTS FOR MASTER TEACHER PROGRAMS.—

“(1) DEFINITIONS.—In this subsection:

“(A) LOW-PERFORMING STUDENTS.—The term ‘low-performing students’ means students who, based on multiple measures, perform below a basic level of proficiency for their grade level, as determined by the State.

“(B) MASTER TEACHER.—The term ‘master teacher’ means a teacher who—

“(i) is fully qualified;

“(ii) has been teaching for at least 5 years in a public or private school or institution of higher education;

“(iii) is selected upon application and recommendation by administrators and other teachers;

“(iv) at the time of submission of such application, is teaching and based in a public school;

“(v) assists other teachers in improving instructional strategies, improves the skills of other teachers, performs mentoring, develops curriculum, and offers other professional development; and

“(vi) enters into a contract with the local educational agency to continue to teach and serve as a master teacher for at least 5 years.

“(2) REQUIREMENTS FOR MASTER TEACHER CONTRACTS.—A local educational agency that establishes a master teacher program under subsection (b)(11) shall negotiate the terms of contracts of master teachers with the local labor organizations that represent teachers in the school districts served by that agency. A contract with a master teacher entered into in accordance with this paragraph shall specify that a breach of the contract shall be deemed to have occurred if the master teacher voluntarily withdraws or terminates the contract or is dismissed by the local educational agency or school district (as applicable) for nonperformance of duties, subject to any statutory or negotiated due process procedures that may apply. The contract shall require in the event of a breach of contract that a teacher repay the local educational agency all funds provided to the teacher under the contract.

“SEC. 2019. PROFESSIONAL DEVELOPMENT FOR TEACHERS.

“(a) LIMITATION RELATING TO CURRICULUM AND CONTENT AREAS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), a local educational agency may not use grant funds allocated under section 2012(a)(3) to support a professional development activity for a teacher that is not—

“(A) directly related to the curriculum for which and content areas in which the teacher provides instruction; or

“(B) designed to enhance the ability of the teacher to understand and use the State’s challenging content standards for the academic subject in which the teacher provides instruction.

“(2) EXCEPTION.—Paragraph (1) shall not apply to professional development activities

that provide instruction in methods of disciplining children.

“(b) PROFESSIONAL DEVELOPMENT ACTIVITY.—A professional development activity carried out under this part shall—

“(1) be measured, in terms of progress described in section 2014(a), using the specific performance indicators established by the State in accordance with section 2014;

“(2) be tied to challenging State or local content standards and student performance standards;

“(3) be tied to scientifically based research demonstrating the effectiveness of such activities in increasing student achievement or substantially increasing the knowledge and teaching skills of teachers;

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

“(5) be developed with extensive participation of teachers, principals, parents, administrators, and local school boards of elementary schools and secondary schools to be served under this part, and institutions of higher education in the State, and, with respect to any professional development program described in paragraph (6) or (7) of section 2018(b), shall, if applicable, be developed with extensive coordination with, and participation of, professionals with expertise in such type of professional development;

“(6) to the extent appropriate, provide training for teachers regarding using technology and applying technology effectively in the classroom to improve teaching and learning concerning the curriculum and academic content areas, in which those teachers provide instruction; and

“(7) be directly related to the content areas in which the teachers provide instruction and the State content standards.

“(c) ACCOUNTABILITY.—

“(1) IN GENERAL.—A State shall notify a local educational agency that the agency may be subject to the action described in paragraph (3) if, after any fiscal year, the State determines that the programs or activities funded by the agency under this part fail to meet the requirements of subsections (a) and (b).

“(2) TECHNICAL ASSISTANCE.—A local educational agency that has received notification pursuant to paragraph (1) may request technical assistance from the State and an opportunity for such local educational agency to comply with the requirements of subsections (a) and (b).

“(3) STATE EDUCATIONAL AGENCY ACTION.—If a State educational agency determines that a local educational agency failed to carry out the local educational agency’s responsibilities under this section, the State educational agency shall take such action as the agency determines to be necessary, consistent with this section, to provide, or direct the local educational agency to provide, high-quality professional development for teachers, principals, and administrators.

“SEC. 2020. PARENTS’ RIGHT TO KNOW.

“Each local educational agency receiving a grant under section 2012(a)(3) shall meet the reporting requirements with respect to teacher qualifications described in section 4401(h).

“SEC. 2021. STATE REPORTS AND GAO STUDY.

“(a) STATE REPORTS.—Each State educational agency receiving a grant under this part shall annually provide a report to the Secretary describing—

“(1) the progress the State is making in increasing the percentages of fully qualified teachers in the State to ensure that all teachers are fully qualified not later than December 31, 2005, including information regarding—

“(A) the percentage increase over the previous fiscal year in the number of fully qualified teachers teaching in elementary schools and secondary schools served by local educational agencies receiving funds under title I; and

“(B) the percentage increase over the previous fiscal year in the number of core classes being taught by fully qualified teachers in elementary schools and secondary schools being served under title I;

“(2) the activities undertaken by the State educational agency and local educational agencies in the State to attract and retain fully qualified teachers, especially in geographic areas and content subject areas in which a shortage of such teachers exist; and

“(3) the approximate percentage of Federal, State, local, and nongovernmental resources being expended to carry out activities described in paragraph (2).

“(b) GAO STUDY.—Not later than September 30, 2004, the Comptroller General of the United States shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a study setting forth information regarding the progress of States’ compliance in increasing the percentage of fully qualified teachers, as defined in section 2002(1), for fiscal years 2000 through 2003.

“SEC. 2021. EDUCATOR PARTNERSHIP GRANTS.

“(a) SUBGRANTS.—

“(1) IN GENERAL.—A State receiving a grant under section 2011(a) shall award subgrants, on a competitive basis, from amounts made available under section 2012(a)(1), to local educational agencies, elementary schools, or secondary schools that have formed educator partnerships, for the design and implementation of programs that will enhance professional development opportunities for teachers, principals, and administrators, and will increase the number of fully qualified teachers.

“(2) ALLOCATIONS.—A State awarding subgrants under this subsection shall allocate the subgrant funds on a competitive basis and in a manner that results in an equitable distribution of the subgrant funds by geographic areas within the State.

“(3) ADMINISTRATIVE EXPENSES.—Each educator partnership receiving a subgrant under this subsection may use not more than 5 percent of the subgrant funds for any fiscal year for the cost of planning and administering programs under this section.

“(b) EDUCATOR PARTNERSHIPS.—An educator partnership described in subsection (a) includes a cooperative arrangement between—

“(1) a public elementary school or secondary school (including a charter school), or a local educational agency; and

“(2) 1 or more of the following:

“(A) An institution of higher education.

“(B) An educational service agency.

“(C) A public or private not-for-profit education organization.

“(D) A for-profit education organization.

“(E) An entity from outside the traditional education arena, including a corporation or consulting firm.

“(c) USE OF FUNDS.—An educator partnership receiving a subgrant under this section shall use the subgrant funds for—

“(1) developing and enhancing of professional development activities for teachers in core academic subjects to ensure that the teachers have content knowledge in the academic subjects in which the teachers provide instruction;

“(2) developing and providing assistance to local educational agencies and elementary schools and secondary schools for sustained, high-quality professional development activities for teachers, principals, and administrators, that—

“(A) ensure that teachers, principals, and administrators are able to use State content standards, performance standards, and assessments to improve instructional practices and student achievement; and

“(B) may include intensive programs designed to prepare a teacher who participates in such a program to provide professional development instruction to other teachers within the participating teacher’s school;

“(3) increasing the number of fully qualified teachers available to provide high-quality education to limited English proficient students by—

“(A) working with institutions of higher education that offer degree programs, to attract more people into such programs, and to prepare better new, English language teachers to provide effective language instruction to limited English proficient students; and

“(B) supporting development and implementation of professional development programs for language instruction teachers to improve the language proficiency of limited English proficient students;

“(4) developing and implementing professional development activities for principals and administrators to enable the principals and administrators to be effective school leaders and to improve student achievement on challenging State content and student performance standards, including professional development relating to—

“(A) leadership skills;

“(B) recruitment, assignment, retention, and evaluation of teachers and other staff;

“(C) effective instructional practices, including the use of technology; and

“(D) parental and community involvement; and

“(5) providing activities that enhance professional development opportunities for teachers, principals, and administrators or will increase the number of fully qualified teachers.

“(d) APPLICATION REQUIRED.—Each educator partnership desiring a subgrant under this section shall submit an application to the appropriate State educational agency at such time, in such manner, and accompanied by such information as the State educational agency may reasonably require.

“(e) COORDINATION.—Each educator partnership that receives a subgrant under this section and a grant under section 203 of the Higher Education Act of 1965 shall coordinate the activities carried out under such section 203 with any related activities carried out under this section.

“SEC. 2023. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this part \$1,600,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

“PART B—CLASS SIZE REDUCTION

“SEC. 2031. FINDINGS.

“Congress makes the following findings:

“(1) Rigorous research has shown that students attending small classes in the early grades make more rapid educational gains than students in larger classes, and that those gains persist through at least the eighth grade.

“(2) The benefits of smaller classes are greatest for lower-achieving, minority, poor, and inner-city children, as demonstrated by a study that found that urban fourth graders in smaller-than-average classes were $\frac{3}{4}$ of a school year ahead of their counterparts in larger-than-average classes.

“(3) Teachers in small classes can provide students with more individualized attention, spend more time on instruction and less time on other tasks, and cover more material effectively, and are better able to work with parents to further their children’s education, than teachers in large classes.

“(4) Smaller classes allow teachers to identify and work with students who have learning disabilities sooner than is possible with larger classes, potentially reducing those students’ needs for special education services in the later grades.

“(5) The National Research Council report, ‘Preventing Reading Difficulties in Young Children’, recommends reducing class sizes, accompanied by providing high-quality professional development for teachers, as a strategy for improving student achievement in reading.

“(6) Efforts to improve educational outcomes by reducing class sizes in the early grades are likely to be successful only if well-qualified teachers are hired to fill additional classroom positions, and if teachers receive intensive, ongoing professional development.

“(7) Several States and school districts have begun serious efforts to reduce class sizes in the early elementary school grades, but those efforts may be impeded by financial limitations or difficulties in hiring highly qualified teachers.

“(8) The Federal Government can assist in those efforts by providing funding for class size reductions in grades 1 through 3, and by helping to ensure that both new and current teachers who are moving into smaller classrooms are well prepared.

“SEC. 2032. PURPOSE.

“The purpose of this part is to help States and local educational agencies recruit, train, and hire 100,000 additional teachers in order to—

“(1) reduce nationally class size in grades 1 through 3 to an average of 18 students per regular classroom; and

“(2) improve teaching in the early elementary school grades so that all students can learn to read independently and well by the end of the third grade.

“SEC. 2033. ALLOTMENTS TO STATES.

“(a) RESERVATIONS FOR THE OUTLYING AREAS AND THE BUREAU OF INDIAN AFFAIRS.—From the amount appropriated under section 2042 for any fiscal year, the Secretary shall reserve a total of not more than 1 percent to make payments to—

“(1) outlying areas, on the basis of their respective needs, for activities, approved by the Secretary, consistent with this part; and

“(2) the Secretary of the Interior for activities approved by the Secretary of Education, consistent with this part, in schools operated or supported by the Bureau of Indian Affairs, on the basis of their respective needs.

“(b) ALLOTMENTS TO STATES.—

“(1) IN GENERAL.—From the amount appropriated under section 2042 for a fiscal year and remaining after the Secretary makes reservations under subsection (a), the Secretary shall make grants by allotting to each State having a State application approved under section 2034(c) an amount that bears the same relationship to the remainder as the greater of the amounts that the State received in the preceding fiscal year under sections 1122 and 2202(b) (as such sections were in effect on the day preceding the date of enactment of the Public Education Reinvestment, Reinvention, and Rededication Act) bears to the total of the greater amounts that all States received under such sections for the preceding fiscal year.

“(2) RATABLE REDUCTION.—If the sums made available under paragraph (1) for any fiscal year are insufficient to pay the full amounts that all States are eligible to receive under paragraph (1) for such year, the Secretary shall ratably reduce such amounts for such year.

“(3) REALLOTMENT.—If any State chooses not to participate in the program carried out under this part, or fails to submit an approvable application under this part, the Secretary shall reallocate the amount that such State would have received under paragraphs (1) and (2) to States having applications approved under section 2034(c), in accordance with paragraphs (1) and (2).

“SEC. 2034. APPLICATIONS.

“(a) APPLICATIONS REQUIRED.—The State educational agency for each State desiring a grant under this part shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

“(b) CONTENTS.—The application shall include—

“(1) a description of the State’s goals for using funds under this part to reduce average class sizes in regular classrooms in grades 1 through 3, including a description of class sizes in those classrooms, for each local educational agency in the State (as of the date of submission of the application);

“(2) a description of how the State educational agency will allocate program funds made available through the grant within the State;

“(3) a description of how the State will use other funds, including other Federal funds, to reduce class sizes and to improve teacher quality and reading achievement within the State; and

“(4) an assurance that the State educational agency will submit to the Secretary such reports and information as the Secretary may reasonably require.

“(c) APPROVAL OF APPLICATIONS.—The Secretary shall approve a State application submitted under this section if the application meets the requirements of this section and holds reasonable promise of achieving the purpose of this part.

“SEC. 2035. WITHIN-STATE ALLOCATIONS.

“(a) ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—Each State receiving a grant under this part for any fiscal year may reserve not more than 1 percent of the grant funds for the cost of administering this part and, using the remaining funds, shall make subgrants by allocating to each local educational agency in the State the sum of—

“(1) an amount that bears the same relationship to 80 percent of the remainder as the school-age population from families with incomes below the poverty line in the area served by the local educational agency bears to the school-age population from families with incomes below the poverty line in the

area served by all local educational agencies in the State; and

“(2) an amount that bears the same relationship to 20 percent of the remainder as the enrollment of the school-age population in public and private nonprofit elementary schools and secondary schools in the area served by the local educational agency bears to the enrollment of the school-age population in public and private nonprofit elementary schools and secondary schools in the area served by all local educational agencies in the State.

“(b) REALLOCATION.—If any local educational agency chooses not to participate in the program carried out under this part, or fails to submit an approvable application under this part, the State educational agency shall reallocate the amount such local educational agency would have received under subsection (a) to local educational agencies having applications approved under section 2036(b), in accordance with subsection (a).

“SEC. 2036. LOCAL APPLICATIONS.

“(a) IN GENERAL.—Each local educational agency desiring a subgrant under section 2035(a) shall submit an application to the appropriate State educational agency at such time, in such form, and containing such information as the State educational agency may require, including a description of the local educational agency’s program to reduce class sizes by hiring additional highly qualified teachers.

“(b) APPROVAL OF APPLICATIONS.—The State educational agency shall approve a local agency application submitted under subsection (a) if the application meets the requirements of subsection (a) and holds reasonable promise of achieving the purpose of this part.

“SEC. 2037. USES OF FUNDS.

“(a) ADMINISTRATIVE EXPENSES.—Each local educational agency receiving a subgrant under section 2035(a) may use not more than 3 percent of the subgrant funds for any fiscal year for the cost of administering this part.

“(b) RECRUITMENT, TEACHER TESTING, AND PROFESSIONAL DEVELOPMENT.—

“(1) IN GENERAL.—Each local educational agency receiving subgrant funds under this section shall use such subgrant funds to carry out effective approaches to reducing class size with fully qualified teachers who are certified within the State (including teachers certified through State or local alternative routes) and who demonstrate competency in the areas in which the teachers provide instruction, to improve educational achievement for both regular and special needs children, with particular consideration given to reducing class size in the early elementary grades.

“(2) LOCAL ACTIVITIES.—

“(A) IN GENERAL.—Each local educational agency receiving subgrant funds under this section may use such subgrant funds for—

“(i) recruiting (including through the use of signing bonuses, and other financial incentives), hiring, and training fully qualified regular and special education teachers (which may include hiring special education teachers to team-teach with regular teachers in classrooms that contain both children with disabilities and non-disabled children) and teachers of special-needs children, who are certified within the State, including teachers who are certified through State or local alternative routes, have a bachelor’s degree, and demonstrate the general knowledge, teaching skills, and subject matter knowledge required to teach in the content

areas in which the teachers provide instruction;

“(ii) testing new teachers for academic content knowledge and satisfaction of State certification requirements consistent with title II of the Higher Education Act of 1965; and

“(iii) providing professional development (which may include such activities as promoting retention and mentoring) to teachers, including special education teachers and teachers of special-needs children, in order to meet the goal of ensuring that all instructional staff have the subject matter knowledge, teaching knowledge, and teaching skills necessary to teach effectively in the content area or areas in which they provide instruction, consistent with title II of the Higher Education Act of 1965.

“(B) LIMITATIONS.—

“(i) IN GENERAL.—Except as provided in clause (ii), a local educational agency may use not more than a total of 25 percent of the award received under this section for activities described in subparagraph (A)(ii) and (iii).

“(ii) ED-FLEX.—

“(I) WAIVER.—A local educational agency located in a State designated as an Ed-Flex Partnership State under section 4(a)(1)(B) of the Education Flexibility Partnership Act of 1999, and in which 10 percent or more of teachers in elementary schools, as defined by section 8101(14), have not met applicable State and local certification requirements (including certification through State or local alternative routes), or if such requirements have been waived, may apply to the State educational agency for a waiver that would permit the agency to use more than 25 percent of the funds it receives under this section for activities described in subparagraph (A)(iii) for the purpose of helping teachers to become certified.

“(II) APPROVAL.—If the State educational agency approves the local educational agency’s application for a waiver under subclause (I), the local educational agency may use the funds subject to the waiver for activities described in subparagraph (A)(iii) that are needed to ensure that at least 90 percent of the teachers in elementary schools within the State are certified.

“(C) ADDITIONAL USES.—

“(i) IN GENERAL.—A local educational agency that has already reduced class size in the early grades to 18 or less children (or has already reduced class size to a State or local class size reduction goal that was in effect on the day before the enactment of the Department of Education Appropriations Act, 2000, if that State or local educational agency goal is 20 or fewer children) may use funds received under this section—

“(I) to make further class size reductions in grades kindergarten through 3;

“(II) to reduce class size in other grades; or

“(III) to carry out activities to improve teacher quality, including professional development.

“(ii) PROFESSIONAL DEVELOPMENT.—If a local educational agency has already reduced class size in the early grades to 18 or fewer children and intends to use funds provided under this Part to carry out professional development activities, including activities to improve teacher quality, then the State shall make the award under section 2035 to the local educational agency.

“(c) SPECIAL RULE.—Notwithstanding subsection (b), if the award to a local educational agency under section 2035 is less than the starting salary for a new fully qualified teacher teaching in a school served

by that agency, and such teacher is certified within the State (which may include certification through State or local alternative routes), has a bachelor’s degree, and demonstrates the general knowledge, teaching skills, and subject matter knowledge required to teach in the content areas the teacher is assigned to provide instruction, then the agency may use grant funds under this part to—

“(1) help pay the salary of a full- or part-time teacher hired to reduce class size, which may be in combination with other Federal, State, or local funds; or

“(2) pay for activities described in subsection (b), which may be related to teaching in smaller classes.

“SEC. 2038. PRIVATE SCHOOLS.

“If a local educational agency uses funds made available under this Part for professional development activities, the local educational agency shall ensure the equitable participation of private nonprofit elementary schools and secondary schools in such activities.

“SEC. 2039. TEACHER SALARIES AND BENEFITS.

“A local educational agency may use grant funds provided under this part—

“(1) except as provided in paragraph (2), to increase the salaries of, or provide benefits (other than participation in professional development and enrichment programs) to, teachers only if such teachers were hired under this part; and

“(2) to pay the salaries of teachers hired under section 307 of the Department of Education Appropriations Act of 1999 who, not later than the beginning of the 2001-2002 school year, are fully qualified, as defined in section 2002(1).

“SEC. 2040. STATE REPORT REQUIREMENTS.

“(a) REPORT ON ACTIVITIES.—A State educational agency receiving funds under this part shall submit a report to the Secretary providing information about the activities in the State assisted under this part.

“(b) REPORT TO PARENTS.—Each State educational agency and local educational agency receiving funds under this part shall publicly issue a report to parents of children who attend schools assisted under this part describing—

“(1) the agency’s progress in reducing class size;

“(2) the agency’s progress in increasing the percentage of classes in core academic areas that are taught by fully qualified teachers who are certified within the State and demonstrate competency in the content areas in which the teachers provide instruction; and

“(3) the impact, if any, that hiring additional highly qualified teachers and reducing class size has had on increasing student academic achievement in schools served by the agency.

“(c) PROFESSIONAL QUALIFICATIONS REPORT.—Upon the request of a parent of a child attending a school receiving assistance under this part, such school shall provide the parent with information regarding the professional qualifications of their child’s teacher.

“SEC. 2041. SUPPLEMENT NOT SUPPLANT.

“Each local educational agency receiving grant funds under this part shall use such funds only to supplement, and not to supplant, State and local funds that, in the absence of such funds, would otherwise be spent for activities under this part.

“SEC. 2042. AUTHORIZATION OF APPROPRIATIONS.

“For the purpose of carrying out this part, there are authorized to be appropriated

\$1,400,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years.”

TITLE III—LANGUAGE MINORITY STUDENTS AND INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

SEC. 301. LANGUAGE MINORITY STUDENTS.

Title III (20 U.S.C. 6801 et seq.) is amended—

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

“TITLE III—LANGUAGE MINORITY STUDENTS AND INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION”;

(2) by repealing section 3101 (20 U.S.C. 6801) and part A (20 U.S.C. 6811 et seq.); and

(3) by inserting after the heading for title III (as amended by paragraph (1)) the following:

“Subtitle A—Language Minority Students

“SEC. 3101. FINDINGS, POLICY, AND PURPOSE.

“(a) FINDINGS.—Congress makes the following findings:

“(1)(A) Educating limited English proficient students is an urgent goal for many local educational agencies, but that goal is not being achieved.

“(B) Each year, 640,000 limited English proficient students are not served by any sort of program targeted to the students’ unique needs.

“(C) In 1998, only 15 percent of local educational agencies that applied for funding under enhancement grants and comprehensive school grants received such funding.

“(2)(A) The school dropout rate for Hispanic students, the largest group of limited English proficient students, is approximately 25 percent, and is approximately 46 percent for Hispanic students born outside of the United States.

“(B) A United States Department of Education report regarding school dropout rates states that language difficulty ‘may be a barrier to participation in United States schools’.

“(C) Reading ability is a key predictor of graduation and academic success.

“(3) Through fiscal year 1999, bilingual education capacity and demonstration grants—

“(A) have spread funding too broadly to make an impact on language instruction educational programs implemented by State educational agencies and local educational agencies; and

“(B) have lacked concrete performance measures.

“(4)(A) Since 1979, the number of limited English proficient children in schools in the United States has doubled to more than 3,000,000, and demographic trends indicate the population of limited English proficient children will continue to increase.

“(B) Language-minority Americans speak virtually all world languages plus many that are indigenous to the United States.

“(C) The rich linguistic diversity language-minority students bring to America’s classrooms enhances the learning environment for all students and should be valued for the significant, positive impact such diversity has on the entire school environment.

“(D) Parent and community participation in educational language programs for limited English proficient students contributes to program effectiveness.

“(E) The Federal Government, as reflected in title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and section 204(f) of the Equal Education Opportunities Act of 1974 (20 U.S.C. 1703), has a special and continuing obligation to ensure that States and local educational agencies take appropriate action

to provide equal educational opportunities to limited English proficient children and youth.

“(F) The Federal Government also, as exemplified by programs authorized under this title, has a special and continuing obligation to assist States and local educational agencies to develop the capacity to provide programs of instruction that offer limited English proficient children and youth equal educational opportunities.

“(5) Limited English proficient children and youth face a number of challenges in receiving an education that will enable them to participate fully in American society, including—

“(A) disproportionate attendance in high-poverty schools, as demonstrated by the fact that, in 1994, 75 percent of limited English proficient students attended schools in which as least half of all students were eligible for free or reduced-price meals;

“(B) the limited ability of parents of such children and youth to participate fully in the education of their children because of the parents’ own limited English proficiency;

“(C) a shortage of teachers and other staff who are professionally trained and qualified to serve such children and youth; and

“(D) lack of appropriate performance and assessment standards that distinguish between language and academic achievement so that there is equal accountability on the part of State educational agencies and local educational agencies for the achievement of limited English proficient students in academic content while acquiring English language skills.

“(b) POLICY.—Congress declares it to be the policy of the United States that in order to ensure equal educational opportunity for all children and youth, and to promote educational excellence, the Federal Government should—

“(1) assist State educational agencies, local educational agencies, and community-based organizations to build their capacity to establish, implement, and sustain programs of instruction and English language development for children and youth of limited English proficiency;

“(2) hold State educational agencies and local educational agencies accountable for increases in English proficiency and core content knowledge among limited English proficient students; and

“(3) promote parental and community participation in limited English proficiency programs.

“(c) PURPOSE.—The purpose of this subtitle is to assist all limited English proficient students so that those students can meet or exceed the State proficient standard level for academic performance in core subject areas expected of all elementary school and secondary school students, and succeed in our Nation’s society, by—

“(1) streamlining existing language instruction programs into a performance-based grant for State and local educational agencies to help limited English proficient students become proficient in English;

“(2) increasing significantly the amount of Federal assistance to local educational agencies serving such students while requiring that State educational agencies and local educational agencies demonstrate annual improvements in the English proficiency of such students from the preceding fiscal year; and

“(3) providing State educational agencies and local educational agencies with the flexibility to implement instructional programs based on scientific research that the

agencies believe to be the most effective for teaching English.

“SEC. 3102. DEFINITIONS.

“Except as otherwise provided, for purposes of this subtitle:

“(1) LIMITED ENGLISH PROFICIENT STUDENT.—The term ‘limited English proficient student’ means an individual aged 5 through 17 enrolled in an elementary school or secondary school—

“(A) who—

“(i) was not born in the United States or whose native language is a language other than English; or

“(ii) is a Native American or Alaska Native, or who is a native resident of the outlying areas and comes from an environment where a language other than English has had a significant impact on such individual’s level of English language proficiency; or

“(iii) is migratory and whose native language is other than English, and who comes from an environment where a language other than English is dominant; and

“(B) who has sufficient difficulty speaking, reading, writing, or understanding the English language, and whose difficulties may deny such individual the opportunity to learn successfully in classrooms where the language of instruction is English or to participate fully in our society.

“(2) LANGUAGE INSTRUCTION EDUCATIONAL PROGRAM.—The term ‘language instruction educational program’ means an instructional course in which a limited English proficient student is placed for the purpose of becoming proficient in the English language.

“(3) SPECIALLY QUALIFIED AGENCY.—The term ‘specially qualified agency’ means a local educational agency in a State that does not participate in a program under this subtitle for a fiscal year.

“(4) STATE.—The term ‘State’ means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

“SEC. 3103. PROGRAM AUTHORIZED.

“(a) GRANTS AUTHORIZED.—The Secretary shall award grants, from allotments under subsection (b), to each State having a State plan approved under section 3105(c), to enable the State to help limited English proficient students become proficient in English.

“(b) RESERVATIONS AND ALLOTMENTS.—

“(1) RESERVATIONS.—From the amount appropriated under section 3110 to carry out this subtitle for each fiscal year, the Secretary shall reserve—

“(A) ½ of 1 percent of such amount for payments to the Secretary of the Interior for activities approved by the Secretary, consistent with this subtitle, in schools operated or supported by the Bureau of Indian Affairs, on the basis of their respective needs for assistance under this subtitle; and

“(B) ½ of 1 percent of such amount for payments to outlying areas, to be allotted in accordance with their respective needs as determined by the Secretary, for activities, approved by the Secretary, consistent with this subtitle.

“(2) STATE ALLOTMENTS.—From the amount appropriated under section 3110 for any of the fiscal years 2001 through 2005 that remains after making reservations under paragraph (1), the Secretary shall allot to each State having a State plan approved under section 3105(c) an amount that bears the same relationship to the remainder as the number of limited English proficient students in the State bears to the number of limited English proficient students in all States.

“(3) DATA.—For the purpose of determining the number of limited English proficient students in a State and in all States for each fiscal year, the Secretary shall use data that will yield the most accurate, up-to-date, numbers of such students, including—

“(A) data available from the Bureau of the Census; or

“(B) data submitted to the Secretary by the States to determine the number of limited English proficient students in a State and in all States.

“(4) HOLD-HARMLESS AMOUNTS.—For fiscal year 2001, and for each of the 4 succeeding fiscal years, notwithstanding paragraph (2), the total amount allotted to each State under this subsection shall be not less than 85 percent of the total amount the State was allotted under parts A and B of title VII (as such title was in effect on the day preceding the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act).

“(C) DIRECT AWARDS TO SPECIALLY QUALIFIED AGENCIES.—

“(1) NONPARTICIPATING STATE.—If a State educational agency for a fiscal year elects not to participate in a program under this subtitle, or does not have an application approved under section 3105(c), a specially qualified agency in such State desiring a grant under this subtitle for the fiscal year shall apply directly to the Secretary to receive a grant under this subsection.

“(2) DIRECT AWARDS.—The Secretary may award, on a competitive basis, the amount the State educational agency is eligible to receive under subsection (b)(2) directly to specially qualified agencies in the State desiring a grant under paragraph (1) and having an application approved under section 3105(c).

“(3) ADMINISTRATIVE FUNDS.—A specially qualified agency that receives a direct grant under this subsection may use not more than 1 percent of the grant funds for the administrative costs of carrying out this subtitle in the first year the agency receives a grant under this subsection and 0.5 percent for such costs in the second and each succeeding such year.

“SEC. 3104. WITHIN-STATE ALLOCATIONS.

“(a) GRANT AWARDS.—Each State educational agency receiving a grant under section 3103(a) shall use 95 percent of the grant funds to award subgrants, from allotments under subsection (b), to local educational agencies in the State to carry out the activities described in section 3107.

“(b) ALLOTMENT FORMULA.—Each State educational agency receiving a grant under this subtitle shall award a grant to each local educational agency in the State having a plan approved under section 3106 in an amount that bears the same relationship to the amount of funds appropriated under section 3110 as the school-age population of limited English proficient students in schools served by the local educational agency bears to the school-age population of limited English proficient students in schools served by all local educational agencies in the State.

“(c) RESERVATIONS.—

“(1) STATE ACTIVITIES.—Each State educational agency receiving a grant under this subtitle may reserve not more than 5 percent of the grant funds to carry out activities described in the State plan submitted under section 3105.

“(2) ADMINISTRATIVE EXPENSES.—From the amount reserved under paragraph (1), a State educational agency may use not more than 2 percent for the planning costs and adminis-

trative costs of carrying out the activities described in the State plan and providing grants to local educational agencies.

“SEC. 3105. STATE AND SPECIALLY QUALIFIED AGENCY PLAN.

“(a) PLAN REQUIRED.—Each State educational agency and specially qualified agency desiring a grant under this subtitle shall submit a plan to the Secretary at such time, in such manner and accompanied by such information as the Secretary may require.

“(b) CONTENTS.—Each State plan submitted under subsection (a) shall—

“(1) describe how the State or specially qualified agency will—

“(A) establish standards and benchmarks for English language development that are aligned with the State content and student performance standards described in section 1111;

“(B) develop high-quality, annual assessments to measure English language proficiency, including proficiency in the 4 recognized domains of speaking, listening, reading, and writing; and

“(C) develop annual performance objectives, based on the English language development standards described in subparagraph (A), to raise the level of English proficiency of each limited English proficient student;

“(2) contain an assurance that the State educational agency or specially qualified agency consulted with local educational agencies, education-related community groups and nonprofit organizations, parents, teachers, school administrators, and English language instruction specialists, in the setting of the performance objectives;

“(3) describe how—

“(A) in the case of a State educational agency, the State educational agency will hold local educational agencies and elementary schools and secondary schools accountable for—

“(i) meeting the English proficiency performance objectives described in section 3109; and

“(ii) making adequate yearly progress with limited English proficient students in the subject areas of core content knowledge as described in section 1111; and

“(B) in the case of a specially qualified agency, the agency will hold elementary schools and secondary schools accountable for meeting the English proficiency performance objectives described in section 3109, and making adequate yearly progress, including annual numerical goals for improving the performance of limited English proficient students on performance standards described in section 1111(b)(1)(D)(ii);

“(4) describe the activities for which assistance is sought, and how the activities will increase the speed and effectiveness with which students learn English;

“(5) in the case of a State educational agency, describe how local educational agencies in the State will be given the flexibility to teach English—

“(A) using language instruction curriculum that is scientifically research based; and

“(B) in the manner the local educational agencies determine to be the most effective; and

“(6) describe how—

“(A) in the case of a State educational agency, the State educational agency will provide technical assistance to local educational agencies and elementary schools and secondary schools for the purposes of identifying and implementing English language instruction educational programs and curricula that are scientifically research based; and

“(B) in the case of a specially qualified agency, the specially qualified agency will provide technical assistance to elementary schools and secondary schools served by the specially qualified agency for the purposes of identifying and implementing English language instruction educational programs and curricula that are scientifically research based.

“(c) APPROVAL.—The Secretary, using a peer review process, shall approve a State plan or a specially qualified agency plan if the plan meets the requirements of this section, and holds reasonable promise of achieving the purpose described in section 3101(c).

“(d) DURATION OF THE PLAN.—

“(1) IN GENERAL.—Each State plan or specially qualified agency plan shall—

“(A) remain in effect for the duration of the State's or specially qualified agency's participation under this subtitle; and;

“(B) be periodically reviewed and revised by the State or specially qualified agency, as necessary, to reflect changes in the State's or specially qualified agency's strategies and programs under this subtitle.

“(2) ADDITIONAL INFORMATION.—If the State educational agency or specially qualified agency makes significant changes in its plan, such as the adoption of new performance objectives or assessment measures, the State educational agency or specially qualified agency shall submit such information to the Secretary.

“(e) CONSOLIDATED PLAN.—A State plan submitted under subsection (a) may be submitted as part of a consolidated plan under section 8302.

“(f) SECRETARY ASSISTANCE.—Pursuant to section 7004(a)(3), the Secretary shall provide assistance, if required, in the development of English language development standards and English language proficiency assessments.

“SEC. 3106. LOCAL PLANS.

“(a) PLAN REQUIRED.—Each local educational agency desiring a grant from the State educational agency under section 3104(a) shall submit a plan to the State educational agency at such time, in such manner, and accompanied by such information as the State educational agency may require.

“(b) CONTENTS.—Each local educational agency plan submitted under subsection (a) shall—

“(1) describe how the local educational agency shall use the grant funds to meet the English proficiency performance objective described in section 3109;

“(2) describe how the local educational agency will hold elementary schools and secondary schools accountable for meeting the performance objectives;

“(3) contain an assurance that the local educational agency consulted with elementary schools and secondary schools, education-related community groups and nonprofit organizations, institutions of higher education, parents, language instruction teachers, school administrators, and English language instruction specialists, in developing the local educational agency plan; and

“(4) contain an assurance that the local educational agency will use the disaggregated results of the student assessments required under section 1111(b)(4), and other measures or indicators available to the agency, to review annually the progress of each school served by the agency under this part and under title I to determine whether the schools are making the annual progress necessary to ensure that limited English proficient students attending the schools will meet the proficient State content and student performance standard within 10 years of

enactment of the Public Education Reinvestment, Reinvestment, and Responsibility Act.

“SEC. 3107. USES OF FUNDS.

“(a) ADMINISTRATIVE EXPENSES.—Each local educational agency receiving a grant under section 3104 may use not more than 1 percent of the grant funds for any fiscal year for the cost of administering this subtitle.

“(b) ACTIVITIES.—Each local educational agency receiving grant funds under section 3104 shall use the grant funds that are not used under subsection (a)—

“(1) to increase limited English proficient students’ proficiency in English by providing high-quality English language instruction programs, such as bilingual education programs and transitional education or English immersion education programs, that are—

“(A) tied to scientifically based research demonstrating the effectiveness of the programs in increasing English proficiency; and

“(B) approved by the State educational agency;

“(2) to provide high-quality professional development activities for teachers of limited English proficient students that are—

“(A) designed to enhance the ability of such teachers to understand and use curricula, assessment measures, and instructional strategies for limited English proficient students;

“(B) tied to scientifically based research demonstrating the effectiveness of such programs in increasing students’ English proficiency or substantially increasing the knowledge and teaching skills of such teachers; and

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

“(3) to identify, acquire, and upgrade curricula, instructional materials, educational software, and assessment procedures; and

“(4) to provide parent and community participation programs to improve English language instruction programs for limited English proficient students.

“SEC. 3108. PROGRAM REQUIREMENTS.

“(a) PROHIBITION.—In carrying out this subtitle the Secretary shall neither mandate nor preclude a particular curricular or pedagogical approach to educating limited English proficient students.

“(b) TEACHER ENGLISH FLUENCY.—Each local educational agency receiving grant funds under section 3104 shall certify to the State educational agency that all teachers in any language instruction program for limited English proficient students funded under this subtitle are fluent in English.

“SEC. 3109. PERFORMANCE OBJECTIVES.

“(a) IN GENERAL.—Each State educational agency or specifically qualified agency receiving a grant under this subtitle shall develop annual numerical performance objectives with respect to helping limited English proficient students become proficient in English. The objectives shall include incremental percentage increases for each fiscal year a State receives a grant under this subtitle, including increases in the number of limited English proficient students demonstrating an increase in performance on annual assessments in reading, writing, speak-

ing, and listening comprehension, from the preceding fiscal year.

“(b) ACCOUNTABILITY.—Each State educational agency or specially qualified agency receiving a grant under this subtitle shall be held accountable for meeting the annual numerical performance objectives under this subtitle and the adequate yearly progress levels for limited English proficient students under section 1111(b)(2)(B)(iv) and (vii). Any State educational agency or specially qualified agency that fails to meet the annual performance objectives shall be subject to sanctions under section 7001.

“SEC. 3110. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this subtitle \$1,000,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years.

“SEC. 3111. REGULATIONS AND NOTIFICATION.

“(a) REGULATION RULE.—In developing regulations under this subtitle, the Secretary shall consult with State educational agencies, local educational agencies, organizations representing limited English proficient individuals, and organizations representing teachers and other personnel involved in the education of limited English proficient students.

“(b) PARENTAL NOTIFICATION.—

“(1) IN GENERAL.—Each local educational agency shall notify parents of a student participating in a language instruction educational program under this subtitle of—

“(A) the student’s level of English proficiency, how such level was assessed, the status of the student’s academic achievement, and the implications of the student’s educational strengths and needs for age- and grade-appropriate academic attainment, promotion, and graduation;

“(B) what programs are available to meet the student’s educational strengths and needs, and how such programs differ in content and instructional goals from other language instruction educational programs and, in the case of a student with a disability, how such program meets the objectives of the individualized education program of such a student; and

“(C) the instructional goals of the language instruction educational program, and how the program will specifically help the limited English proficient student learn English and meet age-appropriate standards for grade promotion and graduation, including—

“(i) the characteristics, benefits, and past academic results of the language instruction educational program and of instructional alternatives; and

“(ii) the reasons the student was identified as being in need of a language instruction educational program.

“(2) OPTION TO DECLINE.—

“(A) IN GENERAL.—Each parent described in paragraph (1) shall also be informed that the parent has the option of declining the enrollment of their children or youth in a language instruction educational program, and shall be given an opportunity to decline such enrollment if the parent so chooses.

“(B) OBLIGATIONS.—A local educational agency shall not be relieved of any of the agency’s obligations under title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) if a parent chooses not to enroll their child in a language instruction educational program.

“(3) RECEIPT OF INFORMATION.—A parent described in paragraph (1) shall receive, in a manner and form understandable to the par-

ent including, if necessary and to the extent feasible, in the native language of the parent, the information required by this subsection. At a minimum, the parent shall receive—

“(A) timely information about projects funded under this subtitle; and

“(B) if the parent of a participating child so desires, notice of opportunities for regular meetings for the purpose of formulating and responding to recommendations for parents of children assisted under this subtitle.

“(4) SPECIAL RULE.—A student shall not be admitted to, or excluded from, any Federally assisted language instruction educational program solely on the basis of a surname or language-minority status.

“(5) LIMITATIONS ON CONDITIONS.—Nothing in this subtitle shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State’s, local educational agency’s, elementary school’s, or secondary school’s specific challenging English language development standards or assessments, curricula, or program of instruction, as a condition of eligibility to receive grant funds under this subtitle.”

SEC. 302. EMERGENCY IMMIGRANT EDUCATION PROGRAM.

(a) REPEALS, TRANSFERS, AND REDESIGNATIONS.—Title III (20 U.S.C. 6801 et seq.) is further amended—

(1) by repealing part B (20 U.S.C. 6891 et seq.), part C (20 U.S.C. 6921 et seq.), part D (20 U.S.C. 6951 et seq.), and part E (20 U.S.C. 6971 et seq.);

(2) by transferring part C of title VII (20 U.S.C. 7541 et seq.) to title III and inserting such part after subtitle A (as inserted by section 301(3));

(3) by redesignating the heading for part C of title VII (as transferred by paragraph (2)) as the heading for subtitle B, and redesignating accordingly the references to such part as the references to such subtitle; and

(4) by redesignating section 7301 through 7309 (20 U.S.C. 7541, 7549) (as transferred by paragraph (2)) as sections 3201 through 3209, respectively, and redesignating accordingly the references to such sections.

(b) AMENDMENTS.—Subtitle B of title III (as so transferred and redesignated) is amended—

(1) in section 3205(a)(2) (as redesignated by subsection (a)(4)), by striking “the Goals 2000: Educate America Act.”; and

(2) in section 3209 (as redesignated by subsection (a)(4)), by striking “\$100,000,000” and all that follows through “necessary for” and inserting “such sums as may be necessary for fiscal year 2001 and”.

SEC. 303. INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION.

(a) REPEALS, TRANSFERS, AND REDESIGNATIONS.—Title III (20 U.S.C. 6801 et seq.) is further amended—

(1) by transferring title IX (20 U.S.C. 7801 et seq.) to title III and inserting such title after subtitle B (as inserted by section 302(a)(2));

(2) by redesignating the heading for title IX (as transferred by paragraph (1)) as the heading for subtitle C, and redesignating accordingly the references to such title as the references to such subtitle;

(3) by redesignating sections 9101 and 9102 (20 U.S.C. 7801, 7802) (as transferred by paragraph (1)) as sections 3301 and 3302, respectively, and redesignating accordingly the references to such sections;

(4) by redesignating sections 9111 through 9118 (20 U.S.C. 7811, 7818) (as transferred by paragraph (1)) as sections 3311 through 3318, respectively, and redesignating accordingly the references to such sections;

(5) by redesignating sections 9121 through 9125 (20 U.S.C. 7831, 7835) (as transferred by paragraph (1)) as sections 3321 through 3325, and redesignating accordingly the references to such section;

(6) by redesignating sections 9131 and 9141 (20 U.S.C. 7851, 7861) (as transferred by paragraph (1)) as sections 3331 and 3341, respectively, and redesignating accordingly the references to such sections;

(7) by redesignating sections 9151 through 9154 (20 U.S.C. 7871, 7874) (as transferred by paragraph (1)) as sections 3351 through 3354, respectively, and redesignating accordingly the references to such sections;

(8) by redesignating sections 9161 and 9162 (20 U.S.C. 7881, 7882) (as transferred by paragraph (1)) as sections 3361 and 3362, respectively, and redesignating accordingly the references to such sections;

(9) by redesignating sections 9201 through 9212 (20 U.S.C. 7901, 7912) (as transferred by paragraph (1)) as sections 3401 through 3412, respectively, and redesignating accordingly the references to such sections; and

(10) by redesignating sections 9301 through 9308 (20 U.S.C. 7931, 7938) (as transferred by paragraph (1)) as sections 3501 through 3508, and redesignating accordingly the references to such sections.

(b) AMENDMENTS.—Subtitle C of title III (as so transferred and redesignated) is amended—

(1) by amending section 3314(b)(2)(A) (as redesignated by subsection (a)(4)) to read as follows:

“(2)(A) is consistent with, and promotes the goals in, the State and local improvement plans under sections 1111 and 1112”;

(2) by amending section 3325(e) (as redesignated by subsection (a)(5)) to read as follows:

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subpart for fiscal year 2001 and each of the 4 succeeding years.”;

(3) in section 3361(4)(E) (as redesignated by subsection (a)(8)), by striking “the Act entitled the ‘Improving America’s Schools Act of 1994’” and inserting “the Public Education Reinvestment, Reinvention, and Responsibility Act”;

(4) by amending section 3362 (as redesignated by subsection (a)(8)) to read as follows: “**SEC. 3262. AUTHORIZATION OF APPROPRIATIONS.**

“For the purpose of carrying out subparts 1 through 5 of this part, there are authorized to be appropriated to the Department of Education such sums as may be necessary for fiscal year 2001 and each of the 4 succeeding years.”;

(5) in section 3404 (as redesignated by subsection (a)(9))—

(A) in subsection (i), by striking “Improving America’s Schools Act of 1994” and inserting “Public Education Reinvestment, Reinvention, and Responsibility Act”; and

(B) in subsection (j), by striking “\$500,000 for fiscal year 1995, and such sums as may be necessary” and inserting “such sums as may be necessary for fiscal year 2001, and”;

(6) in section 3405(c) (as redesignated by subsection (a)(9)), by striking “\$6,000,000 for fiscal year 1995, and such sums as may be necessary” and inserting “such sums as may be necessary for fiscal year 2001, and”;

(7) in section 3406(e) (as redesignated by subsection (a)(9)), by striking “\$2,000,000 for fiscal year 1995, and such sums as may be necessary” and inserting “such sums as may be necessary for fiscal year 2001, and”;

(8) in section 3407(e) (as redesignated by subsection (a)(9)), by striking “\$1,500,000 for

fiscal year 1995, and such sums as may be necessary” and inserting “such sums as may be necessary for fiscal year 2001, and”;

(9) in section 3408(c) (as redesignated by subsection (a)(9)), by striking “\$2,000,000 for fiscal year 1995, and such sums as may be necessary” and inserting “such sums as may be necessary for fiscal year 2001, and”;

(10) in section 3409(d) (as redesignated by subsection (a)(9)), by striking “\$2,000,000 for fiscal year 1995, and such sums as may be necessary” and inserting “such sums as may be necessary for fiscal year 2001, and”;

(11) in section 3410(d) (as redesignated by subsection (a)(9)), by striking “\$1,000,000 for fiscal year 1995, and such sums as may be necessary” and inserting “such sums as may be necessary for fiscal year 2001, and”;

(12) in section 3504(c) (as redesignated by subsection (a)(10)), by striking “\$5,000,000 for fiscal year 1995, and such sums as may be necessary” and inserting “such sums as may be necessary for fiscal year 2001, and”;

(13) in section 3505(e) (as redesignated by subsection (a)(10)), by striking “\$2,000,000 for fiscal year 1995, and such sums as may be necessary” and inserting “such sums as may be necessary for fiscal year 2001, and”;

(14) in section 3506(d) (as redesignated by subsection (a)(10)), by striking “\$1,000,000 for fiscal year 1995, and such sums as may be necessary” and inserting “such sums as may be necessary for fiscal year 2001, and”.

TITLE IV—PUBLIC SCHOOL CHOICE

SEC. 401. PUBLIC SCHOOL CHOICE.

(a) MAGNET SCHOOLS AMENDMENTS.—Section 5113(a) (20 U.S.C. 7213(a)) is amended—

(1) by striking “\$120,000,000” and inserting “\$130,000,000”; and

(2) by striking “1995” and inserting “2001”.

(b) CHARTER SCHOOLS AMENDMENTS.—

(1) PARALLEL ACCOUNTABILITY.—Section 10302 (20 U.S.C. 8062) is amended by adding at the end the following:

“(g) PARALLEL ACCOUNTABILITY.—Each State educational agency receiving a grant under this part shall hold charter schools assisted under this part accountable for adequate yearly progress for improving student performance under title I and as established in the school’s charter, including the use of the same standards and assessments as established under title I.”.

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 10311 (20 U.S.C. 8067) is amended.—

(A) by striking “\$100,000,000” and inserting “\$200,000,000”; and

(B) by striking “1999” and inserting “2001”.

(c) REPEALS, TRANSFERS AND REDESIGNATIONS.—The Act (20 U.S.C. 6301 et seq.) is amended—

(1) by amending the heading for title IV (20 U.S.C. 7101 et seq.) to read as follows:

“**TITLE IV—PUBLIC SCHOOL CHOICE**”;

(2) by amending section 4001 to read as follows:

“**SEC. 4001. FINDINGS, POLICY, AND PURPOSE.**

“(a) FINDINGS.—Congress makes the following findings:

“(1)(A) Charter schools and magnet schools are an integral part of the educational system in the United States.

“(1)(B) Thirty-four States and the District of Columbia have established charter schools.

“(1)(C) Magnet schools have been established throughout the United States.

“(1)(D) A Department of Education evaluation of charter schools shows that lack of start-up funds posed a difficult or very difficult challenge for the school.

“(2) State educational agencies and local educational agencies should hold all schools

accountable for the improved performance of all students, including students attending charter schools and magnet schools, under State standards and student assessment measures.

“(3) School report cards constitute the key informational component used by parents for effective public school choice.

“(b) POLICY.—Congress declares it to be the policy of the United States—

“(1) to support and stimulate improved public school performance through increased public elementary school and secondary school competition and increased Federal financial assistance; and

“(2) to provide parents with more choices among public school options.

“(c) PURPOSES.—The purposes of this title are as follows:

“(1) To consolidate public school choice programs into 1 title.

“(2) To increase Federal assistance for magnet schools and charter schools.

“(3) To help parents make better and more informed choices by—

“(A) providing continued support and financial assistance for magnet schools;

“(B) providing continued support and expansion of charter schools and charter school districts; and

“(C) providing financial assistance to States and local educational agencies for the development of local educational agency and school report cards.”;

(3) by repealing sections 4002 through 4004 (20 U.S.C. 7102, 7104), and part A (20 U.S.C. 7111 et seq.), of title IV;

(4) by transferring part A of title V (20 U.S.C. 7201 et seq.) (as amended by subsection (a)) to title IV and inserting such part A after section 4001;

(5) by redesignating sections 5101 through 5113 (20 U.S.C. 7201, 7213) (as transferred by paragraph (4)) as sections 4101 through 4113, respectively, and by redesignating accordingly the references to such sections in part A of title IV (as so transferred);

(6) by transferring part C of title X (20 U.S.C. 8061 et seq.) (as amended by subsection (b)) to title IV and inserting such part C after part A of title IV (as transferred by paragraph (4));

(7) by redesignating part C of title IV (as transferred by paragraph (6)) as part B of title IV; and

(8) by redesignating sections 10301 through 10311 (20 U.S.C. 8061, 8067) (as transferred by paragraph (6)) as sections 4201 through 4211, respectively, and by redesignating accordingly the references to such sections in such part B of title IV (as so transferred and redesignated).

SEC. 402. DEVELOPMENT OF PUBLIC SCHOOL CHOICE PROGRAMS; REPORT CARDS.

Title IV (20 U.S.C. 7101 et seq.) is further amended by adding at the end the following:

“PART C—DEVELOPMENT OF PUBLIC SCHOOL CHOICE PROGRAMS

“SEC. 4301. GRANTS AUTHORIZED.

“(a) IN GENERAL.—From amounts made available to carry out this part for a fiscal year under section 4305, and not reserved under subsection (b), the Secretary is authorized to award grants, on a competitive basis, to local educational agencies to enable the local educational agencies to develop local public school choice programs.

“(b) RESERVATION FOR EVALUATION, TECHNICAL ASSISTANCE, AND DISSEMINATION.—From the amount appropriated under section 4305 for any fiscal year, the Secretary may reserve not more than 5 percent to carry out evaluations under subsection (c), to provide

technical assistance, and to disseminate information.

“(c) EVALUATIONS.—The Secretary may use funds reserved under subsection (b) to carry out 1 or more evaluations of programs assisted under this part, which shall, at a minimum, address—

“(1) how, and the extent to which, the programs supported with funds under this part promote educational equity and excellence; and

“(2) the extent to which public schools of choice supported with funds under this part are—

“(A) held accountable to the public;

“(B) effective in improving public education; and

“(C) open and accessible to all students.

“(b) DURATION.—Grants under this part may be awarded for a period not to exceed 3 years.

“SEC. 4302. DEFINITION OF HIGH-POVERTY LOCAL EDUCATIONAL AGENCY.

“In this part, the term ‘high-poverty local educational agency’ means a local educational agency in which the percentage of children, ages 5 to 17, from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved for the most recent fiscal year for which satisfactory data are available is 20 percent or greater.

“SEC. 4303. USES OF FUNDS.

“(a) IN GENERAL.—

“(1) PUBLIC SCHOOL CHOICE.—Funds under this part may be used to demonstrate, develop, implement, evaluate, and disseminate information on innovative approaches to promote public school choice, including the design and development of new public school choice options, the development of new strategies for overcoming barriers to effective public school choice, and the design and development of public school choice systems that promote high standards for all students and the continuous improvement of all public schools.

“(2) INNOVATIVE APPROACHES.—Such approaches at the school, local educational agency, and State levels may include—

“(A) inter-district approaches to public school choice, including approaches that increase equal access to high-quality educational programs and diversity in schools;

“(B) public elementary and secondary programs that involve partnerships with institutions of higher education and that are located on the campuses of those institutions;

“(C) programs that allow students in public secondary schools to enroll in postsecondary courses and to receive both secondary and postsecondary academic credit;

“(D) worksite satellite schools, in which State or local educational agencies form partnerships with public or private employers, to create public schools at parents’ places of employment; and

“(E) approaches to school desegregation that provide students and parents choice through strategies other than magnet schools.

“(b) LIMITATIONS.—Funds under this part—

“(1) shall supplement, and not supplant, non-Federal funds expended for existing public school choice programs; and

“(2) may be used for providing transportation services or costs, except that not more than 10 percent of the funds received under this part shall be used by the local educational agency to provide such services or costs.

“SEC. 4304. GRANT APPLICATION; PRIORITIES.

“(a) APPLICATION REQUIRED.—A State or local educational agency desiring to receive a grant under this part shall submit an application to the Secretary.

“(b) APPLICATION CONTENTS.—Each application shall include—

“(1) a description of the program for which funds are sought and the goals for such program;

“(2) a description of how the program funded under this part will be coordinated with, and will complement and enhance, programs under other related Federal and non-Federal projects;

“(3) if the program includes partners, the name of each partner and a description of the partner’s responsibilities;

“(4) a description of the policies and procedures the applicant will use to ensure—

“(A) its accountability for results, including its goals and performance indicators; and

“(B) that the program is open and accessible to, and will promote high academic standards for, all students; and

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

“(c) PRIORITIES.—

“(1) HIGH-POVERTY AGENCIES.—The Secretary shall give a priority to applications for projects that would serve high-poverty local educational agencies.

“(2) PARTNERSHIPS.—The Secretary may give a priority to applications demonstrating that the applicant will carry out the applicant’s project in partnership with 1 or more public and private agencies, organizations, and institutions, including institutions of higher education and public and private employers.

“SEC. 4305. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part \$100,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

“PART D—REPORT CARDS

“SEC. 4401. REPORT CARDS.

“(a) GRANTS AUTHORIZED.—The Secretary shall award a grant, from allotments under subsection (b), to each State having a State report card meeting the requirements described in subsection (g), to enable the State annually to publish report cards for each elementary school and secondary school that receives funding under this Act and is served by the State.

“(b) RESERVATIONS AND ALLOTMENTS.—

“(1) RESERVATIONS.—From the amount appropriated under subsection (e) to carry out this part for each fiscal year, the Secretary shall reserve—

“(A) ½ of 1 percent of such amount for payments to the Secretary of the Interior for activities approved by the Secretary, consistent with this part, in schools operated or supported by the Bureau of Indian Affairs, on the basis of their respective needs for assistance under this part; and

“(B) ½ of 1 percent of such amount for payments to outlying areas, to be allotted in accordance with their respective needs for assistance under this part, as determined by the Secretary, for activities, approved by the Secretary, consistent with this part.

“(2) STATE ALLOTMENTS.—From the amount appropriated under subsection (e) for a fiscal year and remaining after the Secretary makes reservations under paragraph (1), the Secretary shall allot to each State having a State report card meeting the requirements described in subsection (g) an amount that bears the same relationship to the remainder as the number of public school

students enrolled in elementary schools and secondary schools in the State bears to the number of such students so enrolled in all States.

“(c) WITHIN-STATE ALLOCATIONS.—Each State educational agency receiving a grant under subsection (a) shall allocate the grant funds that remain after making the reservation described in subsection (d) to each local educational agency in the State in an amount that bears the same relationship to the remainder as the number of public school students enrolled in elementary schools and secondary schools served by the local educational agency bears to the number of such students so enrolled in all local educational agencies within the State.

“(d) STATE RESERVATION OF FUNDS.—Each State educational agency receiving a grant under subsection (a) may reserve—

“(1) not more than 10 percent of the grant funds to carry out activities described under subsections (f) and (g), and (i)(1) for fiscal year 2001; and

“(2) not more than 5 percent of the grant funds to carry out activities described under subsections (f) and (g), and (i)(1) for fiscal year 2002 and each of the 3 succeeding fiscal years.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part \$5,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

“(f) ANNUAL STATE REPORT.—

“(1) REPORTS REQUIRED.—

“(A) IN GENERAL.—Except as provided in paragraph (3), not later than the beginning of the 2001–2002 school year, a State that receives assistance under this Act shall prepare and disseminate an annual report on all public elementary schools and secondary schools within the State that receive funds under this Act.

“(B) STATE REPORT CARDS ON EDUCATION.—In the case of a State that publishes State report cards on education, the State shall include in such report cards the information described in subsection (g).

“(C) REPORT CARDS ON ALL PUBLIC SCHOOLS.—In the case of a State that publishes a report card on all public elementary schools and secondary schools in the State, the State shall include, at a minimum, the information described in subsection (g) for all public schools that receive funds under this Act.

“(2) IMPLEMENTATION; REQUIREMENTS.—

“(A) IMPLEMENTATION.—The State shall ensure implementation at all levels of the report cards described in paragraph (1).

“(B) REQUIREMENTS.—Annual report cards under this part shall be—

“(i) concise; and

“(ii) presented in a format and manner that parents can understand including, to the extent practicable, in a language the parents can understand.

“(3) PUBLICATION THROUGH OTHER MEANS.—In the event that the State provides no such report card, the State shall, not later than the beginning of the 2001–2002 school year, publicly report the information described in subsection (g) for all public schools that receive funds under this Act.

“(g) CONTENT OF ANNUAL STATE REPORTS.—

“(1) REQUIRED INFORMATION.—Each State described in subsection (f)(1)(A), at a minimum, shall include in the annual State report information on each local educational agency and public school that receives funds under this Act, including information regarding—

“(A) student performance on statewide assessments for the year for which the annual

State report is made, and the preceding year, in at least English language arts and mathematics, including—

“(i) a comparison of the proportions of students who performed at the basic, proficient, and advanced levels in each subject area, for each grade level at which assessments are required under title I, with proportions in each of the same 4 levels at the same grade levels in the previous school year;

“(ii) a statement on the 3-year trend in the percentage of students performing at the basic, proficient, and advanced levels in each subject area, for each grade level for which assessments are required under title I; and

“(iii) a statement of the percentage of students not tested and a listing of categories of the reasons why such students were not tested;

“(B) student retention rates in grades, the number of students completing advanced placement courses, and 4-year graduation rates;

“(C) the professional qualifications of teachers in the aggregate, including the percentage of teachers teaching with emergency or provisional credentials, the percentage of class sections not taught by fully qualified teachers, and the percentage of teachers who are fully qualified; and

“(D) the professional qualifications of paraprofessionals in the aggregate, the number of paraprofessionals in the aggregate, and the ratio of paraprofessionals to teachers in the classroom.

“(2) STUDENT DATA.—Student data in each report shall contain disaggregated results for the following categories:

“(A) Racial and ethnic groups.

“(B) Gender.

“(C) Economically disadvantaged students, as compared to students who are not economically disadvantaged.

“(D) Students with limited English proficiency, as compared to students who are proficient in English.

“(3) OPTIONAL INFORMATION.—A State may include in the State annual report any other information the State determines appropriate to reflect school quality and school achievement, including by grade level information on average class size and information on school safety, such as the incidence of school violence and drug and alcohol abuse, and the incidence of student suspensions and expulsions.

“(4) WAIVER.—The Secretary may grant a waiver to a State seeking a waiver of the requirements of this subsection if the State demonstrates to the Secretary that—

“(A) the content of existing State report cards meets the goals of this part; and

“(B) the State is taking identifiable steps to meet the requirements of this subsection.

“(h) LOCAL EDUCATIONAL AGENCY AND SCHOOL REPORT CARDS.—

“(1) REPORT REQUIRED.—

“(A) IN GENERAL.—The State shall ensure that each local educational agency, public elementary school, or public secondary school that receives funds under this Act, collects appropriate data and publishes an annual report card consistent with this subsection.

“(B) REQUIRED INFORMATION.—Each local educational agency, elementary school, and secondary school described in subparagraph (A), at a minimum, shall include in its annual report card—

“(i) the information described in subsections (g)(1) and (2) for each local educational agency and school;

“(ii) in the case of a local educational agency—

“(I) information regarding the number and percentage of schools identified for school improvement, including schools identified under section 1116 of this Act, served by the local educational agency;

“(II) information on the 3-year trend in the number and percentage of elementary schools and secondary schools identified for school improvement; and

“(III) information that shows how students in the schools served by the local educational agency perform on the statewide assessment compared to students in the State as a whole;

“(iii) in the case of an elementary school or a secondary school—

“(I) information regarding whether the school has been identified for school improvement; and

“(II) information that shows how the school's students performed on the statewide assessment compared to students in schools served by the same local educational agency and to all students in the State; and

“(iii) other appropriate information, whether or not the information is included in the annual State report.

“(2) SPECIAL RULE.—A local educational agency that issues report cards for all public elementary schools and secondary schools served by the agency shall include, at a minimum, the information described in subsection (g) for all public schools that receive funds under this Act.

“(i) DISSEMINATION AND ACCESSIBILITY OF REPORTS AND REPORT CARDS.—

“(1) STATE REPORTS.—State annual reports under subsection (g) shall be disseminated to all elementary schools, secondary schools, and local educational agencies in the State, and made broadly available to the public through means such as posting on the Internet and distribution to the media, and through public agencies.

“(2) LOCAL REPORT CARDS.—Local educational agency report cards under subsection (h) shall be disseminated to all elementary schools and secondary schools served by the local educational agency and to all parents of students attending such schools, and made broadly available to the public through means such as posting on the Internet and distribution to the media, and through public agencies.

“(3) SCHOOL REPORT CARDS.—Elementary school and secondary school report cards under subsection (h) shall be disseminated to all parents of students attending that school, and made broadly available to the public, through means such as posting on the Internet and distribution to the media, and through public agencies.

“(j) PARENTS RIGHT-TO-KNOW.—

“(1) QUALIFICATIONS.—A local educational agency that receives funds part A of title I or part A of title II shall provide, upon request, in an understandable and uniform format, to any parent of a student attending any school receiving funds under part A of title I or part A of title II, information regarding the professional qualifications of the student's classroom teachers, including, at a minimum—

“(A) whether the teacher has met State certification or licensing criteria for the grade levels and subject areas in which the teacher provides instruction;

“(B) whether the teacher is teaching under emergency or other provisional status through which State certification or licensing criteria are waived;

“(C) the baccalaureate degree major of the teacher, any other graduate certification or degree held by the teacher, and the field of

discipline of each such certification or degree; and

“(D) whether the student is provided services by paraprofessionals, and the qualifications of any such paraprofessional.

“(2) ADDITIONAL INFORMATION.—In addition to the information that parents may request under paragraph (1), and the information provided in report cards under this part, a school that receives funds under part A of title I or part A of title II shall provide, to the extent practicable, to each individual parent or guardian—

“(A) information on the level of performance of the individual student, for whom they are the parent or guardian, in each of the State assessments as required under part A of title I; and

“(B) timely notice that the student, for whom they are the parent or guardian, was assigned or taught for 2 or more consecutive weeks by a substitute teacher or by a teacher not fully qualified.

“(k) COORDINATION OF STATE PLAN CONTENT.—A State shall include in its plan under part A of title I or part A of title II, an assurance that the State has in effect a policy that meets the requirements of this section.

“(l) PRIVACY.—Information collected under this section shall be collected and disseminated in a manner that protects the privacy of individuals.

“(m) DEFINITION.—The term ‘State’ means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

TITLE V—IMPACT AID

SEC. 501. IMPACT AID.

(a) Section 8014 (20 U.S.C. 7714) is amended—

(1) in subsection (a)—

(A) by striking “\$16,750,000 for fiscal year 1995 and”; and

(B) by inserting “fiscal year 2001 and” after “necessary for”;

(2) in subsection (b)—

(A) by striking “\$775,000,000 for fiscal year 1995 and”; and

(B) by inserting “fiscal year 2001 and” after “necessary for”;

(3) in subsection (c)—

(A) by striking “\$45,000,000 for fiscal year 1995 and”; and

(B) by inserting “fiscal year 2001 and” after “necessary for”;

(4) in subsection (d)—

(A) by striking “\$2,000,000 for fiscal year 1995 and”; and

(B) by inserting “fiscal year 2001 and” after “necessary for”;

(5) in subsection (e)—

(A) by striking “\$25,000,000 for fiscal year 1995 and”; and

(B) by inserting “fiscal year 2001 and” after “necessary for”;

(6) in subsection (f)—

(A) by striking “\$2,000,000 for fiscal year 1995 and”; and

(B) by inserting “fiscal year 2001 and” after “necessary for”; and

(7) in subsection (g), by striking “1998” and inserting “2001”.

(b) REPEALS, TRANSFERS, AND REDESIGNATIONS.—The Act (20 U.S.C. 6301 et seq.) is amended—

(1) by repealing title V (20 U.S.C. 7201 et seq.);

(2) by redesignating title VIII (20 U.S.C. 7701 et seq.) (as amended by subsection (a)) as title V, and transferring the title to follow title IV (as amended by section 402);

(3) by redesignating references to title VIII as references to title V (as redesignated and transferred by paragraph (2)); and

(4) by redesignating sections 8001 through 8014 (20 U.S.C. 7701, 7714) (as transferred by paragraph (2)) as sections 5001 through 5014, respectively, and redesignating accordingly the references to such sections.

TITLE VI—HIGH PERFORMANCE AND QUALITY EDUCATION INITIATIVES

SEC. 601. HIGH PERFORMANCE AND QUALITY EDUCATION INITIATIVES.

Title VI (20 U.S.C. 7301 et seq.) is amended to read as follows:

“TITLE VI—HIGH PERFORMANCE AND QUALITY EDUCATION INITIATIVES

“SEC. 6001. FINDINGS, POLICY, AND PURPOSE.

“(a) FINDINGS.—Congress makes the following findings:

“(1)(A) Congress embraces the view that educators most familiar with schools, including school superintendents, principals, teachers, and school support personnel, have a critical role in knowing what is needed and how best to meet the educational needs of students.

“(B) Local educational agencies should therefore have primary responsibility for deciding how to implement funds.

“(2)(A) Since the Elementary and Secondary Education Act was first authorized in 1965, the Federal Government has created numerous grant programs, each of which was created to address 1 among the myriad challenges and problems facing education.

“(B) Only a few of the Federal grant programs established before the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act can be tied to significant quantitative results.

“(C) Because Federal education dollars are distributed through a patchwork of programs, with each program having its own set of requirements and restrictions, local educational agencies and schools have found it difficult to leverage funds for maximum impact.

“(D) In many cases, Federal education dollars distributed through competitive grant programs are too diffused to provide a true impact at the school level.

“(E) As a result of the Federal elementary and secondary education policies in place before the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act, the focus of Federal, State, and local educational agencies has been diverted from comprehensive student achievement to administrative compliance.

“(3)(A) Every elementary school and secondary school should provide a drug- and violence-free learning environment.

“(B) The widespread illegal use of alcohol and drugs among the Nation’s secondary school students, and increasingly among elementary school students, constitutes a grave threat to students’ physical and mental well-being, and significantly impedes the learning process.

“(C) Drug and violence prevention programs are essential components of a comprehensive strategy to promote school safety, youth development, and positive school outcomes, and reduce the demand for and illegal use of alcohol, tobacco, and drugs throughout the Nation.

“(D) Schools, local organizations, parents, students, and communities throughout the Nation have a special responsibility to work together to combat the continuing epidemic of violence and illegal drug use, and should measure the success of programs established to address this epidemic against clearly defined goals and objectives.

“(E) Drug and violence prevention programs are most effective when implemented

within a research-based, drug and violence prevention framework of proven effectiveness.

“(F) Substance abuse and violence are intricately related, and must be dealt with in a holistic manner.

“(4)(A) Technology can produce far greater opportunities for all students to meet high learning standards, promote efficiency and effectiveness in education, and help immediately and dramatically reform our Nation’s educational system.

“(B) Because most Federal and State educational technology programs have focused on acquiring educational technologies, rather than emphasizing the utilization of those technologies in the classroom and the training and infrastructure required efficiently to support the technologies, the full potential of educational technology has rarely been realized.

“(C) The effective use of technology in education has been inhibited by the inability of many State educational agencies and local educational agencies to invest in and support needed technologies, and to obtain sufficient resources to seek expert technical assistance in developing high-quality professional development activities for teachers and keeping pace with the rapid technological advances.

“(D) To remain competitive in the global economy, which is increasingly reliant on a workforce that is comfortable with technology and able to integrate rapid technological changes into production processes, it is imperative that our Nation maintain a work-ready labor force.

“(b) POLICY.—Congress declares it to be the policy of the United States—

“(1) to facilitate significant innovation in elementary school and secondary school education programs;

“(2) to enrich the learning environment of students;

“(3) to provide a safe learning environment for all students;

“(3) to ensure that all students are technologically literate; and

“(4) to assist State educational agencies and local educational agencies in building the agencies’ capacity to establish, implement, and sustain innovative programs for public elementary and secondary school students.

“(c) PURPOSES.—The purposes of this title are as follows:

“(1) To provide supplementary assistance for school improvement to elementary schools, secondary schools, and local educational agencies—

“(A) that have been or are at risk of being identified as being in need of improvement, as defined in section 1116 (c) and (d), to carry out activities (as described in such schools’ or agencies’ improvement plans developed under such section) that are designed to remedy the circumstances that caused such schools or agencies to be identified as in need of improvement; or

“(B) to improve core content curriculum and instructional practices and materials in core subject areas to ensure that all students are at the proficient standard level within 10 years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act.

“(2) To provide assistance to local educational agencies and schools for innovative programs and activities that will transform schools into 21st century opportunities for students by—

“(A) creating a challenging learning environment and facilitating academic enrich-

ment through innovative academic programs; or

“(B) providing extra learning, time, and opportunities for students.

“(3) To provide assistance to local educational agencies, schools, and communities to strengthen existing programs or develop and implement new programs based on proven researched-based strategies that create safe learning environments by—

“(A) preventing violence and other high-risk behavior from occurring in and around schools; and

“(B) preventing the illegal use of alcohol, tobacco, and drugs among students.

“(4) To create New Economy Technology Schools (NETs) by providing assistance to local educational agencies and schools for—

“(A) the acquisition, development, interconnection, implementation, improvement, and maintenance of an effective educational technology infrastructure;

“(B) the acquisition and maintenance of technology equipment and the provision of training in the use of such equipment for teachers, school library and media personnel, and administrators;

“(C) the acquisition or development of technology-enhanced curricula and instructional materials that are aligned with challenging State content and student performance standards; and

“(D) the acquisition or development and implementation of high-quality professional development for teachers in the use of technology and its integration with challenging State content and student performance standards.

“SEC. 6002. DEFINITIONS OF STATE.

“In this title:

“(1) AUTHENTIC TASK.—The term ‘authentic task’ means a real world task that—

“(A) is challenging, meaningful, multidisciplinary, and interactive;

“(B) involves reasoning, problem solving, and composition; and

“(C) is not a discrete component skill that has no obvious connection with students’ activities outside of school.

“(2) STATE.—The term ‘State’ means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

“SEC. 6003. PROGRAMS AUTHORIZED.

“(a) GRANTS AUTHORIZED.—From the amount appropriated under section 6009 for a fiscal year, the Secretary shall award a grant to each State educational agency having a State plan approved under section 6005(a)(4) to enable the State educational agency to award grants to local educational agencies in the State.

“(b) RESERVATIONS AND ALLOTMENTS.—

“(1) RESERVATIONS.—From the amount appropriated under section 6009 for a fiscal year, the Secretary shall reserve—

“(A) not more than ½ of 1 percent of such amount for payments to the Bureau of Indian Affairs for activities, approved by the Secretary, consistent with this title;

“(B) not more than ½ of 1 percent of such amounts for payments to outlying areas, to be allotted in accordance with their respective needs for assistance under this title as determined by the Secretary, for activities, approved by the Secretary, consistent with this title; and

“(C) such sums as may be necessary to continue to support any multiyear award made under titles III, IV, V (part B), or X (as such titles were in effect on the day preceding the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act) until the completion of the multiyear award.

“(2) STATE ALLOTMENTS.—

“(A) IN GENERAL.—From the amount appropriated under section 6009 for a fiscal year and remaining after the Secretary makes reservations under paragraph (1), the Secretary shall allot to each State having a State plan approved under section 6005(a)(4) the sum of—

“(i) an amount that bears the same relationship to 50 percent of the remainder as the amount the State received under part A of title I bears to the amount all States received under such part; and

“(ii) an amount that bears the same relationship to 50 percent of the remainder as the school-age population in the State bears to the school-age population in all States.

“(B) DATA.—For the purposes of determining the school-age population in a State and in all States, the Secretary shall use the latest available Bureau of the Census data.

“(c) STATE MINIMUM.—For any fiscal year, no State shall be allotted under this section an amount that is less than 0.4 percent of the total amount allotted to all States under subsection (b)(2).

“(d) HOLD-HARMLESS AMOUNTS.—For fiscal year 2001, notwithstanding subsection (e), the amount allotted to each State under this section shall be not less than 100 percent of the total amount the State was allotted in formula grants under titles III, IV, and VI (as such titles were in effect on the day preceding the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act) for the preceding fiscal year.

“(e) RATABLE REDUCTIONS.—If the sums made available under subsection (b)(2)(A) for any fiscal year are insufficient to pay the full amounts that all State educational agencies are eligible to receive under that subsection for such year, the Secretary shall ratably reduce such amounts for such year.

“SEC. 6004. WITHIN STATE ALLOCATION.

“(a) SHORT TITLE.—Each State educational agency for a State receiving a grant award under section 6003(b)(2) shall—

“(1) set aside not more than 1 percent of the grant funds for the cost of administering the activities under this title;

“(2) set aside not more than 4 percent of the grant funds to—

“(A) provide for the establishment of high-quality, internationally competitive content and student performance standards and strategies that all students will be expected to meet;

“(B) provide for the establishment of high-quality, rigorous assessments that include multiple measures and demonstrate comprehensive knowledge;

“(C) encourage and enable all State educational agencies and local educational agencies to develop, implement, and strengthen comprehensive education improvement plans that address student achievement, teacher quality, parent involvement, and reliable measurement and evaluation methods; and

“(D) encourage and enable all States to develop and implement value-added assessments, including model value-added assessments identified by the Secretary under section 7004(a)(6); and

“(3) using the remaining 95 percent of the grant funds, make grants by allocating to each local educational agency in the State having a local educational agency plan approved under section 6005(b)(3) the sum of—

“(A) an amount that bears the same relationship to 50 percent of such remainder as the amount the local educational agency received under part A of title I bears to the

amount all local educational agencies in the State received under such part; and

“(B) an amount that bears the same relationship to 50 percent of such remainder as the school-age population in the area served by the local educational agency bears to the school-age population in the area served by all local educational agencies in the State.

“(b) MATCHING REQUIREMENT.—

“(1) IN GENERAL.—Each eligible local educational agency receiving a grant under subsection (a) shall contribute resources with respect to the local authorized activities to be assisted under this title in case or in-kind from non-Federal sources in an amount equal to 25 percent of the Federal funds awarded under the grant.

“(2) WAIVER.—A local educational agency may apply to the State educational agency may grant a waiver of the requirements of paragraph (1) to a local educational agency that—

“(A) applies for such a waiver; and

“(B) demonstrates extreme circumstances for being unable to meet such requirements.

“SEC. 6005. PLANS.

“(a) STATE PLANS.—

“(1) IN GENERAL.—The State educational agency for each State desiring a grant under this title shall submit a State plan to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

“(2) CONSOLIDATED PLAN.—A State plan submitted under paragraph (1) may be submitted as part of a consolidated plan under section 8302.

“(3) CONTENTS.—Each plan submitted under paragraph (1) shall—

“(A) describe how the State educational agency will assist each local educational agency and school served under this title to comply with the requirements described in section 6006 that are applicable to the local educational agency or school;

“(B) certify that the State has in place the standards and assessments required under section 1111;

“(C) certify that the State educational agency has a system, as required under section 1111, for—

“(i) holding each local educational agency and school accountable for adequate yearly progress (as defined in section 1111(b)(2)(B));

“(ii) identifying local educational agencies and schools that are in need of improvement and corrective action (as required in sections 1116 and 1117);

“(iii) assisting local educational agencies and schools that are identified for improvement with the development of improvement plans; and

“(iv) providing technical assistance, professional development, and other capacity building as needed to get such agencies and schools out of improvement status;

“(D) certify that the State educational agency shall use the disaggregated results of student assessments required under section 1111(b)(4), and other measures or indicators available, to review annually the progress of each local educational agency and school served under this title to determine whether or not each such agency and school is making adequate yearly progress as required under section 1111;

“(E) certify that the State educational agency will take action against a local educational agency that is in corrective action and receiving funds under this title as described in section 6006(d)(1);

“(F) describe what, if any, State and other resources will be provided to local educational agencies and schools served under

this title to carry out activities consisted with this title; and

“(G) certify that the State educational agency has a system to hold local educational agencies accountable for meeting the annual performance objectives required under subsection (b)(2)(C).

“(4) APPROVAL.—The Secretary, using a peer review process, shall approve a State plan if the State plan meets the requirements of this subsection.

“(5) DURATION OF THE PLAN.—Each State plan shall remain in effect for the duration of the State's participation under this title.

“(6) REQUIREMENT.—A State shall not be eligible to receive funds under this title unless the State has established the standards and assessments required under section 1111.

“(b) LOCAL PLANS.—

“(1) IN GENERAL.—Each local educational agency shall annually submit a local educational agency plan to the State educational agency at such time, in such manner, and accompanied by such information as the State educational agency may require.

“(2) CONTENTS.—Each local educational agency shall—

“(A) describe the programs for which funds allocated under section 6004(3) will be used and the reasons for the selection of such programs;

“(B) describe the methods the local educational agency will use to measure the annual impact of programs described under subparagraph (A) and the extent to which such programs will increase student academic performance;

“(C) describe the annual, quantifiable, and measurable performance goals and objectives for each program described under subparagraph (A) and the extent to which such goals and objectives are aligned with State content and student performance standards;

“(D) describe how the local educational agency will hold schools accountable for meeting the intended performance objectives for each program described under subparagraph (C);

“(E) provide an assurance that the local educational agency has met the local plan requirements described in section 1112 for—

“(i) holding schools accountable for adequate yearly progress, including meeting annual numerical goals for improving the performance of all groups of students based on the student performance standards set by the State under section 1111(b)(1)(D)(ii);

“(ii) identifying schools for school improvement or corrective action;

“(iii) fulfilling the local educational agency's school improvement responsibilities described in section 1116, including taking corrective actions under section 1116(c)(10); and

“(iv) providing technical assistance, professional development, or other capacity building to schools served by the agency;

“(F) certify that the local educational agency will take action against a school that is in corrective action and receiving funds under this title as described under section 6006(d)(2);

“(G) describe what State and local resources will be contributed to carrying out programs described under subparagraph (A);

“(H) provide assurances that the local educational agency consulted, at a minimum, with parents, school board members, teachers, administrators, business partners, education organizations, and community groups to develop the local educational plan and select the programs to be assisted under this title; and

“(J) provide assurances that the local educational agency will continue such consultation on a regular basis and will provide the

State with annual evidence of such consultation.

“(3) APPROVAL.—The State, using a peer review process, shall approve a local educational agency plan if the plan meets the requirements of this subsection.

“(4) DURATION OF THE PLAN.—Each local educational agency plan shall remain in effect for the duration of the local educational agency’s participation under this title.

“(5) PUBLIC REVIEW.—Each State educational agency will make publicly available each local educational agency plan approved under paragraph (3).

“SEC. 6006. LOCAL USES OF FUNDS AND ACCOUNTABILITY.

“(a) ADMINISTRATIVE EXPENSES.—Each local educational agency receiving a grant award under section 6004(3) may use not more than 1 percent of the grant funds for any fiscal year for the cost of administering this title.

“(b) REQUIRED ACTIVITIES.—Each local educational agency receiving a grant award under section 6004(3) shall use the grant funds pursuant to this subsection to establish and carry out programs that are designed to achieve, separately or cumulatively, each of the goals described in the category areas described in paragraphs (1) through (4).

“(1) SCHOOL IMPROVEMENT.—Each local educational agency shall use 30 percent of the grant funds—

“(A) in the case of a school that has been identified as being in need of improvement under section 1116(c), for activities or strategies that are described in section 1116(c) that focus on removing such school from improvement status; or

“(B) for programs that seek to raise the academic achievement levels of all elementary school and secondary school students based on challenging State content and student performance standards and, to the greatest extent possible,—

“(i) incorporate the best practices developed from research-based methods and practices;

“(ii) are aligned with challenging State content and performance standards and focused on reinforcing and boosting the core academic skills and knowledge of students who are struggling academically, as determined by State assessments under section 1111(b)(4) and local evaluations;

“(iii) focus on accelerated learning rather than remediation, so that students will master the high level of skills and knowledge needed to meet the highest State standards or to perform at high levels on all State assessments;

“(iv) offer teachers, principals, and administrators professional development and technical assistance that are aligned with the content of such programs; and

“(v) address local needs, as determined by the local educational agency’s evaluation of school and districtwide data.

“(2) 21ST CENTURY OPPORTUNITIES.—Each local educational agency shall use 25 percent of the grant funds for—

“(A) programs that provide for extra learning, time, and opportunities for students so that all students may achieve high levels of learning and meet the State proficient standard level within 10 years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act;

“(B) programs to improve higher order thinking skills of all students, especially disadvantaged students;

“(C) promising innovative education reform projects that are consistent with chal-

lenging State content and student performance standards; or

“(D) programs that focus on ensuring that disadvantaged students enter elementary school with the basic skills needed to meet the highest State content and student performance standards.

“(3) SAFE LEARNING ENVIRONMENTS.—Each local educational agency shall use 15 percent of the grant funds for programs that help ensure that all elementary school and secondary school students learn in a safe and supportive environment by—

“(A) reducing drugs, violence, and other high-risk behavior in schools;

“(B) providing safe, extended-day opportunities for students;

“(C) providing professional development activities for teachers, principals, mental health professionals, and guidance counselors in dealing with students exhibiting distress (such as substance abuse, disruptive behavior, and suicidal behavior);

“(D) recruiting or retaining high-quality mental health professionals;

“(E) providing character education for students; or

“(F) meeting other objectives that are established under State standards regarding safety or that address local community concerns.

“(4) NEW ECONOMY TECHNOLOGY SCHOOLS.—

“(A) IN GENERAL.—Each local educational agency shall use 30 percent of the grant funds to establish technology programs that will transform schools into New Economy Technology Schools (NETs) and, to the greatest extent possible, will—

“(i) increase student performance related to an authentic task;

“(ii) integrate the use of technology into activities that are a core part of classroom curricula and are available to all students;

“(iii) emphasize how to use technology to accomplish authentic tasks;

“(iv) provide professional development and technical assistance to teachers so that teachers may integrate technology into daily teaching activities that are directly aligned with State content and student performance standards; and

“(v) enable the local educational agency annually to increase the percentage of classrooms with access to technology, particularly in schools in which not less than 50 percent of the school-age population comes from families with incomes below the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

“(B) LIMITATION.—Each local educational agency shall use not more than 50 percent of the grant funds described in subparagraph (A) to purchase, upgrade, or retrofit computer hardware in schools in which not less than 50 percent of the school-age population comes from families at or below the poverty line, as defined in subparagraph (A)(v).

“(C) TRANSFER OF FUNDS.—Notwithstanding subsection (b)—

“(1) a local educational agency that meets adequate yearly progress requirements for student performance, as established by the State educational agency under section 1111, may allocate, at the local educational agency’s discretion, not more than 30 percent of the grant funds received under section 6004(3) among the 4 funding categories described in subsection (b);

“(2) a local educational agency that exceeds the adequate yearly progress require-

ments described in paragraph (1) by a significant amount, as determined by the State educational agency, may allocate, at the local educational agency’s discretion, not more than 50 percent of the grant funds received under section 6004(3) among the 4 funding categories described in subsection (b); and

“(3) a local educational agency that is identified as in need of improvement, as defined under section 1117, may apply not more than 25 percent of the grant funds described in subsection (b) (2), (3), or (4) to school improvement activities described in subsection (b)(1).

“(d) LIMITATIONS FOR SCHOOLS AND LOCAL EDUCATIONAL AGENCIES IN CORRECTIVE ACTION.—

“(1) LOCAL EDUCATIONAL AGENCIES IN CORRECTIVE ACTION.—If a local educational agency is identified for corrective action under section 1116(d), the State educational agency shall—

“(A) notwithstanding any other provision of law, specify how the local educational agency shall spend the grant funds in order to focus the local educational agency on activities that will be the most effective in raising student performance levels; and

“(B) implement corrective action in accordance with the provisions for corrective action described in section 1116(d).

“(2) SCHOOLS IN CORRECTIVE ACTION.—If a school is identified for corrective action under section 1116(c), the local educational agency shall—

“(A) specify how the school shall spend grant funds received under this section in order to focus on activities that will be the most effective in raising student performance levels; and

“(B) implement corrective action in accordance with the provisions for corrective action described in section 1116(c)(10).

“(3) DURATION.—Limitations imposed on schools and local educational agencies in corrective action under paragraphs (1) and (2) shall remain in effect until such time as the school or local educational agency has made sufficient improvement, as determined by the State educational agency, and is no longer in corrective action.

“SEC. 6007. STATE AND LOCAL RESPONSIBILITIES.

“(a) DATA REVIEW.—

“(1) STATE AND LOCAL REVIEW.—A State educational agency shall jointly review with a local educational agency described in section 6006(d)(1) the local educational agency’s data gathered from student assessments and other measures required under section 1111(b)(4), in order to determine how the local educational agency shall spend the grant funds pursuant to section 6006(d)(1)(A) in order to substantially increase student performance levels.

“(1) SCHOOL AND LOCAL REVIEW.—A local educational agency shall jointly review with a school described in section 6006(d)(2) the school’s data gathered from student assessments and other measures required under section 1111(b)(4), in order to determine how the school shall spend grant funds pursuant to section 6006(d)(2) in order to substantially increase student performance levels.

“(b) TECHNICAL ASSISTANCE.—

“(1) STATE ASSISTANCE.—

“(A) A State educational agency shall provide, upon request by a local educational agency receiving grant funds under this title, technical assistance to the local educational agency and schools served by the local educational agency, including assistance in analyzing student performance and

the impact of programs assisted under this title and identifying the best instructional strategies and methods for carrying out such programs.

“(B) State assistance may be provided by—
“(i) the State educational agency; or

“(ii) with the local educational agency’s approval, by an institution of higher education, a private not-for-profit or for-profit organization, an educational service agency, the recipient of a Federal contract or cooperative agreement as described in section 7005, a nontraditional entity such as a corporation or consulting firm, or any other entity with experience in the program area for which the assistance is being sought.

“(2) LOCAL ASSISTANCE.—

“(A) A local educational agency shall provide, upon request by an elementary school or secondary school served by the agency, technical assistance to such school, including assistance in analyzing student performance and the impact of programs assisted under this title, and identifying the best instructional strategies and methods for carrying out such programs.

“(B) Local assistance may be provided by—

“(i) the State educational agency or local educational agency; or

“(ii) with the school’s approval, by an institution of higher education, a private not-for-profit or for-profit organization, an educational service agency, the recipient of a Federal contract or cooperative agreement as described in section 7005, a nontraditional entity such as a corporation or consulting firm, or any other entity with experience in the program area for which the assistance is being sought.

“SEC. 6008. LOCAL REPORTS.

“Each local educational agency receiving funds under this title shall annually publish and disseminate to the public in a format and, to the extent practicable, in a language that parents can understand, a report on—

“(1) information describing the use of funds in the 4 category areas described in section 6006(b);

“(2) the impact of such programs and an assessment of such programs’ effectiveness; and

“(3) the local educational agency’s progress toward attaining the goals and objectives described under section 6005(b), and the extent to which programs assisted under this title have increased student achievement.

“SEC. 6009. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this title \$2,700,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years.”

TITLE VII—ACCOUNTABILITY

SEC. 701. ACCOUNTABILITY.

Title VII of the Act (20 U.S.C. 7401 et seq.) is amended to read as follows:

“TITLE VII—ACCOUNTABILITY

“SEC. 7001. SANCTIONS.

“(a) THIRD FISCAL YEAR.—If performance objectives established under a covered provision have not been met by a State receiving grant funds under such provision by the end of the third fiscal year for which the State receives such grant funds, the Secretary shall reduce by 50 percent the amount the State is entitled to receive for administrative expenses under such provision.

“(b) FOURTH FISCAL YEAR.—If the State fails to meet the performance objectives established under a covered provision by the end of the fourth fiscal year for which the State receives grant funds under the covered

provision, the Secretary shall reduce the total amount the State receives under title VI by 30 percent.

“(c) DURATION.—If the Secretary determines, under subsection (a) or (b), that a State failed to meet the performance objectives established under a covered provision for a fiscal year, the Secretary shall reduce grant funds in accordance with subsection (a) or (b) for the State for each subsequent fiscal year until the State demonstrates that the State met the performance objectives for the fiscal year preceding the demonstration.

“(d) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance, if sought, to a State subjected to sanctions under subsection (a) or (b).

“(e) LOCAL SANCTIONS.—

“(1) IN GENERAL.—Each State receiving assistance under title I, II, III, or VI shall develop a system to hold local educational agencies accountable for meeting—

“(A) the performance objectives established under part A of title II, part A of title III, and title VI; and

“(B) the adequate yearly progress requirements established under part A of title I, and required under part A of title III and title VI.

“(2) SANCTIONS.—A system developed under paragraph (c) shall include a mechanism for sanctioning local educational agencies for low performance with regard to failure to meet such performance objectives and adequate yearly progress levels.

“(f) DEFINITIONS.—In this section:

“(1) COVERED PROVISION.—The term ‘covered provision’ means part A of title I, part A of title II, part A of title III, and section 6005(b)(2)(C).

“(2) PERFORMANCE OBJECTIVES.—The term ‘performance objectives’ means in the case of—

“(A) part A of title I, the adequate yearly progress levels established under subsections (b)(2)(A)(iii) and (b)(2)(B) of section 1111;

“(B) part A of title II, the set of performance objectives established in section 2014;

“(C) part A of title III, the set of performance objectives established in section 3109; and

“(D) title VI, the set of performance objectives set by each local educational agency in section 6005(b)(2)(C).

“SEC. 7002. REWARDING HIGH PERFORMANCE.

“(a) STATE REWARDS.—

“(1) IN GENERAL.—From amounts appropriated under subsection (d), and from amounts made available as a result of reductions under section 7001, the Secretary shall make awards to States that—

“(A) for 3 consecutive years have—

“(i) exceeded the States’ performance objectives established for any title under this Act;

“(ii) exceeded their adequate yearly progress levels established in section 1111(b);

“(iii) significantly narrowed the gaps between minority and non-minority students, and between economically disadvantaged and non-economically disadvantaged students;

“(iv) raised all students to the proficient standard level prior to 10 years from the date of enactment of the Public Education Reinvestment, Reinvestment, and Responsibility Act; or

“(v) significantly increased the percentage of core classes being taught by fully qualified teachers teaching in schools receiving funds under part A of title I; or

“(B) by not later than fiscal year 2003, ensure that all teachers teaching in the States’ public elementary schools and secondary schools are fully qualified.

“(2) STATE USE OF FUNDS.—

“(A) DEMONSTRATION SITES.—Each State receiving an award under paragraph (1) shall use a portion of the award that is not distributed under subsection (b) to establish demonstration sites with respect to high-performing schools (based on achievement or performance levels) objectives and adequate yearly progress in order to help low-performing schools.

“(B) IMPROVEMENT OF PERFORMANCE.—Each State receiving an award under paragraph (1) shall use the portion of the award that is not used pursuant to subparagraph (A) or (C) and is not distributed under subsection (b) for the purpose of improving the level of performance of all elementary and secondary school students in the State, based on State content and performance standards.

“(C) RESERVATION FOR ADMINISTRATIVE EXPENSES.—Each State receiving an award under paragraph (1) may set aside not more than ½ of 1 percent of the award for the planning and administrative costs of carrying out this section, including the costs of distributing awards to local educational agencies.

“(b) LOCAL EDUCATIONAL AGENCY AWARDS.—

“(1) IN GENERAL.—Each State receiving an award under subsection (a)(1) shall distribute 80 percent of the award funds to local educational agencies in the State that—

“(A) for 3 consecutive years have—

“(i) exceeded the State-established local educational agency performance objectives established for any title under this Act;

“(ii) exceeded the adequate yearly progress level established under section 1111(b)(2);

“(iii) significantly narrowed the gaps between minority and nonminority students, and between economically disadvantaged and noneconomically disadvantaged students;

“(iv) raised all students enrolled in schools within the local educational agency to the proficient standard level prior to 10 years from the date of enactment of the Public Education Reinvestment, Reinvestment, and Responsibility Act; or

“(v) significantly increased the percentage of core classes being taught by fully qualified teachers teaching in schools receiving funds under part A of title I; or

“(B) not later than December 31, 2003, ensured that all teachers teaching in the elementary schools and secondary schools served by the local educational agencies are fully qualified; or

“(C) have attained consistently high achievement in another area that the State deems appropriate to reward.

“(2) SCHOOL-BASED PERFORMANCE AWARDS.—A local educational agency may use funds made available under paragraph (1) for activities such as school-based performance awards.

“(3) RESERVATION FOR ADMINISTRATIVE EXPENSES.—Each local educational agency receiving an award under paragraph (1) may set aside not more than ½ of 1 percent of the award for the planning and administrative costs of carrying out this section, including the costs of distributing awards to eligible elementary schools and secondary schools, teachers, and principals.

“(c) SCHOOL REWARDS.—Each local educational agency receiving an award under subsection (b) shall consult with teachers and principals to develop a reward system, and shall use the award funds—

“(1) to reward individual schools that demonstrate high performance with respect to—

“(A) increasing the academic achievement of all students;

“(B) narrowing the academic achievement gap described in section 1111(b)(2)(B)(vii);

“(C) improving teacher quality;

“(D) increasing high-quality professional development for teachers, principals, and administrators; or

“(E) improving the English proficiency of limited English proficient students;

“(2) to reward collaborative teams of teachers, or teams of teachers and principals, that—

“(A) significantly increase the annual performance of low-performing students; or

“(B) significantly improve in a fiscal year the English proficiency of limited English proficient students;

“(3) to reward principals who successfully raise the performance of a substantial number of low-performing students to high academic levels;

“(4) to develop or implement school district-wide programs or policies to increase the level of student performance on State assessments that are aligned with State content standards; and

“(5) to reward schools for consistently high achievement in another area that the local educational agency deems appropriate to reward.

“(d) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section \$200,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years.

“(e) **DEFINITION.**—The term ‘low-performing student’ means students who are below the basic State standard level.

“**SEC. 7003. SUPPLEMENT NOT SUPPLANT.**

“A State educational agency and local educational agency shall use funds under this title to supplement, and, not supplant, Federal, State, and local funds that, in the absence of funds under this title, would otherwise be spent for activities of the type described in section 7002.

“**SEC. 7004. SECRETARY'S ACTIVITIES.**

“(a) **IN GENERAL.**—Notwithstanding any other provision of this Act, from amounts appropriated under subsection (b) and not reserved under subsection (c), the Secretary may—

“(1) support activities of the National Board for Professional Teaching Standards;

“(2) study and disseminate information regarding model programs assisted under this Act;

“(3) provide training and technical assistance to States, local educational agencies, elementary schools and secondary schools, Indian tribes, and other recipients of grant funds under this Act that are carrying out activities assisted under this Act, including entering into contracts or cooperative agreements with public or private nonprofit entities or consortia of such entities, in order to provide comprehensive training and technical assistance related to the administration and implementation of activities assisted under this Act;

“(4) support activities that will promote systemic education reform at the State and local levels;

“(5) award grants or contracts to public or private nonprofit entities to enable the entities—

“(A) to develop and disseminate exemplary reading, mathematics, science, and technology educational practices, and instructional materials to States, local educational agencies, and elementary schools and secondary schools; and

“(B) to provide technical assistance for the implementation of teaching methods and assessment tools for use by elementary schools

and secondary school students, teachers, and administrators;

“(6) disseminate information on models of value-added assessments;

“(7) award a grant or contract to a public or private nonprofit entity or consortium of such entities for the development and dissemination of exemplary programs and curricula for accelerated and advanced learning for all students, including gifted and talented students;

“(8) award a grant or contract with Reading Is Fundamental, Inc. and other public or private nonprofit entities to support and promote programs which include the distribution of inexpensive books to students and literacy activities that motivate children to read; and

“(9) provide assistance to States—

“(A) by assisting in the development of English language development standards and high-quality assessments, if requested by a State participating in activities under subtitle A of title III; and

“(B) by developing native language tests for limited English proficient students that a State may administer to such students to assess student achievement in at least reading, science, and mathematics, consistent with section 1111.

“(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section \$150,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years.

“(c) **RESERVATION.**—From the amounts appropriated under subsection (b) the Secretary shall reserve \$10,000,000 for the purposes of carrying out activities under section 1202(c).

“(d) **SPECIAL RULE FOR SECRETARY AWARDS.**—

“(1) **IN GENERAL.**—Notwithstanding any other provision of this Act, a recipient of funds provided under a direct award made by the Secretary, or a contract or cooperative agreement entered into with the Secretary, shall include the following in any application or plan required under such programs:

“(A) How funds provided under the program will be used and how such use will increase student academic achievement.

“(B) The goals and objectives to be met, including goals for dissemination and use of the information or materials produced.

“(C) How the recipient will track and report annually to the Secretary—

“(i) the successful dissemination of information or materials produced;

“(ii) where information or materials produced are being used; and

“(iii) what is the impact of such use and, if applicable, the extent to which such use increased student academic achievement.

“(2) **REQUIREMENT.**—If no application or plan is required under a program, contract, or cooperative agreement described in paragraph (1), the Secretary shall require the recipient of funds to submit a plan containing the information required under paragraph (1).

“(3) **FAILURE TO ACHIEVE GOALS AND OBJECTIVES.**—

“(A) **IN GENERAL.**—The Secretary shall evaluate the information submitted under this subsection to determine whether the recipient has met the goals and objectives described in paragraph (1)(B), assess the magnitude of dissemination, and assess the effectiveness of the activity funded in raising student academic achievement in places where information or materials produced with such funds are used.

“(B) **INELIGIBILITY.**—The Secretary shall consider the recipient ineligible for future

grants under the program, contract, or cooperative agreement described in paragraph (1) if—

“(i) the goals and objectives described in paragraph (1)(B) have not been met;

“(ii) dissemination has not been of a magnitude to ensure national goals are being addressed; and

“(iii) the information or materials produced have not made a significant impact on raising student achievement in places where such information or materials are used.”

TITLE VIII—GENERAL PROVISIONS AND REPEALS

SEC. 801. REPEALS, TRANSFERS, AND REDESIGNATIONS REGARDING TITLES VIII AND XIV.

(a) **IN GENERAL.**—The Act (20 U.S.C. 6301 et seq.) is amended—

(1) by inserting after title VII the following:

“**TITLE VIII—GENERAL PROVISIONS**”;

(2) by repealing sections 14514 and 14603 (20 U.S.C. 8904, 8923);

(3)(A) by transferring title XIV (20 U.S.C. 8801 et seq.) to title VIII and inserting such title after the title heading for title VIII; and

(B) by striking the title heading for title XIV;

(4)(A) by redesignating part H of title VIII (as redesignated by paragraph (3)) as part I of title VIII; and

(B) by redesignating the references to part H of title VIII as references to part I of title VIII;

(5) by inserting after part G of title VIII the following:

“**PART H—SUPPLEMENT, NOT SUPPLANT**

“**SEC. 8801. SUPPLEMENT, NOT SUPPLANT.**

“A State educational agency or local educational agency shall use funds received under the Act to supplement, and not supplant, State and local funds that, in the absence of funds under this Act, would otherwise be spent for activities under this Act.”;

(6) by redesignating the references to title XIV as references to title VIII;

(7)(A) by redesignating sections 14101 through 14103 (20 U.S.C. 8801, 8803) (as transferred by paragraph (3)) as sections 8101 through 8103, respectively; and

(B) by redesignating the references to such sections 14101 through 14103 as references to sections 8101 through 8103, respectively;

(8)(A) by redesignating sections 14201 through 14206 (20 U.S.C. 8821, 8826) (as transferred by paragraph (3)) as sections 8201 through 8206, respectively; and

(B) by redesignating the references to such sections 14201 through 14206 as references to sections 8201 through 8206, respectively;

(9)(A) by redesignating sections 14301 through 14307 (20 U.S.C. 8851, 8857) (as transferred by paragraph (3)) as sections 8301 through 8307, respectively; and

(B) by redesignating the references to such sections 14301 through 14307 as references to sections 8301 through 8307, respectively;

(10)(A) by redesignating section 14401 (20 U.S.C. 8881) (as transferred by paragraph (3)) as section 8401; and

(B) by redesignating the references to such section 14401 as references to section 8401;

(11)(A) by redesignating sections 14501 through 14513 (20 U.S.C. 8891, 8903) (as transferred by paragraph (3)) as sections 8501 through 8513, respectively; and

(B) by redesignating the references to such sections 14501 through 14513 as references to sections 8501 through 8513, respectively;

(12)(A) by redesignating sections 14601 and 14602 (20 U.S.C. 8921, 8922) (as transferred by

paragraph (3)) as sections 8601 and 8602, respectively; and

(B) by redesignating the references to such sections 14601 and 14602 as references to sections 8601 and 8602, respectively;

(13)(A) by redesignating section 14701 (20 U.S.C. 8941) (as transferred by paragraph (3)) as section 8701; and

(B) by redesignating the references to such section 14701 as references to section 8701; and

(14)(A) by redesignating sections 14801 and 14802 (20 U.S.C. 8961, 8962) (as transferred by paragraph (3)) as sections 8901 and 8902, respectively; and

(B) by redesignating the references to such sections 14801 and 14802 as references to sections 8901 and 8902, respectively.

(b) AMENDMENTS.—Title VIII (as so transferred and redesignated) is amended—

(1) in section 8101(10) (as redesignated by subsection (a)(7))—

(A) by striking subparagraphs (C) through (F); and

(B) by adding after subparagraph (B) the following:

“(C) part A of title II;
“(D) part A of title III; and
“(E) title IV.”;

(2) in section 8102 (as redesignated by subsection (a)(7)), by striking “VIII” and inserting “V”;

(3) in section 8201 (as redesignated by subsection (a)(8))—

(A) in subsection (a)(2), by striking “, and administrative funds under section 308(c) of the Goals 2000: Educate America Act”; and

(B) by striking subsection (f);

(4) in section 8203(b) (as redesignated by subsection (a)(8)), by striking “Improving America’s Schools Act of 1994” and inserting “Public Education Reinvestment, Reinvention, and Responsibility Act”;

(5) in section 8204 (as redesignated by subsection (a)(8))—

(A) by striking subsection (b); and

(B) in subsection (a)—

(i) in paragraph (2)—

(I) in the matter preceding subparagraph (A), by striking “1995” and inserting “2001”;

(II) in subparagraph (B), by inserting “professional development,” after “curriculum development.”; and

(ii) in paragraph (4)—

(I) by striking “and section 410(b) of the Improving America’s Schools Act of 1994”; and

(II) by striking “paragraph (2)” and inserting “subsection (a)(2)”;

(III) by striking the following:

“(4) RESULTS.—” and inserting the following:

“(b) RESULTS.—”;

(IV) by striking the following:

“(A) develop” and inserting the following:

“(1) develop”; and

(V) by striking the following:

“(B) within” and inserting the following:

“(2) within”;

(6) in section 8205(a)(1) (as redesignated by subsection (a)(8)), by striking “part A of title IX” and inserting “part B of title III”;

(7) in section 8206 (as redesignated by subsection (a)(8))—

(A) by striking “(a) UNNEEDED PROGRAM FUNDS.—”; and

(B) by striking subsection (b);

(8) in section 8302(a)(2) (as redesignated by subsection (a)(9))—

(A) by striking subparagraph (C); and

(B) by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively;

(9) in section 8304(b) (as redesignated by subsection (a)(9)), by striking “Improving

America’s Schools Act of 1994” and inserting “Public Education Reinvestment, Reinvention, and Responsibility Act”;

(10) in section 8401 (as redesignated by subsection (a)(10))—

(A) in subsection (a), by striking “Except as provided in subsection (c),” and inserting “Notwithstanding any other provision regarding waivers in this Act and except as provided in subsection (c),”; and

(B) in subsection (c)(8), by striking “part C of title X” and inserting “part B of title IV”;

(11) in section 8502 (as redesignated by subsection (a)(11)), by striking “VIII” and inserting “V”;

(12) in section 8503(b)(1) (as redesignated by subsection (a)(11))—

(A) by striking subparagraphs (B) through (E);

(B) by redesignating subparagraph (A) as subparagraph (B);

(C) by inserting before subparagraph (B) the following:

“(A) part A of title I;” and
“(D) by adding at the end the following:
“(C) title II;
“(D) title III;
“(E) title VI.”; and

(13) in section 8506(d) (as redesignated by subsection (a)(11)), by striking “Improving America’s Schools Act of 1994” and inserting “Public Education Reinvestment, Reinvention, and Responsibility Act”;

(14) in section 8513 (as redesignated by subsection (a)(11)), by striking “Improving America’s Schools Act of 1994” each place it appears and inserting “Public Education Reinvestment, Reinvention, and Responsibility Act”;

(15) in section 8601 (as redesignated by subsection (a)(12))—

(A) in subsection (b)(3)—

(i) in subparagraph (A), by striking “Improving America’s Schools Act of 1994” and inserting “Public Education Reinvestment, Reinvention, and Responsibility Act”; and

(ii) in subparagraph (B), by striking “Improving America’s Schools Act” and inserting “Public Education Reinvestment, Reinvention, and Responsibility Act”; and

(B) in subsection (f), by striking “Improving America’s Schools Act of 1994” and inserting “Public Education Reinvestment, Reinvention, and Responsibility Act”; and

(16) in section 8701(b) (as redesignated by subsection (a)(13))—

(A) in paragraph (1)—

(i) in subparagraph (B)—

(I) in clause (i), by striking “Improving America’s Schools Act of 1994” and inserting “Public Education Reinvestment, Reinvention, and Responsibility Act”;

(II) in clause (ii), by striking “such as the initiatives under the Goals 2000: Educate America Act, and” and inserting “under”; and

(III) in clause (v), by striking “, the Advisory Council on Education Statistics, and the National Education Goals Panel” and inserting “and the Advisory Council on Education Statistics”; and

(ii) in subparagraph (C)(ii), by striking “the School-to-Work Opportunities Act of 1994, and the Goals 2000: Educate America Act” and inserting “and the School-to-Work Opportunities Act of 1994”; and

(B) in paragraph (3), by striking “1998” and inserting “2004”.

SEC. 802. OTHER REPEALS.

Titles V, X, XI, XII, and XIII (20 U.S.C. 7201 et seq., 8001 et seq., 8401 et seq., 8501 et seq., 8601 et seq.) and the Goals 2000: Educate America Act (20 U.S.C. 5801 et seq.) are repealed.

HELMS AMENDMENT NO. 3128

(Ordered to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to the bill, S. 2, supra; as follows:

At the end, add the following:

SEC. ____ . FUNDING CONTINGENT ON RESPECT FOR CONSTITUTIONALLY PERMISSIBLE SCHOOL PRAYER.

(a) SHORT TITLE.—This section may be cited as the “Voluntary School Prayer Protection Act”.

(b) PROHIBITION.—Notwithstanding any other provision of law, no funds made available through the Department of Education shall be provided to any State, or local educational agency, that has a policy of denying, or that effectively prevents participation in, prayer permissible under the Constitution in public schools by individuals on a voluntary basis.

(c) SPECIAL RULES.—No person shall be required to participate in prayer in a public school. No State, or local educational agency, shall influence the form or content of any prayer by a student that is permissible under the Constitution in a public school.

BIDEN AMENDMENT NO. 3129

(Ordered to lie on the table.)

Mr. BIDEN submitted an amendment intended to be proposed by him to the bill, S. 2, supra; as follows:

At the appropriate place, insert the following:

(a) The Senate finds that:

tens of millions of Americans have served in the Armed Forces of the United States during the past century;

hundreds of thousands of Americans have given their lives while serving in the Armed Forces during the past century;

the contributions and sacrifices of the men and women who served in the Armed Forces have been vital in maintaining our freedoms and way of life;

the advent of the all-volunteer Armed Forces has resulted in a sharp decline in the number of individuals and families who have had any personal connection with the Armed Forces;

this reduction in familiarity with the Armed Forces has resulted in a marked decrease in the awareness by young people of the nature and importance of the accomplishments of those who have served in our Armed Forces, despite the current educational efforts of the Department of Veterans Affairs and the veterans service organizations; and

our system of civilian control of the Armed Forces makes it essential that the country’s future leaders understand the history of military action and the contributions and sacrifices of those who conduct such actions.

(b) It is the sense of the Senate that—

(1) the Secretary of Education should work with the Secretary of Veterans Affairs, the Veterans Day National Committee, and the veterans service organizations to encourage, prepare, and disseminate educational materials and activities for elementary and secondary school students aimed at increasing awareness of the contributions of veterans to the prosperity and freedoms enjoyed by United States citizens;

(2) the week that includes Veterans Day be designated as “National Veterans Awareness Week” for the purpose of presenting such materials and activities; and

(3) the President should issue a proclamation calling on the people of the United

States to observe such week with appropriate educational activities.

GRAMS AMENDMENT NO. 3130

(Ordered to lie on the table.)

Mr. GRAMS submitted an amendment intended to be proposed by him to the bill, S. 2, supra; as follows:

On page 31, between lines 3 and 4, insert the following:

(E) by adding at the end the following:

“(9) Notwithstanding the preceding paragraphs of this subsection—

“(A) a State may develop or adopt alternative sets of standards and assessments; and

“(B) a State plan shall be considered as satisfying the requirements of this subsection if the plan allows local educational agencies to conduct assessments with—

“(i) a national norm-referenced standardized achievement examination; and

“(ii) assessments developed—

“(I) by such agencies; or

“(II) with respect to individual local classrooms.”;

SESSIONS AMENDMENT NO. 3131

(Ordered to lie on the table.)

Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill, S. 2, supra; as follows:

On page 922, strike line 18 and insert the following:

“be necessary for each of the 4 succeeding fiscal years.”.

SEC. 11302. AMENDMENT TO THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.

Section 615 of the Individuals with Disabilities Education Act (20 U.S.C. 1415) is amended by adding at the end the following:

“(n) **UNIFORM POLICIES.**—Notwithstanding any other provision of this Act, a State educational agency or local educational agency may establish and implement uniform policies with respect to discipline and order applicable to all children in the jurisdiction of such agency to ensure the safety and appropriate educational atmosphere in schools in the jurisdiction of such agency.”.

ASHCROFT (AND OTHERS) AMENDMENT NO. 3132

(Ordered to lie on the table.)

Mr. ASHCROFT (for himself, Mr. SESSIONS, Mr. BOND, and Mr. HELMS) submitted an amendment intended to be proposed by them to the bill, S. 2, supra; as follows:

On page 922, strike line 18 and insert the following:

be necessary for each of the 4 succeeding fiscal years.

PART — AMENDMENTS

SEC. —. AMENDMENT TO THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.

(a) **PROCEDURAL SAFEGUARDS.**— Section 615 of the Individuals with Disabilities Education Act (20 U.S.C. 1415) is amended by adding at the end the following:

“(n) **DISCIPLINE BY LOCAL AUTHORITY WITH RESPECT TO ILLEGAL OR UNLAWFUL ITEMS OR SUBSTANCES AND TEACHER ASSAULTS.**—

“(1) **AUTHORITY OF SCHOOL PERSONNEL WITH RESPECT TO ILLEGAL OR UNLAWFUL ITEMS OR SUBSTANCES AND TEACHER ASSAULTS.**—Not-

withstanding any other provision of this title, school personnel may discipline (including expel or suspend) a child with a disability in the same manner in which such personnel may discipline a child without a disability if the child with a disability—

“(A) carries, possesses, or distributes any illegal or unlawful item or substance, in violation of a Federal or State law, to or at a school, on school premises, or to or at a school function under the jurisdiction of a State or a local educational agency;

“(B) threatens to carry, possess, or distribute any illegal or unlawful item or substance, in violation of a Federal or State law, to or at a school, on school premises, or to or at a school function under the jurisdiction of a State or a local educational agency; or

“(C) assaults or threatens to assault a teacher, teacher’s aid, principal, school counselor, or other school personnel, including independent contractors and volunteers.

“(2) **INDIVIDUAL DETERMINATIONS.**—In carrying out any disciplinary action described in paragraph (1), school personnel have discretion to consider all germane factors in each individual case and modify any disciplinary action on a case-by-case basis.

“(3) **DEFENSE.**—Nothing in paragraph (1) shall be construed to prevent a child with a disability who is disciplined pursuant to the authority provided under paragraph (1) from asserting a defense that the alleged act was unintentional or innocent.

“(4) **FREE APPROPRIATE PUBLIC EDUCATION.**—

“(A) **CEASING TO PROVIDE EDUCATION.**—Notwithstanding section 612(a)(1)(A), or any other provision of this title, a child expelled or suspended under paragraph (1) shall not be entitled to continued educational services, including a free appropriate public education, under this subsection, during the term of such expulsion or suspension, if the State in which the local educational agency responsible for providing educational services to such child does not require a child without a disability to receive educational services after being expelled or suspended.

“(B) **PROVIDING EDUCATION.**—Notwithstanding subparagraph (A), the local educational agency responsible for providing educational services to a child with a disability who is expelled or suspended under paragraph (1) may choose to continue to provide educational services to such child. If the local educational agency so chooses to continue to provide the services—

“(i) nothing in this subsection shall be construed to require the local educational agency to provide such child with a free appropriate public education, or any particular level of service; and

“(ii) the location where the local educational agency provides the services shall be left to the discretion of the local educational agency.

“(5) **RELATIONSHIP TO OTHER REQUIREMENTS.**—

“(A) **PLAN REQUIREMENTS.**—No agency shall be considered to be in violation of section 612 or 613 because the agency has provided discipline, services, or assistance in accordance with this subsection.

“(B) **PROCEDURE.**—None of the procedural safeguards or disciplinary procedures of this Act shall apply to this subsection, and the relevant procedural safeguards and disciplinary procedures applicable to children without disabilities may be applied to the child with a disability in the same manner in which such safeguards and procedures would be applied to children without disabilities.

“(6) **DEFINITIONS.**—In this subsection, the terms ‘assault’, ‘unintentional’, and ‘innocent’ have the meanings given such terms under State law.”.

(b) **CONFORMING AMENDMENTS.**—Section 615 of the Individuals with Disabilities Education Act (20 U.S.C. 1415) is amended—

(1) in subsection (f)(1), by striking “Whenever” and inserting the following: “Except as provided in section 615(n), whenever”; and

(2) in subsection (k)—

(A) in paragraph (1), by striking subparagraph (A) and inserting the following:

“(A) In any disciplinary situation except for such situations as described in subsection (n), school personnel under this section may order a change in the placement of a child with a disability to an appropriate interim alternative educational setting, another setting, or suspension, for not more than 10 school days (to the extent such alternatives would apply to children without disabilities).”;

(B) by striking paragraph (3) and inserting the following:

“(3) Any interim alternative educational setting in which a child is placed under paragraph (1) or (2) shall—

“(A) be selected so as to enable the child to continue to participate in the general curriculum, although in another setting, and to continue to receive those services and modifications, including those described in the child’s current IEP, that will enable the child to meet the goals set out in that IEP; and

“(B) include services and modifications designed to address the behavior described in paragraphs (1) or (2) so that it does not recur.”;

(C) in paragraph (6)(B)—

(i) in clause (i), by striking “(i) In reviewing” and inserting “In reviewing”; and

(ii) by striking clause (ii);

(D) in paragraph (7)—

(i) in subparagraph (A), by striking “paragraph (1)(A)(ii) or” each place it appears; and

(ii) in subparagraph (B), by striking “paragraph (1)(A)(ii) or”;

(E) by striking paragraph (10) and inserting the following:

“(10) **SUBSTANTIAL EVIDENCE.**—The term ‘substantial evidence’ means beyond a preponderance of the evidence.”.

(c) **APPLICATION.**—The amendments made by this section shall not apply to conduct occurring prior to the date of enactment of this section.

SEC. —. AMENDMENT TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.

Section 6131(b)(1) (as amended by section 601) is amended—

(1) in subparagraph (M), by striking “and”;

(2) in subparagraph (N), by striking the period and inserting “; and”;

(3) by adding at the end the following:

“(O) alternative education programs for those students who have been expelled or suspended from their regular educational setting.”.

ASHCROFT AMENDMENTS NOS. 3133-3135

(Ordered to lie on the table.)

Mr. ASHCROFT submitted three amendments intended to be proposed by him to the bill, S. 2, supra, as follows:

AMENDMENT NO. 3133

On page 667, line 3, strike the end quotation marks and the second period.

On page 667, between lines 3 and 4, insert the following:

"PART I—FUNDING FOR ELEMENTARY AND SECONDARY EDUCATION

"SEC. 6901. SHORT TITLE.

"This part may be cited as the 'Excellent Schools for All Our Children Act'.

"SEC. 6902. FINDINGS; PURPOSES.

"(a) FINDINGS.—Congress finds that—

"(1) flexibility when merited and accountability when warranted should be the Federal Government's approach to the use of Federal education resources; and

"(2) the Federal Government should encourage better, smarter uses of Federal funds where the need is greatest, specifically, in failing school districts, so that children in those school districts will have a real opportunity to achieve academic excellence and create a brighter future for themselves.

"(b) PURPOSES.—The purposes of this part are—

"(1) to promote excellence in elementary and secondary education programs in the Nation;

"(2) to increase parental involvement in the education of their children;

"(3) to boost student achievement in academic subjects to high levels;

"(4) to improve basic skills instruction, and to increase teacher performance and accountability; and

"(5) to improve the academic achievement of students in failing school districts by focusing the resources of the Federal Government upon such achievement.

"SEC. 6903. DEFINITION OF FAILING LOCAL EDUCATIONAL AGENCY.

"In this part, the term 'failing local educational agency' means a local educational agency that has been classified as unaccredited or failing (or would be so classified if not for a court order or pending court settlement agreement involving the local educational agency) under its State's performance-based accreditation or categorization standards.

"SEC. 6904. REQUIREMENTS FOR FAILING LOCAL EDUCATIONAL AGENCIES.

"(a) FUNDING.—

"(1) IN GENERAL.—Notwithstanding any other provision of law—

"(A) a failing local educational agency shall use Federal funds made available under the provisions of law described in paragraph (2) only for purposes directly related to improving elementary school and secondary school students' academic performance consistent with subsection (c);

"(B) the requirements of the provisions of law described in paragraph (2) shall not apply to a failing local educational agency, except as provided in subparagraph (C);

"(C) the allocations of funds to failing local educational agencies under the provisions of law described in paragraph (2) (other than title VI) shall remain in effect; and

"(D) in the case of allocation of funds under title VI to a failing local educational agency for a fiscal year, the failing local educational agency shall receive from the State under title VI for the fiscal year an amount that bears the same relation to the amount made available to the State under title VI for the fiscal year as the amount the local educational agency received from the State under title VI for the fiscal year preceding the fiscal year for which the determination is made bears to the amount made available to the State under title VI for such preceding fiscal year.

"(2) PROVISIONS OF LAW.—The provisions of law referred to in paragraph (1) are the following:

"(A) Parts A, B, and C of title I.

"(B) Part B of title III.

"(C) Section 5132.

"(D) Title VI.

"(E) Part C of title VII.

"(F) Comprehensive school reform programs as authorized under section 1502 and described on pages 96–99 of the Joint Explanatory Statement of the Committee of Conference included in House Report 105–390 (Conference Report on the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1998).

"(G) Subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act.

"(b) FAILING LOCAL AGENCY PLAN.—

"(1) PLAN REQUIRED.—Each failing local educational agency shall submit a plan to the Secretary at such time and in such manner as the Secretary may require. A plan submitted under this subsection—

"(A) shall describe the activities to be funded by the failing local educational agency under subsection (a) consistent with subsection (c); and

"(B) may request an exemption from the uses of funds restrictions under subsection (c) for elementary schools and secondary schools served by the failing local educational agency that met the State's performance-based accreditation or categorization standards for the previous fiscal year.

"(2) PLAN APPROVAL.—The Secretary shall approve a plan submitted under paragraph (1) if the plan meets the requirements described in paragraph (1).

"(3) PLAN DISSEMINATION.—Each failing local educational agency having a plan approved under paragraph (2) shall widely disseminate such plan, throughout the area served by such agency, and post the plan on the Internet.

"(c) USES OF FUNDS.—Each failing local educational agency having a plan approved under subsection (b)(2) for a fiscal year shall use the funds awarded under the provisions of law described in subsection (a)(2) for such fiscal year only for the following activities:

"(1) To recruit, retain, and reward high-quality teachers.

"(2) To focus on teaching basic educational skills.

"(3) To provide remedial instruction in core academic subjects that are assessed by standards set by the State educational agency or local educational agency.

"(4) To fund mentoring programs for elementary school and secondary school students who need assistance in reading, writing, or arithmetic.

"(5) To use proven methods of instruction, such as phonics, that are based upon reliable research.

"(6) To provide for extended day learning.

"(7) To ensure that parents of elementary school and secondary school students realize that parents play a significant role in their child's educational success, and to encourage parents to become active in their child's education.

"(8) To provide any other activity that a local educational agency proposes, and the Secretary approves, as an activity that relates directly to improving students' academic performance.

"(e) ANNUAL REPORT.—

"(1) REPORT.—A failing local educational agency shall annually submit a report to the Secretary describing—

"(A) the use of funds under this section; and

"(B) the annual performance of all children served by the failing local educational agen-

cy as measured by its State's performance-based accreditation or categorization standards.

"(2) PRIVACY.—The report required under this section shall not contain any information, such as names, addresses, or grades, that might be used to identify the children whose performance is described in the report.

"(3) DISSEMINATION.—A failing local educational agency shall widely disseminate the report submitted under paragraph (1) throughout the area served by such agency, and post the report on the Internet, so that parents and others in the community can account for Federal education funding under this part.

"(f) MEETING STANDARDS.—

"(1) IN GENERAL.—If, for 2 consecutive fiscal years after a failing local educational agency is required to use funds in accordance with subsection (a), such local educational agency succeeds in meeting its State's performance-based accreditation or categorization standards, then the local educational agency may—

"(A) continue to use Federal funding under subsection (a) in accordance with this part;

"(B) use funding under the provisions of law described in subsection (a)(2) in accordance with such provisions; or

"(C) participate in the program under part H in the same manner as a local educational agency participates in such program pursuant to section 6806.

"(2) BONUS AWARDS.—

"(A) IN GENERAL.—A local educational agency that meets the standards described in paragraph (1) may receive a bonus award from amounts appropriated under subparagraph (C), to use for purposes such as rewarding elementary school and secondary school teachers and principals who improved student performance, and for professional development opportunities for such teachers and principals.

"(B) DISTRIBUTION.—A local educational agency receiving a bonus award under this paragraph shall determine how to distribute the award to individual elementary schools and secondary schools. An elementary school or a secondary school receiving such an award shall determine how such award shall be spent.

"(C) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this paragraph \$10,000,000 for each of fiscal years 2003 through 2007.

"(g) PENALTY.—If a failing local educational agency spends funds subject to the use of funds restrictions described in subsection (c) in a manner inconsistent with subsection (c) for a fiscal year, then the State shall reduce the funds such agency receives under this part for the succeeding fiscal year by an amount equal to the amount spent improperly by such agency."

AMENDMENT No. 3134

On page 490, strike lines 16 and 17, and insert the following: "\$125,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years, except that the Secretary shall make available not less than \$25,000,000 of the amount appropriated under this subsection in each fiscal year to carry out activities under subsection (b)(1)."

AMENDMENT No. 3135

At the end of title XI, insert the following: **PART—HIGHER EDUCATION ACT OF 1965**

SEC. . GOOD STUDENT SCHOLARSHIPS.

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

**“Subpart 9—Good Student Scholarships
SEC. 420N. GOOD STUDENT SCHOLARSHIPS.**

“(a) **SHORT TITLE.**—This section may be cited as the “Good Student Scholarship Act”.

“(b) **PURPOSE.**—The purpose of this section is to provide achievement-based scholarships for undergraduate education to eligible students graduating from schools or school districts that are failing or unaccredited.

“(c) **DEFINITION OF ELIGIBLE STUDENT.**—In this section, the term ‘eligible student’ means a secondary school student—

“(1) who graduates from a public secondary school, or a public or private secondary school in a school district, that is failing or unaccredited, as determined by the State educational agency serving the State in which the secondary school or school district is located;

“(2) who has been in attendance at the school referred to in paragraph (1) for not less than 2 years;

“(3) who ranks in the top 10 percent academically in such student’s class;

“(4) who has an average ACT or SAT score that is equal to or greater than the national average such score; and

“(5) whose family income is not more than \$100,000.

“(d) **DESIGNATION.**—Scholarships made under this section shall be referred to as ‘Good Student Scholarships’.

“(e) **SCHOLARSHIPS AUTHORIZED.**—

“(1) **IN GENERAL.**—From amounts appropriated under subsection (g) for a fiscal year, the Secretary shall award scholarships to each eligible student submitting an application consistent with paragraph (2) to enable the eligible student to pay the cost of attendance at an institution of higher education during the eligible student’s first 4 academic years of undergraduate education.

“(2) **APPLICATION REQUIRED.**—Each eligible student desiring a scholarship under this section shall submit, for each year of the scholarship award, an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(3) **AMOUNT OF AWARD.**—

“(A) **IN GENERAL.**—Except as provided in subparagraph (B), the amount of a scholarship awarded under this section for an academic year shall be equal to the maximum appropriated Federal Pell Grant for such year.

“(B) **ADJUSTMENT FOR INSUFFICIENT APPROPRIATIONS.**—If, after the Secretary determines the total number of eligible applicants for an academic year, funds available to carry out this section are insufficient to fully fund all scholarship awards under subparagraph (A) for such academic year, the amount of the scholarship paid to each eligible student shall be reduced proportionately.

“(C) **ASSISTANCE NOT TO EXCEED COST OF ATTENDANCE.**—The amount of a scholarship awarded under this paragraph to an eligible student, in combination with Federal Pell Grant assistance and any other student financial assistance the eligible student receives, may not exceed the eligible student’s cost of attendance.

“(f) **LISTS FROM STATE EDUCATIONAL AGENCIES.**—Each State educational agency shall annually provide a list to the Secretary identifying each public secondary school and each school district within the State that the State educational agency determines is failing or unaccredited.

“(g) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section \$_____ for fis-

cal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.”.

**HUTCHINSON AMENDMENTS NOS.
3136-3137**

(Ordered to lie on the table.)

Mr. HUTCHINSON submitted two amendments intended to be proposed by him to the bill, S. 2, supra; as follows:

AMENDMENT NO. 3136

At the end of title VI, insert the following:
SEC. ____ . TRANSFERABILITY.

Title VI (20 U.S.C. 6701 et seq.) is amended by adding at the end the following:

“PART I—TRANSFERABILITY

“SEC. 6901. SHORT TITLE.

“This part may be cited as the ‘State and Local Transferability Act’.

“SEC. 6902. PURPOSE.

“The purpose of this part is to grant flexibility to States and school districts to target—

“(1) Federal funds to Federal programs that most effectively address the unique needs of States and localities; and

“(2) additional Federal funds to title I programs.

“SEC. 6903. TRANSFERABILITY.

“(a) STATE TRANSFER AUTHORITY.—

“(1) **IN GENERAL.**—A State may transfer up to 100 percent of nonadministrative State funds allocated to such State which are authorized to be used for State-level activities under any of the following provisions to the allocation of the State under any other of such provisions:

“(A) Title II (excluding national activities).

“(B) Part A of title IV.

“(C) Subpart 2 of part A of title V.

“(D) This title.

“(E) Part C of title VII.

“(F) Comprehensive school reform programs as authorized under section 1502 as described on pages 96-99 of the Joint Explanatory Statement of the Committee of Conference included in House Report No. 105-390 (Conference Report on the Departments of Labor, Health, and Human Services, and Education, and Related Agencies Appropriations Act, 1998).

“(2) **SUPPLEMENTAL FUNDS FOR TITLE I.**—A State may transfer any funds allocated to the State under a provision listed in paragraph (1) to its allocation under title I.

“(b) LOCAL EDUCATIONAL AGENCY TRANSFER AUTHORITY.—

“(1) TRANSFER OF FUNDS.—

“(A) **IN GENERAL.**—Subject to subparagraphs (C) and (D), a local educational agency may transfer funds allocated to such agency under any of the provisions listed in paragraph (2) to any other such provision.

“(B) **SUPPLEMENTAL FUNDS FOR TITLE I.**—Subject to subparagraphs (C) and (D), a local educational agency may transfer funds allocated to such agency under a provision listed in paragraph (2) to its allocation under title I.

“(C) **UNDER 30 PERCENT.**—A transfer under subparagraph (A) or (B) of up to 30 percent of the funds allocated to a local educational agency under a provision listed in paragraph (2) in a fiscal year may be made without State approval.

“(D) **OVER 30 PERCENT.**—Subject to paragraph (3), a transfer under subparagraph (A) or (B) in a fiscal year of funds allocated to a local educational agency under a provision

listed in paragraph (2) in a fiscal year the amount of which, when added to the amount of other transfers by the agency of such funds in such fiscal year, is more than 30 percent of such funds may be made only with the approval of the State.

“(2) **APPLICABLE PROVISIONS.**—The provisions from which a local educational agency may transfer funds under this subsection are as follows:

“(A) Title II (excluding national activities).

“(B) Part A of title IV.

“(C) Subpart 2 of part A of title V.

“(D) This title.

“(E) Part C of title VII.

“(F) Section 310 of the Department of Education Act, 2000, included in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(4) of Public Law 106-113).

“(3) **SPECIAL APPROVAL.**—If a local educational agency submits to its State a written request to make a transfer under this subsection that requires State approval, such transfer shall be deemed approved by the State unless the State, within 60 days after receipt of such transfer request, disapproves such request or promptly notifies the agency in writing of such revisions as may be necessary before the State will approve the transfer.

“(c) **LIMITATION.**—A State or a local educational agency may not transfer any funds allocated to it under title I to any other program pursuant to this part.

“(d) **STATE PLAN AND APPLICATION MODIFICATION; PRENOTIFICATION.**—Each State transferring funds under this section shall—

“(1) modify any plan or application of the State that is applicable to such funds to account for such transfer and submit, within 30 days after the date of such transfer, a copy of such modified plan or application to the Department; and

“(2) notify the Department not less than 30 days before the effective date of such transfer.

“(e) **LOCAL PLAN AND APPLICATION MODIFICATION; PRENOTIFICATION.**—Each local educational agency transferring funds under this section shall—

“(1) modify any plan or application of the agency that is applicable to such funds to account for such transfer and submit, within 30 days after the date of such transfer, a copy of such modified plan or application to the State; and

“(2) notify the State not less than 30 days before the effective date of such transfer.

“(f) **APPLICABLE RULES.**—Except as otherwise provided in this subsection, when funds are transferred to an allocation under this section, the funds become funds of the allocation to which the funds are transferred and subject to all the requirements that are applicable to that allocation.”.

AMENDMENT NO. 3137

At the end of title X, insert the following:
SEC. ____ . INVESTIGATION.

Not later than 6 months after the date of the enactment of this Act, the Comptroller General of the United States shall conduct and complete a comprehensive investigation for fraud at the Department of Education, including any audits the Comptroller determines necessary. The Comptroller General shall submit a report setting forth the results of the investigation to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives.

BROWNBACK AMENDMENT NO. 3138

(Ordered to lie on the table.)

Mr. BROWNBACK (for himself, Mr. GREGG, and Mr. COVERDELL) submitted an amendment intended to be proposed by them to the bill, S. 2, supra; as follows:

On page 532, line 3, strike the end quotation marks and the second period.

On page 532, between lines 3 and 4, insert the following:

"PART G—DISTRICT OF COLUMBIA STUDENT OPPORTUNITY SCHOLARSHIPS
"SEC. 5961. SHORT TITLE; FINDINGS; PRECEDENTS.

"(a) SHORT TITLE.—This part may be cited as the "District of Columbia Student Opportunity Scholarship Act of 2000".

"(b) FINDINGS.—Congress makes the following findings:

"(1) Public education in the District of Columbia is in a crisis, as evidenced by the following:

"(A) The District of Columbia schools have the lowest average of any school system in the Nation on the National Assessment of Education Progress.

"(B) 72 percent of fourth graders in the District of Columbia tested below basic proficiency on the National Assessment of Education Progress in 1994.

"(C) Since 1991, there has been a net decline in the reading skills of District of Columbia students as measured in scores on the standardized Comprehensive Test of Basic Skills.

"(D) At least 40 percent of District of Columbia students drop out of or leave the school system before graduation.

"(E) The National Education Goals Panel reported in 1996 that both students and teachers in District of Columbia schools are subjected to levels of violence that are twice the national average.

"(F) Nearly two-thirds of District of Columbia teachers reported that violent student behavior is a serious impediment to teaching.

"(G) Many of the District of Columbia's 152 schools are in a state of terrible disrepair, including leaking roofs, bitterly cold classrooms, and numerous fire code violations.

"(H) According to the Department of Education, 85 percent of all District of Columbia schools participating in the program under part A of title I are in school improvement under section 1116.

"(2) Significant improvements in the education of educationally deprived children in the District of Columbia can be accomplished by—

"(A) increasing educational opportunities for the children by expanding the range of educational choices that best meet the needs of the children;

"(B) fostering diversity and competition among school programs for the children;

"(C) providing the families of the children more of the educational choices already available to affluent families; and

"(D) enhancing the overall quality of education in the District of Columbia by increasing parental involvement in the direction of the education of the children.

"(3) The 350 private schools in the District of Columbia and the surrounding area offer a more safe and stable learning environment than District of Columbia public schools in school improvement under section 1116.

"(4) Costs are often much lower in private schools than corresponding costs in public schools.

"(5) Not all children are alike and therefore there is no one school or program that fits the needs of all children.

"(6) The formation of sound values and moral character is crucial to helping young people escape from lives of poverty, family break-up, drug abuse, crime, and school failure.

"(7) In addition to offering knowledge and skills, education should contribute positively to the formation of the internal norms and values which are vital to a child's success in life and to the well-being of society.

"(8) Schools should help to provide young people with a sound moral foundation which is consistent with the values of their parents. To find such a school, parents need a full range of choice to determine where their children can best be educated.

"(c) PRECEDENTS.—The United States Supreme Court has determined that programs giving parents choice and increased input in their children's education, including the choice of a religious education, do not violate the Constitution. The Supreme Court has held that as long as the beneficiary decides where education funds will be spent on such individual's behalf, public funds can be used for education in a religious institution because the public entity has neither advanced nor hindered a particular religion and therefore has not violated the establishment clause of the first amendment to the Constitution. Supreme Court precedents include—

"(1) *Wisconsin v. Yoder*, 406 U.S. 205 (1972); *Pierce v. Society of Sisters*, 268 U.S. 510 (1925); and *Meyer v. Nebraska*, 262 U.S. 390 (1923) which held that parents have the primary role in and are the primary decision makers in all areas regarding the education and upbringing of their children;

"(2) *Mueller v. Allen*, 463 U.S. 388 (1983) which declared a Minnesota tax deduction program that provided State income tax benefits for educational expenditures by parents, including tuition in religiously affiliated schools, does not violate the Constitution;

"(3) *Witters v. Department of Services for the Blind*, 474 U.S. 481 (1986) in which the Supreme Court ruled unanimously that public funds for the vocational training of the blind could be used at a Bible college for ministry training; and

"(4) *Zobrest v. Catalina Foothills School District*, 509 U.S. 1 (1993) which held that a deaf child could receive an interpreter, paid for by the public, in a private religiously affiliated school under the Individual with Disabilities Education Act (20 U.S.C. 1400 et seq.). The case held that providing an interpreter in a religiously affiliated school did not violate the establishment clause of the first amendment of the Constitution.

"SEC. 5962. DEFINITIONS.

"As used in this part—

"(1) the term 'Board' means the Board of Directors of the Corporation established under section 5963(b)(1);

"(2) the term 'Corporation' means the District of Columbia Scholarship Corporation established under section 5963(a);

"(3) the term 'eligible institution'—

"(A) in the case of an eligible institution serving a student who receives a tuition scholarship under section 5964(d)(1), means a public, private, or independent elementary or secondary school; and

"(B) in the case of an eligible institution serving a student who receives an enhanced achievement scholarship under section 5964(d)(2), means an elementary or secondary school, or an entity that provides services to

a student enrolled in an elementary or secondary school to enhance such student's achievement through activities described in section 5964(d)(2); and

"(4) the term 'poverty line' means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved.

"SEC. 5963. DISTRICT OF COLUMBIA SCHOLARSHIP CORPORATION.

"(a) GENERAL REQUIREMENTS.—

"(1) IN GENERAL.—There is authorized to be established a private, nonprofit corporation, to be known as the "District of Columbia Scholarship Corporation", which is neither an agency nor establishment of the United States Government or the District of Columbia Government.

"(2) DUTIES.—

"(A) IN GENERAL.—The Corporation shall have the responsibility and authority to administer, publicize, and evaluate the scholarship program in accordance with this part.

"(B) ELIGIBILITY DETERMINATION.—The Corporation—

"(i) shall make the determination of whether a student is eligible for participation in the scholarship program;

"(ii) shall identify the public kindergartens, elementary schools, and secondary schools in the District of Columbia that are in school improvement under section 1116; and

"(iii) shall identify any other school the Corporation determines, based on performance standards chosen by the Corporation, eligible for participation under this part.

"(3) CONSULTATION.—The Corporation shall exercise its authority—

"(A) in a manner consistent with maximizing educational opportunities for the maximum number of interested families; and

"(B) in consultation with the District of Columbia Board of Education or entity exercising administrative jurisdiction over the District of Columbia Public Schools, the Superintendent of the District of Columbia Public Schools, and other school scholarship programs in the District of Columbia.

"(4) APPLICATION OF PROVISIONS.—The Corporation shall be subject to the provisions of this part, and, to the extent consistent with this part, to the District of Columbia Non-profit Corporation Act (D.C. Code, sec. 29-501 et seq.).

"(5) RESIDENCE.—The Corporation shall have its place of business in the District of Columbia and shall be considered, for purposes of venue in civil actions, to be a resident of the District of Columbia.

"(6) FUND.—There is established in the Treasury a fund that shall be known as the District of Columbia Scholarship Fund, to be administered by the Secretary of the Treasury.

"(7) DISBURSEMENT.—The Secretary of the Treasury shall make available and disburse to the Corporation, before October 15 of each fiscal year or not later than 15 days after the date of enactment of an Act making appropriations for the District of Columbia for such year, whichever occurs later, such funds as have been appropriated to the District of Columbia Scholarship Fund for the fiscal year in which such disbursement is made.

"(8) AVAILABILITY.—Funds authorized to be appropriated under this part shall remain available until expended.

"(9) USES.—Funds authorized to be appropriated under this part shall be used by the

Corporation in a prudent and financially responsible manner, solely for scholarships, contracts, and administrative costs.

“(10) AUTHORIZATION.—

“(A) IN GENERAL.—There are authorized to be appropriated to the District of Columbia Scholarship Fund—

“(i) \$7,000,000 for fiscal year 2001;

“(ii) \$8,000,000 for fiscal year 2002; and

“(iii) \$10,000,000 for each of fiscal years 2003 through 2005.

“(B) LIMITATION.—Not more than \$500,000 of the amount appropriated to carry out this part for any fiscal year may be used by the Corporation for any purpose other than assistance to students.

“(b) ORGANIZATION AND MANAGEMENT; BOARD OF DIRECTORS.—

“(1) BOARD OF DIRECTORS; MEMBERSHIP.—

“(A) IN GENERAL.—The Corporation shall have a Board of Directors (referred to in this part as the ‘Board’), comprised of 7 members with 6 members of the Board appointed by the President not later than 30 days after receipt of nominations from the Speaker of the House of Representatives and the majority leader of the Senate.

“(B) HOUSE NOMINATIONS.—The President shall appoint 3 of the members from a list of 9 individuals nominated by the Speaker of the House of Representatives in consultation with the minority leader of the House of Representatives.

“(C) SENATE NOMINATIONS.—The President shall appoint 3 members from a list of 9 individuals nominated by the majority leader of the Senate in consultation with the minority leader of the Senate.

“(D) DEADLINE.—The Speaker of the House of Representatives and majority leader of the Senate shall submit their nominations to the President not later than 30 days after the date of the enactment of this part.

“(E) APPOINTEE OF MAYOR.—The Mayor shall appoint 1 member of the Board not later than 60 days after the date of the enactment of this part.

“(F) POSSIBLE INTERIM MEMBERS.—If the President does not appoint the 6 members of the Board in the 30-day period described in subparagraph (A), then the Speaker of the House of Representatives and the Majority Leader of the Senate shall each appoint 2 members of the Board, and the Minority Leader of the House of Representatives and the Minority Leader of the Senate shall each appoint 1 member of the Board, from among the individuals nominated pursuant to subparagraphs (A) and (B), as the case may be. The appointees under the preceding sentence together with the appointee of the Mayor, shall serve as an interim Board with all the powers and other duties of the Board described in this part, until the President makes the appointments as described in this subsection.

“(2) POWERS.—All powers of the Corporation shall vest in and be exercised under the authority of the Board.

“(3) ELECTIONS.—Members of the Board annually shall elect 1 of the members of the Board to be chairperson of the Board.

“(4) RESIDENCY.—All members appointed to the Board shall be residents of the District of Columbia at the time of appointment and while serving on the Board.

“(5) NONEMPLOYEE.—No member of the Board may be an employee of the United States Government or the District of Columbia Government when appointed to or during tenure on the Board, unless the individual is on a leave of absence from such a position while serving on the Board.

“(6) INCORPORATION.—The members of the initial Board shall serve as incorporators and

shall take whatever steps are necessary to establish the Corporation under the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29-501 et seq.).

“(7) GENERAL TERM.—The term of office of each member of the Board shall be 5 years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which the predecessor was appointed shall be appointed for the remainder of such term.

“(8) CONSECUTIVE TERM.—No member of the Board shall be eligible to serve in excess of 2 consecutive terms of 5 years each. A partial term shall be considered as 1 full term. Any vacancy on the Board shall not affect the Board’s power, but shall be filled in a manner consistent with this part.

“(9) NO BENEFIT.—No part of the income or assets of the Corporation shall inure to the benefit of any Director, officer, or employee of the Corporation, except as salary or reasonable compensation for services.

“(10) POLITICAL ACTIVITY.—The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.

“(11) NO OFFICERS OR EMPLOYEES.—The members of the Board shall not, by reason of such membership, be considered to be officers or employees of the United States Government or of the District of Columbia Government.

“(12) STIPENDS.—The members of the Board, while attending meetings of the Board or while engaged in duties related to such meetings or other activities of the Board pursuant to this part, shall be provided a stipend. Such stipend shall be at the rate of \$150 per day for which the member of the Board is officially recorded as having worked, except that no member may be paid a total stipend amount in any calendar year in excess of \$5,000.

“(c) OFFICERS AND STAFF.—

“(1) EXECUTIVE DIRECTOR.—The Corporation shall have an Executive Director, and such other staff, as may be appointed by the Board for terms and at rates of compensation, not to exceed level EG-16 of the Educational Service of the District of Columbia, to be fixed by the Board.

“(2) STAFF.—With the approval of the Board, the Executive Director may appoint and fix the salary of such additional personnel as the Executive Director considers appropriate.

“(3) ANNUAL RATE.—No staff of the Corporation may be compensated by the Corporation at an annual rate of pay greater than the annual rate of pay of the Executive Director.

“(4) SERVICE.—All officers and employees of the Corporation shall serve at the pleasure of the Board.

“(5) QUALIFICATION.—No political test or qualification may be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, or employees of the Corporation.

“(d) POWERS OF THE CORPORATION.—

“(1) GENERALLY.—The Corporation is authorized to obtain grants from, and make contracts with, individuals and with private, State, and Federal agencies, organizations, and institutions.

“(2) HIRING AUTHORITY.—The Corporation may hire, or accept the voluntary services of, consultants, experts, advisory boards, and panels to aid the Corporation in carrying out this part.

“(e) FINANCIAL MANAGEMENT AND RECORDS.—

“(1) AUDITS.—The financial statements of the Corporation shall be—

“(A) maintained in accordance with generally accepted accounting principles for nonprofit corporations; and

“(B) audited annually by independent certified public accountants.

“(2) REPORT.—The report for each such audit shall be included in the annual report to Congress required by section 5973(c).

“SEC. 5964. SCHOLARSHIPS AUTHORIZED.

“(a) ELIGIBLE STUDENTS.—The Corporation is authorized to award tuition scholarships under subsection (d)(1) and enhanced achievement scholarships under subsection (d)(2) to kindergarten through grade 12 students—

“(1) who are residents of the District of Columbia;

“(2) whose family income does not exceed 185 percent of the poverty line; and

“(3) who attended, prior to receipt of the scholarship, a public kindergarten, elementary school, or secondary school that is in school improvement under section 1116 or identified under clause (ii) or (iii) of section 5963(a)(2)(B), except that this paragraph shall not apply with respect to a student who is seeking a scholarship under this part after the first year such student receives a scholarship under this part.

“(b) SCHOLARSHIP PRIORITY.—

“(1) FIRST.—The Corporation first shall award scholarships to students described in subsection (a) who have received a scholarship from the Corporation in the year preceding the year for which the scholarship is awarded.

“(2) SECOND.—If funds remain for a fiscal year for awarding scholarships after awarding scholarships under paragraph (1), the Corporation shall award scholarships to students described in subsection (a) who are not described in paragraph (1).

“(c) SPECIAL RULE.—The Corporation shall attempt to ensure an equitable distribution of scholarship funds to students at diverse academic achievement levels.

“(d) USE OF SCHOLARSHIP.—

“(1) TUITION SCHOLARSHIPS.—A tuition scholarship may be used for the payment of the cost of the tuition and mandatory fees at a public, private, or independent school located within the geographic boundaries of the District of Columbia or the cost of the tuition and mandatory fees at a public, private, or independent school located within Montgomery County, Maryland; Prince Georges County, Maryland; Arlington County, Virginia; Alexandria City, Virginia; Falls Church City, Virginia; or Fairfax County, Virginia.

“(2) ENHANCED ACHIEVEMENT SCHOLARSHIP.—An enhanced achievement scholarship may be used only for the payment of the costs of tuition and mandatory fees for, or transportation to attend, a program of instruction provided by an eligible institution which enhances student achievement of the core curriculum and is operated outside of regular school hours to supplement the regular school program.

“(e) NOT SCHOOL AID.—A scholarship under this part shall be considered assistance to the student and shall not be considered assistance to an eligible institution.

“SEC. 5965. SCHOLARSHIP PAYMENTS AND AMOUNTS.

“(a) AWARDS.—From the funds made available under this part, the Corporation shall award a scholarship to a student and make payments in accordance with section 5970 on behalf of such student to a participating eligible institution chosen by the parent of the student.

“(b) NOTIFICATION.—Each eligible institution that desires to receive a payment under

subsection (a) shall notify the Corporation not later than 10 days after—

“(1) the date that a student receiving a scholarship under this part is enrolled, of the name, address, and grade level of such student;

“(2) the date of the withdrawal or expulsion of any student receiving a scholarship under this part, of the withdrawal or expulsion; and

“(3) the date that a student receiving a scholarship under this part is refused admission, of the reasons for such a refusal.

“(c) TUITION SCHOLARSHIP.—

“(1) EQUAL TO OR BELOW POVERTY LINE.—For a student whose family income is equal to or below the poverty line, a tuition scholarship may not exceed the lesser of—

“(A) the cost of tuition and mandatory fees for, and transportation to attend, an eligible institution; or

“(B) \$3,200 for fiscal year 2001, with such amount adjusted in proportion to changes in the Consumer Price Index for all urban consumers published by the Department of Labor for each of fiscal years 2002 through 2005.

“(2) ABOVE POVERTY LINE.—For a student whose family income is greater than the poverty line, but not more than 185 percent of the poverty line, a tuition scholarship may not exceed the lesser of—

“(A) 75 percent of the cost of tuition and mandatory fees for, and transportation to attend, an eligible institution; or

“(B) \$2,400 for fiscal year 2001, with such amount adjusted in proportion to changes in the Consumer Price Index for all urban consumers published by the Department of Labor for each of fiscal years 2002 through 2005.

“(d) ENHANCED ACHIEVEMENT SCHOLARSHIP.—An enhanced achievement scholarship may not exceed the lesser of—

“(1) the costs of tuition and mandatory fees for, or transportation to attend, a program of instruction at an eligible institution; or

“(2) \$500 for 2001, with such amount adjusted in proportion to changes in the Consumer Price Index for all urban consumers published by the Department of Labor for each of fiscal years 2002 through 2005.

“SEC. 5966. CERTIFICATION OF ELIGIBLE INSTITUTIONS.

“(a) APPLICATION.—An eligible institution that desires to receive a payment on behalf of a student who receives a scholarship under this part shall file an application with the Corporation for certification for participation in the scholarship program under this part. Each such application shall—

“(1) demonstrate that the eligible institution has operated with not less than 25 students during the 3 years preceding the year for which the determination is made unless the eligible institution is applying for certification as a new eligible institution under subsection (c);

“(2) contain an assurance that the eligible institution will comply with all applicable requirements of this part;

“(3) contain an annual statement of the eligible institution's budget; and

“(4) describe the eligible institution's proposed program, including personnel qualifications and fees.

“(b) CERTIFICATION.—

“(1) IN GENERAL.—Except as provided in paragraph (3), not later than 60 days after receipt of an application in accordance with subsection (a), the Corporation shall certify an eligible institution to participate in the scholarship program under this part.

“(2) CONTINUATION.—An eligible institution's certification to participate in the scholarship program shall continue unless such eligible institution's certification is revoked in accordance with subsection (d).

“(c) NEW ELIGIBLE INSTITUTION.—

“(1) IN GENERAL.—An eligible institution that did not operate with at least 25 students in the 3 years preceding the year for which the determination is made may apply for a 1-year provisional certification to participate in the scholarship program under this part for a single year by providing to the Corporation not later than July 1 of the year preceding the year for which the determination is made—

“(A) a list of the eligible institution's board of directors;

“(B) letters of support from not less than 10 members of the community served by such eligible institution;

“(C) a business plan;

“(D) an intended course of study;

“(E) assurances that the eligible institution will begin operations with not less than 25 students;

“(F) assurances that the eligible institution will comply with all applicable requirements of this part; and

“(G) a statement that satisfies the requirements of paragraphs (2) and (4) of subsection (a).

“(2) CERTIFICATION.—Not later than 60 days after the date of receipt of an application described in paragraph (1), the Corporation shall certify in writing the eligible institution's provisional certification to participate in the scholarship program under this part unless the Corporation determines that good cause exists to deny certification.

“(3) RENEWAL OF PROVISIONAL CERTIFICATION.—After receipt of an application under paragraph (1) from an eligible institution that includes a statement of the eligible institution's budget completed not earlier than 12 months before the date such application is filed, the Corporation shall renew an eligible institution's provisional certification for the second and third years of the school's participation in the scholarship program under this part unless the Corporation finds—

“(A) good cause to deny the renewal, including a finding of a pattern of violation of requirements described in section 5967(a); or

“(B) consistent failure of 25 percent or more of the students receiving scholarships under this part and attending such school to make appropriate progress (as determined by the Corporation) in academic achievement.

“(4) DENIAL OF CERTIFICATION.—If provisional certification or renewal of provisional certification under this subsection is denied, then the Corporation shall provide a written explanation to the eligible institution of the reasons for such denial.

“(d) REVOCATION OF ELIGIBILITY.—

“(1) IN GENERAL.—The Corporation, after notice and hearing, may revoke an eligible institution's certification to participate in the scholarship program under this part for a year succeeding the year for which the determination is made for—

“(A) good cause, including a finding of a pattern of violation of program requirements described in section 5967(a); or

“(B) consistent failure of 25 percent or more of the students receiving scholarships under this part and attending such school to make appropriate progress (as determined by the Corporation) in academic achievement.

“(2) EXPLANATION.—If the certification of an eligible institution is revoked, the Corporation shall provide a written explanation

of its decision to such eligible institution and require a pro rata refund of the payments received under this part.

“SEC. 5967. PARTICIPATION REQUIREMENTS FOR ELIGIBLE INSTITUTIONS.

“(a) REQUIREMENTS.—Each eligible institution participating in the scholarship program under this part shall—

“(1) provide to the Corporation not later than June 30 of each year the most recent annual statement of the eligible institution's budget; and

“(2) charge a student that receives a scholarship under this part not more than the cost of tuition and mandatory fees for, and transportation to attend, such eligible institution as other students who are residents of the District of Columbia and enrolled in such eligible institution.

“(b) COMPLIANCE.—The Corporation may require documentation of compliance with the requirements of subsection (a), but neither the Corporation nor any governmental entity may impose additional requirements upon an eligible institution as a condition of participation in the scholarship program under this part.

“SEC. 5968. CIVIL RIGHTS.

“(a) IN GENERAL.—An eligible institution participating in the scholarship program under this part shall comply with title IV of the Civil Rights Act of 1964 and not discriminate on the basis of race, color, or national origin.

“(b) REVOCATION.—Notwithstanding section 5967(b), if the Secretary of Education determines that an eligible institution participating in the scholarship program under this part is in violation of any of the laws listed in subsection (a), then the Corporation shall revoke such eligible institution's certification to participate in the program.

“SEC. 5969. CHILDREN WITH DISABILITIES.

“Nothing in this part shall be construed to affect the rights of students, or the obligations of the District of Columbia public schools, under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

“SEC. 5970. SCHOLARSHIP PAYMENTS.

“(a) IN GENERAL.—

“(1) PROPORTIONAL PAYMENT.—The Corporation shall make scholarship payments to participating eligible institutions for an academic year in 2 installments. The Corporation shall make the first payment not later than October 15 of the academic year in an amount equal to one-half the total amount of the scholarship assistance awarded to students enrolled at such institution for the academic year. The Corporation shall make the second payment not later than January 15 of the academic year in an amount equal to one-half of such total amount.

“(2) PRO RATA AMOUNTS FOR STUDENT WITHDRAWAL.—

“(A) BEFORE PAYMENT.—If a student receiving a scholarship withdraws or is expelled from an eligible institution before a scholarship payment is made, the eligible institution shall receive a pro rata payment based on the amount of the scholarship and the number of days the student was enrolled in the eligible institution.

“(B) AFTER PAYMENT.—If a student receiving a scholarship withdraws or is expelled after a scholarship payment is made, the eligible institution shall refund to the Corporation on a pro rata basis the proportion of any scholarship payment received for the remaining days of the school year. Such refund shall occur not later than 30 days after the date of the withdrawal or expulsion of the student.

“(b) FUND TRANSFERS.—The Corporation shall make scholarship payments to participating eligible institutions by electronic funds transfer. If such an arrangement is not available, then the eligible institution shall submit an alternative payment proposal to the Corporation for approval.

“SEC. 5971. APPLICATION SCHEDULE AND PROCEDURES.

“The Corporation shall implement a schedule and procedures for processing applications for awarding student scholarships under this part that includes a list of certified eligible institutions, distribution of information to parents and the general public (including through a newspaper of general circulation), and deadlines for steps in the scholarship application and award process.

“SEC. 5972. REPORTING REQUIREMENTS.

“(a) IN GENERAL.—An eligible institution participating in the scholarship program under this part shall report not later than July 30 of each year in a manner prescribed by the Corporation, the following data:

“(1) Student achievement in the eligible institution’s programs.

“(2) Grade advancement for scholarship students.

“(3) Disciplinary actions taken with respect to scholarship students.

“(4) Graduation, college admission test scores, and college admission rates, if applicable for scholarship students.

“(5) Types and amounts of parental involvement required for all families of scholarship students.

“(6) Student attendance for scholarship and nonscholarship students.

“(7) General information on curriculum, programs, facilities, credentials of personnel, and disciplinary rules at the eligible institution.

“(8) Number of scholarship students enrolled.

“(9) Such other information as may be required by the Corporation for program appraisal.

“(b) CONFIDENTIALITY.—No personal identifiers may be used in such report, except that the Corporation may request such personal identifiers solely for the purpose of verification.

“SEC. 5973. PROGRAM APPRAISAL.

“(a) STUDY.—Not later than 4 years after the date of enactment of this part, the Comptroller General shall enter into a contract, with an evaluating agency that has demonstrated experience in conducting evaluations, for an independent evaluation of the scholarship program under this part, including—

“(1) a comparison of test scores between scholarship students and District of Columbia public school students of similar backgrounds, taking into account the students’ academic achievement at the time of the award of their scholarships and the students’ family income level;

“(2) a comparison of graduation rates between scholarship students and District of Columbia public school students of similar backgrounds, taking into account the students’ academic achievement at the time of the award of their scholarships and the students’ family income level;

“(3) the satisfaction of parents of scholarship students with the scholarship program; and

“(4) the impact of the scholarship program on the District of Columbia public schools, including changes in the public school enrollment, and any improvement in the academic performance of the public schools.

“(b) PUBLIC REVIEW OF DATA.—All data gathered in the course of the study described

in subsection (a) shall be made available to the public upon request except that no personal identifiers shall be made public.

“(c) REPORT TO CONGRESS.—Not later than September 1 of each year, the Corporation shall submit a progress report on the scholarship program to the appropriate committees of Congress. Such report shall include a review of how scholarship funds were expended, including the initial academic achievement levels of students who have participated in the scholarship program.

“(d) AUTHORIZATION.—There are authorized to be appropriated for the study described in subsection (a), \$250,000, which shall remain available until expended.

“SEC. 5974. JUDICIAL REVIEW.

“(a) IN GENERAL.—The United States District Court for the District of Columbia shall have jurisdiction in any action challenging the scholarship program under this part and shall provide expedited review.

“(b) APPEAL TO SUPREME COURT.—Notwithstanding any other provision of law, any order of the United States District Court for the District of Columbia which is issued pursuant to an action brought under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States.”.

**STEVENS (AND OTHERS)
AMENDMENT NO. 3139**

Mr. STEVENS (for himself, Mr. KENNEDY, and Mr. JEFFORDS, Mr. DODD, Mr. DOMENICI, Mr. BOND, Mr. KERRY, Mr. VOINOVICH, Mr. LAUTENBERG, Mrs. MURRAY, Mr. COCHRAN, Mr. BINGAMAN, Mr. SMITH of Oregon, Mr. DURBIN, Mr. L. CHAFEE, Mr. BAUCUS, Mr. MURKOWSKI, Mr. ROBB, Mr. ROCKEFELLER, Mr. ROBERTS, Mr. WELLSTONE, Mrs. FEINSTEIN, Ms. MIKULSKI, Ms. SNOWE, Mrs. BOXER, Mr. KERREY, Mr. SPECTER, and Mr. WARNER) proposed an amendment to the bill, S. 2, supra, as follows:

On page 922, after line 18, insert the following:

PART D—EARLY LEARNING OPPORTUNITIES

SEC. 11401. SHORT TITLE; FINDINGS.

(a) SHORT TITLE.—This part may be cited as the “Early Learning Opportunities Act”.

(b) FINDINGS.—Congress finds that—

(1) medical research demonstrates that adequate stimulation of a young child’s brain between birth and age 5 is critical to the physical development of the young child’s brain;

(2) parents are the most significant and effective teachers of their children, and they alone are responsible for choosing the best early learning opportunities for their child;

(3) parent education and parent involvement are critical to the success of any early learning program or activity;

(4) the more intensively parents are involved in their child’s early learning, the greater the cognitive and noncognitive benefits to their children;

(5) many parents have difficulty finding the information and support the parents seek to help their children grow to their full potential;

(6) each day approximately 13,000,000 young children, including 6,000,000 infants or toddlers, spend some or all of their day being cared for by someone other than their parents;

(7) quality early learning programs, including those designed to promote effective parenting, can increase the literacy rate, the

secondary school graduation rate, the employment rate, and the college enrollment rate for children who have participated in voluntary early learning programs and activities;

(8) early childhood interventions can yield substantial advantages to participants in terms of emotional and cognitive development, education, economic well-being, and health, with the latter 2 advantages applying to the children’s families as well;

(9) participation in quality early learning programs, including those designed to promote effective parenting, can decrease the future incidence of teenage pregnancy, welfare dependency, at-risk behaviors, and juvenile delinquency for children;

(10) several cost-benefit analysis studies indicate that for each \$1 invested in quality early learning programs, the Federal Government can save over \$5 by reducing the number of children and families who participate in Federal Government programs like special education and welfare;

(11) for children placed in the care of others during the workday, the low salaries paid to the child care staff, the lack of career progression for the staff, and the lack of child development specialists involved in early learning and child care programs, make it difficult to attract and retain the quality of staff necessary for a positive early learning experience;

(12) Federal Government support for early learning has primarily focused on out-of-home care programs like those established under the Head Start Act, the Child Care and Development Block Grant of 1990, and part C of the Individuals with Disabilities Education Act, and these programs—

(A) serve far fewer than half of all eligible children;

(B) are not primarily designed to provide support for parents who care for their young children in the home; and

(C) lack a means of coordinating early learning opportunities in each community; and

(13) by helping communities increase, expand, and better coordinate early learning opportunities for children and their families, the productivity and creativity of future generations will be improved, and the Nation will be prepared for continued leadership in the 21st century.

SEC. 11402. PURPOSES.

The purposes of this part are—

(1) to increase the availability of voluntary programs, services, and activities that support early childhood development, increase parent effectiveness, and promote the learning readiness of young children so that young children enter school ready to learn;

(2) to support parents, child care providers, and caregivers who want to incorporate early learning activities into the daily lives of young children;

(3) to remove barriers to the provision of an accessible system of early childhood learning programs in communities throughout the United States;

(4) to increase the availability and affordability of professional development activities and compensation for caregivers and child care providers; and

(5) to facilitate the development of community-based systems of collaborative service delivery models characterized by resource sharing, linkages between appropriate supports, and local planning for services.

SEC. 11403. DEFINITIONS.

In this part:

(1) CAREGIVER.—The term “caregiver” means an individual, including a relative,

neighbor, or family friend, who regularly or frequently provides care, with or without compensation, for a child for whom the individual is not the parent.

(2) **CHILD CARE PROVIDER.**—The term “child care provider” means a provider of non-residential child care services (including center-based, family-based, and in-home child care services) for compensation who or that is legally operating under State law, and complies with applicable State and local requirements for the provision of child care services.

(3) **EARLY LEARNING.**—The term “early learning”, used with respect to a program or activity, means learning designed to facilitate the development of cognitive, language, motor, and social-emotional skills for, and to promote learning readiness in, young children.

(4) **EARLY LEARNING PROGRAM.**—The term “early learning program” means—

(A) a program of services or activities that helps parents, caregivers, and child care providers incorporate early learning into the daily lives of young children; or

(B) a program that directly provides early learning to young children.

(5) **INDIAN TRIBE.**—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(6) **LOCAL COUNCIL.**—The term “Local Council” means a Local Council established or designated under section 11414(a) that serves one or more localities.

(7) **LOCALITY.**—The term “locality” means a city, county, borough, township, or area served by another general purpose unit of local government, an Indian tribe, a Regional Corporation, or a Native Hawaiian entity.

(8) **PARENT.**—The term “parent” means a biological parent, an adoptive parent, a stepparent, a foster parent, or a legal guardian of, or a person standing in loco parentis to, a child.

(9) **POVERTY LINE.**—The term “poverty line” means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

(10) **REGIONAL CORPORATION.**—The term “Regional Corporation” has the meaning given the term in section 3 of the Alaskan Native Claims Settlement Act (43 U.S.C. 1602).

(11) **SECRETARY.**—The term “Secretary” means the Secretary of Health and Human Services.

(12) **STATE.**—The term “State” means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(13) **TRAINING.**—The term “training” means instruction in early learning that—

(A) is required for certification under State and local laws, regulations, and policies;

(B) is required to receive a nationally or State recognized credential or its equivalent;

(C) is received in a postsecondary education program focused on early learning or early childhood development in which the individual is enrolled; or

(D) is provided, certified, or sponsored by an organization that is recognized for its expertise in promoting early learning or early childhood development.

(14) **YOUNG CHILD.**—The term “young child” means any child from birth to the age of mandatory school attendance in the State where the child resides.

SEC. 11404. PROHIBITIONS.

(a) **PARTICIPATION NOT REQUIRED.**—No person, including a parent, shall be required to participate in any program of early childhood education, early learning, parent education, or developmental screening pursuant to the provisions of this part.

(b) **RIGHTS OF PARENTS.**—Nothing in this part shall be construed to affect the rights of parents otherwise established in Federal, State, or local law.

(c) **PARTICULAR METHODS OR SETTINGS.**—No entity that receives funds under this part shall be required to provide services under this part through a particular instructional method or in a particular instructional setting to comply with this part.

SEC. 11405. AUTHORIZATION AND APPROPRIATION OF FUNDS.

There are authorized to be appropriated to the Department of Health and Human Services to carry out this part—

(1) \$750,000,000 for fiscal year 2001;

(2) \$1,000,000,000 for fiscal year 2002; and

(3) \$1,500,000,000 for fiscal year 2003.

SEC. 11406. COORDINATION OF FEDERAL PROGRAMS.

(a) **COORDINATION.**—The Secretary and the Secretary of Education shall develop mechanisms to resolve administrative and programmatic conflicts between Federal programs that would be a barrier to parents, caregivers, service providers, or children related to the coordination of services and funding for early learning programs.

(b) **USE OF EQUIPMENT AND SUPPLIES.**—In the case of a collaborative activity funded under this part and another provision of law providing for Federal child care or early learning programs, the use of equipment and nonconsumable supplies purchased with funds made available under this part or such provision shall not be restricted to children enrolled or otherwise participating in the program carried out under this part or such provision, during a period in which the activity is predominately funded under this part or such provision.

SEC. 11407. PROGRAM AUTHORIZED.

(a) **GRANTS.**—From amounts appropriated under section 11405 the Secretary shall award grants to States to enable the States to award grants to Local Councils to pay the Federal share of the cost of carrying out early learning programs in the locality served by the Local Council.

(b) **FEDERAL SHARE.**—

(1) **IN GENERAL.**—The Federal share of the cost described in subsection (a) shall be 85 percent for the first and second years of the grant, 80 percent for the third and fourth years of the grant, and 75 percent for the fifth and subsequent years of the grant.

(2) **NON-FEDERAL SHARE.**—The non-Federal share of the cost described in subsection (a) may be contributed in cash or in kind, fairly evaluated, including facilities, equipment, or services, which may be provided from State or local public sources, or through donations from private entities. For the purposes of this paragraph the term “facilities” includes the use of facilities, but the term “equipment” means donated equipment and not the use of equipment.

(c) **MAINTENANCE OF EFFORT.**—The Secretary shall not award a grant under this part to any State unless the Secretary first determines that the total expenditures by the State and its political subdivisions to support early learning programs (other than funds used to pay the non-Federal share under subsection (b)(2)) for the fiscal year for which the determination is made is equal to or greater than such expenditures for the preceding fiscal year.

(d) **SUPPLEMENT NOT SUPPLANT.**—Amounts received under this part shall be used to supplement and not supplant other Federal, State, and local public funds expended to promote early learning.

SEC. 11408. USES OF FUNDS.

(a) **IN GENERAL.**—Subject to section 11410, grant funds under this part shall be used to pay for developing, operating, or enhancing voluntary early learning programs that are likely to produce sustained gains in early learning.

(b) **LIMITED USES.**—Subject to section 11410, Lead State Agencies and Local Councils shall ensure that funds made available under this part to the agencies and Local Councils are used for 3 or more of the following activities:

(1) Helping parents, caregivers, child care providers, and educators increase their capacity to facilitate the development of cognitive, language comprehension, expressive language, social-emotional, and motor skills, and promote learning readiness.

(2) Promoting effective parenting.

(3) Enhancing early childhood literacy.

(4) Developing linkages among early learning programs within a community and between early learning programs and health care services for young children.

(5) Increasing access to early learning opportunities for young children with special needs, including developmental delays, by facilitating coordination with other programs serving such young children.

(6) Increasing access to existing early learning programs by expanding the days or times that the young children are served, by expanding the number of young children served, or by improving the affordability of the programs for low-income families.

(7) Improving the quality of early learning programs through professional development and training activities, increased compensation, and recruitment and retention incentives, for early learning providers.

(8) Removing ancillary barriers to early learning, including transportation difficulties and absence of programs during non-traditional work times.

(c) **REQUIREMENTS.**—Each Lead State Agency designated under section 11410(c) and Local Councils receiving a grant under this part shall ensure—

(1) that Local Councils described in section 11414 work with local educational agencies to identify cognitive, social, emotional, and motor developmental abilities which are necessary to support children’s readiness for school;

(2) that the programs, services, and activities assisted under this part will represent developmentally appropriate steps toward the acquisition of those abilities; and

(3) that the programs, services, and activities assisted under this part collectively provide benefits for children cared for in their own homes as well as children placed in the care of others.

(d) **SLIDING SCALE PAYMENTS.**—States and Local Councils receiving assistance under this part shall ensure that programs, services, and activities assisted under this part which customarily require a payment for such programs, services, or activities, adjust the cost of such programs, services, and activities provided to the individual or the individual’s child based on the individual’s ability to pay.

SEC. 11409. RESERVATIONS AND ALLOTMENTS.

(a) **RESERVATION FOR INDIAN TRIBES, ALASKA NATIVES, AND NATIVE HAWAIIANS.**—The Secretary shall reserve 1 percent of the total amount appropriated under section 11405 for

each fiscal year, to be allotted to Indian tribes, Regional Corporations, and Native Hawaiian entities, of which—

(1) 0.5 percent shall be available to Indian tribes; and

(2) 0.5 percent shall be available to Regional Corporations and Native Hawaiian entities.

(b) ALLOTMENTS.—From the funds appropriated under this part for each fiscal year that are not reserved under subsection (a), the Secretary shall allot to each State the sum of—

(1) an amount that bears the same ratio to 50 percent of such funds as the number of children 4 years of age and younger in the State bears to the number of such children in all States; and

(2) an amount that bears the same ratio to 50 percent of such funds as the number of children 4 years of age and younger in families with incomes below the poverty line in the State bears to the number of such children in all States.

(c) MINIMUM ALLOTMENT.—No State shall receive an allotment under subsection (b) for a fiscal year in an amount that is less than .40 percent of the total amount appropriated for the fiscal year under this part.

(d) AVAILABILITY OF FUNDS.—Any portion of the allotment to a State that is not expended for activities under this part in the fiscal year for which the allotment is made shall remain available to the State for 2 additional years, after which any unexpended funds shall be returned to the Secretary. The Secretary shall use the returned funds to carry out a discretionary grant program for research-based early learning demonstration projects.

(e) DATA.—The Secretary shall make allotments under this part on the basis of the most recent data available to the Secretary.

SEC. 11410. GRANT ADMINISTRATION.

(a) FEDERAL ADMINISTRATIVE COSTS.—The Secretary may use not more than 3 percent of the amount appropriated under section 11405 for a fiscal year to pay for the administrative costs of carrying out this part, including the monitoring and evaluation of State and local efforts.

(b) STATE ADMINISTRATIVE COSTS.—A State that receives a grant under this part may use—

(1) not more than 2 percent of the funds made available through the grant to carry out activities designed to coordinate early learning programs on the State level, including programs funded or operated by the State educational agency, health, children and family, and human service agencies, and any State-level collaboration or coordination council involving early learning and education, such as the entities funded under section 640(a)(5) of the Head Start Act (42 U.S.C. 9835 (a)(5));

(2) not more than 2 percent of the funds made available through the grant for the administrative costs of carrying out the grant program and the costs of reporting State and local efforts to the Secretary; and

(3) not more than 3 percent of the funds made available through the grant for training, technical assistance, and wage incentives provided by the State to Local Councils.

(c) LEAD STATE AGENCY.—

(1) IN GENERAL.—To be eligible to receive an allotment under this part, the Governor of a State shall appoint, after consultation with the leadership of the State legislature, a Lead State Agency to carry out the functions described in paragraph (2).

(2) LEAD STATE AGENCY.—

(A) ALLOCATION OF FUNDS.—The Lead State Agency described in paragraph (1) shall allocate funds to Local Councils as described in section 11412.

(B) FUNCTIONS OF AGENCY.—In addition to allocating funds pursuant to subparagraph (A), the Lead State Agency shall—

(i) advise and assist Local Councils in the performance of their duties under this part;

(ii) develop and submit the State application;

(iii) evaluate and approve applications submitted by Local Councils under section 11413;

(iv) ensure collaboration with respect to assistance provided under this part between the State agency responsible for education and the State agency responsible for children and family services;

(v) prepare and submit to the Secretary, an annual report on the activities carried out in the State under this part, which shall include a statement describing how all funds received under this part are expended and documentation of the effects that resources under this part have had on—

(I) parental capacity to improve learning readiness in their young children;

(II) early childhood literacy;

(III) linkages among early learning programs;

(IV) linkages between early learning programs and health care services for young children;

(V) access to early learning activities for young children with special needs;

(VI) access to existing early learning programs through expansion of the days or times that children are served;

(VII) access to existing early learning programs through expansion of the number of young children served;

(VIII) access to and affordability of existing early learning programs for low-income families;

(IX) the quality of early learning programs resulting from professional development, and recruitment and retention incentives for caregivers; and

(X) removal of ancillary barriers to early learning, including transportation difficulties and absence of programs during non-traditional work times; and

(vi) ensure that training and research is made available to Local Councils and that such training and research reflects the latest available brain development and early childhood development research related to early learning.

SEC. 11411. STATE REQUIREMENTS.

(a) ELIGIBILITY.—To be eligible for a grant under this part, a State shall—

(1) ensure that funds received by the State under this part shall be subject to appropriation by the State legislature, consistent with the terms and conditions required under State law;

(2) designate a Lead State Agency under section 11410(c) to administer and monitor the grant and ensure State-level coordination of early learning programs;

(3) submit to the Secretary an application at such time, in such manner, and accompanied by such information as the Secretary may require;

(4) ensure that funds made available under this part are distributed on a competitive basis throughout the State to Local Councils serving rural, urban, and suburban areas of the State; and

(5) assist the Secretary in developing mechanisms to ensure that Local Councils receiving funds under this part comply with the requirements of this part.

(b) STATE PREFERENCE.—In awarding grants to Local Councils under this part, the

State, to the maximum extent possible, shall ensure that a broad variety of early learning programs that provide a continuity of services across the age spectrum assisted under this part are funded under this part, and shall give preference to supporting—

(1) a Local Council that meets criteria, that are specified by the State and approved by the Secretary, for qualifying as serving an area of greatest need for early learning programs; and

(2) a Local Council that demonstrates, in the application submitted under section 11413, the Local Council's potential to increase collaboration as a means of maximizing use of resources provided under this part with other resources available for early learning programs.

(c) LOCAL PREFERENCE.—In awarding grants under this part, Local Councils shall give preference to supporting—

(1) projects that demonstrate their potential to collaborate as a means of maximizing use of resources provided under this part with other resources available for early learning programs;

(2) programs that provide a continuity of services for young children across the age spectrum, individually, or through community-based networks or cooperative agreements; and

(3) programs that help parents and other caregivers promote early learning with their young children.

(d) PERFORMANCE GOALS.—

(1) ASSESSMENTS.—Based on information and data received from Local Councils, and information and data available through State resources, the State shall biennially assess the needs and available resources related to the provision of early learning programs within the State.

(2) PERFORMANCE GOALS.—Based on the analysis of information described in paragraph (1), the State shall establish measurable performance goals to be achieved through activities assisted under this part.

(3) REQUIREMENT.—The State shall award grants to Local Councils only for purposes that are consistent with the performance goals established under paragraph (2).

(4) REPORT.—The State shall report to the Secretary annually regarding the State's progress toward achieving the performance goals established in paragraph (2) and any necessary modifications to those goals, including the rationale for the modifications.

SEC. 11412. LOCAL ALLOCATIONS.

(a) IN GENERAL.—The Lead State Agency shall allocate to Local Councils in the State not less than 93 percent of the funds provided to the State under this part for a fiscal year.

(b) LIMITATION.—The Lead State Agency shall allocate funds provided under this part on the basis of the population of the locality served by the Local Council.

SEC. 11413. LOCAL APPLICATIONS.

(a) IN GENERAL.—To be eligible to receive assistance under this part, the Local Council shall submit an application to the Lead State Agency at such time, in such manner, and containing such information as the Lead State Agency may require.

(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall include a statement ensuring that the local government entity, Indian tribe, Regional Corporation, or Native Hawaiian entity has established or designated a Local Council under section 11414, and the Local Council has developed a local plan for carrying out early learning programs under this part that includes—

(1) a needs and resources assessment concerning early learning services and a statement describing how early learning programs will be funded consistent with the assessment;

(2) a statement of how the Local Council will ensure that early learning programs will meet the performance goals reported by the Lead State Agency under this part; and

(3) a description of how the Local Council will form collaboratives among local youth, social service, and educational providers to maximize resources and concentrate efforts on areas of greatest need.

SEC. 11414. LOCAL ADMINISTRATION.

(a) LOCAL COUNCIL.—

(1) IN GENERAL.—To be eligible to receive funds under this part, a local government entity, Indian tribe, Regional Corporation, or Native Hawaiian entity, as appropriate, shall establish or designate a Local Council, which shall be composed of—

(A) representatives of local agencies directly affected by early learning programs assisted under this part;

(B) parents;

(C) other individuals concerned with early learning issues in the locality, such as representative entities providing elementary education, child care resource and referral services, early learning opportunities, child care, and health services; and

(D) other key community leaders.

(2) DESIGNATING EXISTING ENTITY.—If a local government entity, Indian tribe, Regional Corporation, or Native Hawaiian entity has, before the date of enactment of the Early Learning Opportunities Act, a Local Council or a regional entity that is comparable to the Local Council described in paragraph (1), the entity, tribe or corporation may designate the council or entity as a Local Council under this part, and shall be considered to have established a Local Council in compliance with this subsection.

(3) FUNCTIONS.—The Local Council shall be responsible for preparing and submitting the application described in section 11413.

(b) ADMINISTRATION.—

(1) ADMINISTRATIVE COSTS.—Not more than 3 percent of the funds received by a Local Council under this part shall be used to pay for the administrative costs of the Local Council in carrying out this part.

(2) FISCAL AGENT.—A Local Council may designate any entity, with a demonstrated capacity for administering grants, that is affected by, or concerned with, early learning issues, including the State, to serve as fiscal agent for the administration of grant funds received by the Local Council under this part.

USE OF CAPITOL GROUNDS FOR BIKE RODEO

McCONNELL AMENDMENT NO. 3140

Mr. BROWBACK (for Mr. McCONNELL) proposed an amendment to the concurrent resolution (H. Con. Res. 314) authorizing the use of the Capitol Grounds for a bike rodeo to be conducted by the Earth Force Youth Bike Summit; as follows:

On page 3, line 9, after “sales,” insert “advertisements.”

USE OF CAPITOL GROUNDS FOR THE GREATER WASHINGTON SOAP BOX DERBY

McCONNELL AMENDMENT NO. 3141

Mr. BROWBACK (for Mr. McCONNELL) proposed an amendment to the concurrent resolution (H. Con. Res. 277) authorizing the use of the Capitol grounds for the Greater Washington Soap Box Derby; as follows:

On page 3, line 10, after “sales,” insert “advertisements.”

CONGRESSIONAL ACCOUNTABILITY FOR REGULATORY INFORMATION ACT OF 1999

LEVIN AMENDMENT NO. 3142

Mr. BROWBACK (for Mr. LEVIN) proposed an amendment to the bill (S. 1198) to amend chapter 8 of title 5, United States Code, to provide for a report by the General Accounting Office to Congress on agency regulatory actions, and for other purposes; as follows:

On page 7, strike lines 15 through 19 and insert the following:

(1) REQUEST FOR REVIEW.—When an agency publishes an economically significant rule, a chairman or ranking member of a committee of jurisdiction of either House of Congress may request the Comptroller General of the United States to review the rule.

EDUCATIONAL OPPORTUNITIES ACT

DOMENICI AMENDMENT NO. 3143

(Ordered to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill, S. 2, supra; as follows:

On page 478, between lines 2 and 3, insert the following:

SEC. 542. CHARTER SCHOOL DISTRICTS.

Section 5402 (as transferred and so redesignated by section 541) is amended by adding at the end the following

“(g) ELIGIBILITY OF CHARTER SCHOOL DISTRICTS.—

“(1) IN GENERAL.—For purposes of this part, a charter school district—

“(A) in the case of a State that elects not to participate in the program under this part or does not have an application approved under section 5403, may be an eligible applicant under subsection (b); or

“(A) shall be eligible to receive a subgrant under section 5404(f)(1).

“(2) DEFINITION.—In this subsection, the term ‘charter school district’ means a school district that—

“(A) has been designated under a specific State statute as a charter school district; and

“(B) meets other requirements determined appropriate by the Secretary to further the purposes of this part.”

DOMENICI (AND OTHERS) AMENDMENT NO. 3144

(Ordered to lie on the table.)

Mr. DOMENICI (for himself, Mr. DODD, Mr. COCHRAN, Mr. CLELAND, and Ms. MIKULSKI) submitted an amendment intended to be proposed by them to the bill, S. 2, supra; as follows:

On page 490, strike lines 14 through 17 and insert the following:

“(d) AUTHORIZATION OF APPROPRIATIONS.—

“(1) PARTNERSHIPS IN CHARACTER EDUCATION PROGRAM.—There are authorized to be appropriated to carry out programs described in section 5702 with funds provided under this section, \$50,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

“(2) OTHER PROGRAMS, PROJECTS, AND ACTIVITIES.—There are authorized to be appropriated to carry out other programs, projects, and activities described in this part (other than programs described in section 5702) with funds provided under this section, \$100,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

On page 501, between lines 2 and 3, insert the following:

“(h) AMOUNT OF GRANTS FOR STATE EDUCATIONAL AGENCIES.—Subject to the availability of appropriations, the Secretary shall make grants under this section in amounts of not less than \$500,000 to State educational agencies in partnerships described in subsection (a)(2) that submit applications under subsection (b) that meet such requirements as the Secretary may establish under this section.

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business will hold a meeting to mark up S. 1594, Community Development and Venture Capital Act of 1999, and other pending matters. The markup will be held on Tuesday, May 16, 2000, beginning at 9:30 a.m. in room 428A Russell Senate Office Building.

For further information, please contact Paul Cooksey at 224-5175.

COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business will hold a hearing entitled “IRS Restructuring: A New Era for Small Business.” The hearing will be held on Tuesday, May 23, 2000, beginning at 10:00 a.m. in room 428A of the Russell Senate Office Building.

The hearing will be broadcast live over the Internet from our homepage address: <http://www.senate.gov/sbc>

For further information, please contact Mark Warren at 224-5175.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. COVERDELL. Mr. President, I ask unanimous consent that the full Committee on Armed Services be authorized to meet at 9:30 a.m. on Tuesday, May 9, 2000, in executive session, to mark up the FY 2001 Defense authorization bill.