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TITLE S. 373. A Bill to Reauthorize the Program of Finance Assistance to Meet Special Educational Needs of Disadvantaged Children, and to Reauthorize Chapter 2 of the Education Consolidation and Improvement Act of 1981, through Fiscal Year 1993. Reported with an Amendment. 100th Congress, 1st Session.

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ABSTRACT

This document provides the text of Senate bill S. 373, reauthorizing the program of finance assistance to meet the special education needs of children of low-income families, children of migrant parents, Indian children, and handicapped, neglected, and delinquent children. Allocations and program requirements for the following types of programs are described: (1) basic programs operated by local education agencies; (2) programs for secondary school basic skills improvement and for school dropout prevention; and (3) programs operated by state agencies. Title I, Chapter 2 of S. 373 reauthorizes Chapter 2 of the Education Consolidation and Improvement Act of 1981, which funds state, local and national programs for elementary and secondary education improvement, through fiscal year 1993. Title II authorizes the following special programs for innovation in education: (1) Even Start Act; (2) Effective Schools Programs; (3) Women's Educational Equity Act; (4) Jacob K. Javits Gifted and Talented Students Education Act of 1987; (5) Family-School Partnership Act; (6) Allen J. Ellender Fellowship Program; (7) Territorial Assistance Programs; (8) Parental Choice Open Enrollment Demonstration Program in Public Schools; (9) Rural Education Opportunities; and (10) Secretary's Fund for Innovation in Education. Title III authorizes magnet schools assistance. Title IV approves the Impact Aid Reauthorization Act of 1987. Title V approves the Adult Education Reauthorization Act of 1987. Title VI approves the Education for Economic Security Act of 1987. Title VII approves the Bilingual Education Act. Title VIII approves the School Dropout Demonstration Assistance Act of 1987. Title IX approves the National Assessment of Educational Progress Improvement Act. Title X authorizes education programs for native Hawaiians. Title XI amends general provisions. (BJV)

Calendar No. 442

100TH CONGRESS
1ST SESSION

S. 373

[Report No. 100-222]

To reauthorize the program of finance assistance to meet special educational needs of disadvantaged children, and to reauthorize chapter 2 of the Education Consolidation and Improvement Act of 1981, through fiscal year 1993.

IN THE SENATE OF THE UNITED STATES

JANUARY 21 (legislative day, JANUARY 20), 1987

Mr. PELL (for himself, Mr. STAFFORD, Mr. WILSON, Mr. METZENBAUM, Mr. HATCH, Mr. MATSUNAGA, Mr. QUAYLE, Mr. DODD, Mr. THURMOND, Mr. SIMON, Mr. WEICKER, Ms. MIKULSKI, Mr. PRESSLER, Mr. BURDICK, Mr. KENNEDY, Mr. ADAMS, Mr. HARKIN, Mr. COCHRAN, and Mr. DURENBERGER) introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

NOVEMBER 19, 1987

Reported by Mr. KENNEDY, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To reauthorize the program of finance assistance to meet special educational needs of disadvantaged children, and to reauthorize chapter 2 of the Education Consolidation and Improvement Act of 1981, through fiscal year 1993.

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

1	SHORT TITLE
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2 **SECTION 1.** This Act may be cited as the “Elementary
3 **and Secondary Education Amendments of 1987”.**

4 PROGRAM OF FINANCE ASSISTANCE TO MEET SPECIAL
5 EDUCATIONAL NEEDS OF DISADVANTAGED CHILDREN

6 **SEC. 2. (a) DECLARATION OF POLICY.**—Section 101 of
7 the Elementary and Secondary Education Act of 1965 (here-
8 after in this Act referred to as the “Act”) is amended to read
9 as follows:

10 ~~"DECLARATION OF POLICY~~

11 "Sec. 101. The Congress declares it to be the policy of
12 the United States to continue to provide financial assistance
13 to State and local educational agencies to meet the special
14 needs of educationally deprived children, on the basis of enti-
15 tlements calculated under title I of the Elementary and Sec-
16 ondary Education Act of 1965, but to do so in a manner
17 which will eliminate burdensome, unnecessary, and unpro-
18 ductive paperwork and free the schools of unnecessary Fed-
19 eral supervision, direction, and control. Further, the Con-
20 gress recognizes the special educational needs of children of
21 low-income families, and that concentrations of such children
22 in local educational agencies adversely affect their ability to
23 provide educational programs which will meet the needs of
24 such children. The Congress also finds that Federal assist-
25 ance for this purpose will be more effective if education offi-
26 cials, principals, teachers, and supporting personnel are freed

1 from overly prescriptive regulations and administrative bur-
 2 dens which are not necessary for fiscal accountability and
 3 make no contribution to the instructional program.”.

4 (b) DURATION OF ASSISTANCE.—Section 102 of the
 5 Act is amended to read as follows:

6 “DURATION OF ASSISTANCE

7 “SEC. 102. During the period beginning October 1,
 8 1987, and ending September 30, 1993, the Secretary shall,
 9 in accordance with the provisions of this title, make pay-
 10 ments to State educational agencies for grants made on the
 11 basis of entitlements created under this title and calculated in
 12 accordance with provisions of this title.”.

13 (c) APPLICABILITY AND NONAPPLICABILITY OF CER-
 14 TAIN PROVISIONS OF TITLE I.—Title I of the Act is amend-
 15 ed by adding after section 102 the following new section:

16 “APPLICABILITY OF TITLE I PROVISIONS OF LAW

17 “SEC. 103. (a) PROGRAM ELIGIBILITY.—Except as
 18 otherwise provided in this title, the Secretary shall, for the
 19 period beginning October 1, 1987 and ending September 30,
 20 1993, make payments based upon the amount of, and eligibil-
 21 ity for, grants as determined under the following provisions of
 22 this title in effect on September 30, 1982:

23 “(1) Part A—‘Programs Operated by Local Edu-
 24 cation Agencies’:

25 “(A) Subpart 1—‘Basic Grants’; and

26 “(B) Subpart 2—‘Special Grants’.

1 “(2) Part B—‘Programs Operated by State
2 Agencies’;

3 “(A) Subpart 1—‘Programs for Migratory
4 Children’;

5 “(B) Subpart 2—‘Programs for Handicapped
6 Children’;

7 “(C) Subpart 3—‘Programs for Neglected
8 and Delinquent Children’; and

9 “(D) Subpart 4—‘General Provisions for
10 State Operated Programs’.

11 “(b) ADMINISTRATIVE PROVISIONS.—The Secretary,
12 in making the payments and determinations specified in sub-
13 section (a), shall, for the period beginning October 1, 1987
14 and ending September 30, 1993, continue to use the follow-
15 ing provisions of this title:

16 “(1) Part E—‘Payments’;

17 “(A) Section 101—‘Payment Methods’;

18 “(B) Section 102—‘Amount of Payments to
19 Local Educational Agencies’;

20 “(C) Section 103—‘Adjustments Where Ne-
21 cessitated by Appropriations’; and

22 “(D) Section 104—‘Payments for State Ad-
23 ministration’, subject to subsection (d) of this
24 section.

25 “(2) Part F—‘General Provisions’;

1 “(A) Section 197—‘Limitation on Grants to
2 Puerto Rico’; and

3 “(B) Section 198—‘Definitions’ and conform-
4 ing amendments to other Acts, except that only
5 those definitions applicable to this subtitle shall be
6 used.

7 “(e) ~~NONAPPLICABILITY RULE.~~—The provisions of this
8 title which are not specifically made applicable by this section
9 shall not be applicable to programs authorized under this
10 title, for the period beginning October 1, 1987 and ending
11 September 30, 1993.”.

12 (d) ~~TRANSFER OF CHAPTER + PROVISIONS APPLICA-~~
13 ~~BLE TO TITLE I PROGRAMS.~~—Title I of the Act is amended
14 by adding after section 103 (as added by subsection (c)) the
15 following new sections:

16 “AUTHORIZED PROGRAMS

17 “SEC. 104. (a) ~~GENERAL.~~—Each State and local edu-
18 cational agency shall use the payments under this title for
19 programs and projects (including the acquisition of equipment
20 and, where necessary, the construction of school facilities)
21 which are designed to meet the special educational needs of
22 educationally deprived children.

23 “(b) ~~PROGRAM DESIGN.~~—State agency programs shall
24 be designed to serve migratory children of migratory agricul-
25 tural workers or of migratory fishermen, handicapped chil-
26 dren, and neglected and delinquent children (as described in

1 subparts 1, 2, and 3, respectively, of part B of this title in
 2 accordance with section 103(a)(2) and the other applicable
 3 requirements of this title. The Secretary shall continue to use
 4 the definitions of 'agricultural activity', 'currently migratory
 5 child', and 'fishing activity' which were in effect on June 30,
 6 1982, in regulations prescribed under subpart 1 of part B of
 7 this title. No additional definition of 'migratory agricultural
 8 worker' or 'migratory fisherman' may be applied after the
 9 date of enactment of this subsection to such subpart 1, except
 10 that such definition shall be modified to include children of
 11 migratory fishermen, if such children reside in a school dis-
 12 trict of more than 18,000 square miles and migrate a dis-
 13 tance of 20 miles or more to temporary residences to engage
 14 in fishing activity.

15 “(e) PROGRAM DESCRIPTION.—A local education
 16 agency may use funds received under this title only for pro-
 17 grams and projects which are designed to meet the special
 18 educational needs of educationally deprived children identi-
 19 fied in accordance with section 105(b)(2), and which are in-
 20 cluded in an application for assistance approved by the State
 21 educational agency. Such programs and projects may include
 22 the acquisition of equipment and instructional materials, em-
 23 ployment of special instructional and counseling and guidance
 24 personnel, employment and training of teacher aides, pay-
 25 ments to teachers of amounts in excess of regular salary

1 schedules as a bonus for service in schools serving project
 2 areas, the training of teachers, the construction, where nec-
 3 essary, of school facilities, other expenditures authorized
 4 under this title as in effect September 30, 1982, and planning
 5 for such programs and projects.

6 “(d) RECORDS AND INFORMATION.—Each State educa-
 7 tional agency shall keep such records and provide such infor-
 8 mation to the Secretary as may be required for fiscal audit
 9 and program evaluation (consistent with the responsibilities
 10 of the Secretary under this title).

11 “(e) EVALUATION.—Each State educational agency
 12 shall—

13 “(1) conduct an evaluation of the programs assist-
 14 ed under this title at least every two years and shall
 15 make public the results of that evaluation; and

16 “(2) collect data on the race, age, and gender of
 17 children served by the programs assisted under this
 18 title and on the number of children served by grade-
 19 level under the programs assisted under this title.

20 “APPROVAL OF APPLICATIONS

21 “SEC. 105. (a) APPLICATION BY LOCAL EDUCATION-
 22 AL AGENCY.—A local educational agency may receive a
 23 grant under this title for any fiscal year if it has on file with
 24 the State educational agency an application which describes
 25 the programs and projects to be conducted with such assist-
 26 ance for a period of not more than three years, and such

1 application has been approved by the State educational
2 agency.

3 “(b) APPLICATION ASSURANCES.—The application de-
4 scribed in subsection (a) shall be approved if it provides as-
5 surances satisfactory to the State educational agency that the
6 local educational agency will keep such records and provide
7 such information to the State educational agency as may be
8 required for fiscal audit and program evaluation (consistent
9 with the responsibilities of the State agency under this title),
10 and that the programs and projects described—

11 “(1)(A) are conducted in attendance areas of such
12 agency having the highest concentrations of low-
13 income children; or

14 “(B) are located in all attendance areas of an
15 agency which has a uniformly high concentration of
16 such children;

17 “(2) are based upon an annual assessment of edu-
18 cational needs which identifies educationally deprived
19 children in all eligible attendance areas, requires,
20 among the educationally deprived children selected, the
21 inclusion of those children who have the greatest need
22 for special assistance, and determines the needs of par-
23 ticipating children with sufficient specificity to ensure
24 concentration on those needs;

1 “(3) are of sufficient size, scope, and quality to
2 give reasonable promise of substantial progress toward
3 meeting the special educational needs of the children
4 being served and are designed and implemented in con-
5 sultation with parents and teachers of such children;

6 “(4) will be evaluated in terms of their effective-
7 ness in achieving the goals set for them, and that such
8 evaluations shall include objective measurements of
9 educational achievement in basic skills and a determi-
10 nation of whether improved performance is sustained
11 over a period of more than one year, and that the re-
12 sults of such evaluation will be considered by such
13 agency in the improvement of the programs and
14 projects assisted under this title; and

15 “(5) make provision for services to educationally
16 deprived children attending private elementary and sec-
17 ondary schools in accordance with section 106.

18 “(c) **EXEMPTION FROM TARGETING.**—The require-
19 ments of subsection (b)(1) shall not apply in the case of a
20 local educational agency with a total enrollment of less than
21 1,000 children, but this subsection does not relieve such an
22 agency from the responsibility to serve children under the
23 assurances set forth in subsection (b)(2).

24 “(d) **LOCAL EDUCATIONAL AGENCY DISCRETION.**—
25 Notwithstanding subsection (b)(1) of this section, a local edu-

1 eational agency shall have discretion to make educational de-
 2 cisions which are consistent with achieving the purposes of
 3 this title as set forth in this subsection, as follows:

4 “(1) A local educational agency may designate
 5 any school attendance area in which at least 25 per
 6 centum of the children are from low-income families as
 7 an eligible school attendance area.

8 “(2) A local educational agency may, with the ap-
 9 proval of the State educational agency, designate as el-
 10 igible (and serve) school attendance areas with sub-
 11 stantially higher numbers or percentages of education-
 12 ally deprived children before school attendance areas
 13 with higher concentrations of children from low-income
 14 families, but this provision shall not permit the provi-
 15 sion of services to more school attendance areas than
 16 could otherwise be served. A State educational agency
 17 shall approve such a proposal only if the State educa-
 18 tional agency finds that the proposal will not substan-
 19 tially impair the delivery of compensatory education
 20 services to educationally deprived children from low-
 21 income families in project areas served by the local
 22 educational agency.

23 “(3) Funds received under this title may be used
 24 for educationally deprived children who are in a school
 25 which is not located in an eligible school attendance

1 area when the proportion of children from low-income
2 families in average daily attendance in such school is
3 substantially equal to the proportion of such children in
4 an eligible school attendance area of such agency.

5 “(4) If an eligible school attendance area or eligi-
6 ble school was so designated in accordance with sub-
7 section (b)(1)(A) in either of two preceding fiscal years,
8 it may continue to be so designated for a single addi-
9 tional fiscal year even though it does not qualify in ac-
10 cordance with subsection (b)(1)(A).

11 “(5) With approval of the State educational
12 agency, eligible school attendance areas or eligible
13 schools which have higher proportions of children from
14 low-income families may be skipped if they are receiv-
15 ing, from non-Federal funds, services of the same
16 nature and scope as would otherwise be provided under
17 this title, but (A) the number of children attending pri-
18 vate elementary and secondary schools who receive
19 services under this title shall be determined without
20 regard to non-Federal compensatory education funds
21 which serve eligible children in public elementary and
22 secondary schools, and (B) children attending private
23 elementary and secondary schools who receive assist-
24 ance under this title shall be identified in accordance
25 with this section and without regard to skipping public

1 school attendance areas or schools under this
2 paragraph.

3 "(6) A child who, in any previous year, was iden-
4 tified as being in greatest need of assistance, and who
5 continues to be educationally deprived, but who is no
6 longer identified as being in greatest need of assist-
7 ance, may participate in a program or project assisted
8 under this title for the current year.

9 "(7) Educationally deprived children who begin
10 participation in a program or project assisted under
11 this title who, in the same school year, are transferred
12 to a school attendance area or a school not receiving
13 funds under this title, may continue to participate in a
14 program or project funded under this title for the re-
15 mainder of such year.

16 "(8) The local educational agency is not required
17 to use funds under this title to serve educationally de-
18 prived children in greatest need of assistance if such
19 children are receiving, from non-Federal sources, serv-
20 ices of the same nature and scope as would otherwise
21 be provided under this title.

22 "(9) In the case of any school serving an attend-
23 ance area that is eligible to receive services under this
24 title and in which not less than 75 per centum of the
25 children are from low-income families, funds received

under this title may be used for a project designed to upgrade the entire educational program in that school in the same manner and only to the same extent as permitted under section 133(b) of this Act (but without regard to paragraph (4) of such section).

“(10) Public school personnel paid entirely by funds made available under this title may be assigned limited, rotating, supervisory duties which are assigned to similarly situated personnel who are not paid with such funds, and such duties need not be limited to classroom instruction or to the benefit of children participating in programs or projects funded under this title. Such duties may not exceed the same proportion of total time as is the case with similarly situated personnel at the same school site, or 10 per centum of the total time, whichever is less.

“(c) **PARENTAL INVOLVEMENT.**—For the purposes of complying the the assurances given pursuant to subsection (b)(2) with respect to consultation with parents of participating children, (1) a local educational agency shall convene annually a public meeting, to which all parents of eligible students shall be invited, to explain to parents the programs and activities provided with funds made available under this title, and (2) if parents desire further activities, the local education-

1 al agency may, upon request, provide reasonable support for
2 such activities.

3 "PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE
4 SCHOOLS

5 "SEC. 106. (a) GENERAL REQUIREMENTS.—To the
6 extent consistent with the number of educationally deprived
7 children in the school district of the local educational agency
8 who are enrolled in private elementary and secondary
9 schools, such agency shall make provisions for including spe-
10 cial educational services and arrangements (such as dual en-
11 rollment, educational radio and television, and mobile educa-
12 tional services and equipment) in which such children can
13 participate and which meet the requirements of sections
14 104(e), 105(b) (1), (2), (3), and (4), and 107(b). Expenditures
15 for educational services and arrangements pursuant to this
16 section for educationally deprived children in private schools
17 shall be equal (taking into account the number of children to
18 be served and the special educational needs of such children)
19 to expenditures for children enrolled in the public schools of
20 the local educational agency.

21 "(b) BYPASS PROVISION.—(1) If a local educational
22 agency is prohibited by law from providing for the participa-
23 tion in special programs for educationally deprived children
24 enrolled in private elementary and secondary schools as re-
25 quired by subsection (a), the Secretary shall waive such re-
26 quirements, and shall arrange for the provision of services to

1 such children through arrangements which shall be subject to
2 the requirements of subsection (a).

3 “(2) If the Secretary determines that a local educational
4 agency has substantially failed to provide for the participation
5 on an equitable basis of educationally deprived children en-
6 rolled in private elementary and secondary schools as re-
7 quired by subsection (a), the Secretary shall arrange for the
8 provision of services to such children through arrangements
9 which shall be subject to the requirements of subsection (a),
10 upon which determination the provisions of subsection (a)
11 shall be waived.

12 “(3)(A) When the Secretary arranges for services pursu-
13 ant to this subsection, the Secretary shall, after consultation
14 with the appropriate public and private school officials, pay
15 to the provider the cost of such services, including the admin-
16 istrative cost of arranging for such services, from the appro-
17 priate allocation or allocations under this title.

18 “(B) Pending final resolution of any investigation or
19 complaint that could result in a determination under this sub-
20 section, the Secretary may withhold from the allocation of
21 the affected State or local educational agency the amount the
22 Secretary estimates would be necessary to pay the cost of
23 such services.

24 “(C) Any determination by the Secretary under this sec-
25 tion shall continue in effect until the Secretary determines

1 that there will no longer be any failure or inability on the
 2 part of the local educational agency to meet the requirements
 3 of subsection (a).

4 “(4)(A) The Secretary shall not take any final action
 5 under this subsection until the State educational agency and
 6 local educational agency affected by such action have had an
 7 opportunity, for at least 45 days after receiving written
 8 notice thereof, to submit written objections and to appear
 9 before the Secretary or his designee to show cause why such
 10 action should not be taken.

11 “(B) If a State or local educational agency is dissatisfied
 12 with the Secretary's final action after a proceeding under
 13 subparagraph (A) of this paragraph, it may within sixty days
 14 after notice of such action, file with the United States court
 15 of appeals for the circuit in which such State is located a
 16 petition for review of that action. A copy of the petition shall
 17 be forthwith transmitted by the clerk of the court to the Sec-
 18 retary. The Secretary thereupon shall file in the court the
 19 record of the proceedings on which he based his action, as
 20 provided in section 2112 of title 28, United States Code.

21 “(C) The findings of fact by the Secretary, if supported
 22 by substantial evidence, shall be conclusive; but the court, for
 23 good cause shown, may remand the case to the Secretary to
 24 take further evidence, and the Secretary may thereupon
 25 make new or modified findings of fact and may modify his

1 previous action, and shall file in the court the record of the
 2 further proceedings. Such new or modified findings of fact
 3 shall likewise be conclusive if supported by substantial
 4 evidence.

5 “(D) Upon the filing of a petition under subparagraph
 6 (B), the court shall have jurisdiction to affirm the action of
 7 the Secretary or to set it aside, in whole or in part. The
 8 judgment of the court shall be subject to review by the Su-
 9 preme Court of the United States upon certiorari or certifica-
 10 tion as provided in section 1254, of title 28, United States
 11 Code.

12 “(e) Any bypass determination by the Secretary under
 13 title I of the Elementary and Secondary Education Act of
 14 1965 prior to August 15, 1981, shall remain in effect to the
 15 extent consistent with the purposes of this section.

16 “GENERAL PROVISIONS

17 “SEC. 107. (a) MAINTENANCE OF EFFORT.—(1)
 18 Except as provided in paragraph (2), a local educational
 19 agency may receive funds under this title for any fiscal year
 20 only if the State educational agency finds that either the
 21 combined fiscal effort per student or the aggregate expendi-
 22 tures of that agency and the State with respect to the provi-
 23 sion of free public education by that agency for the preceding
 24 fiscal year was not less than 90 per centum of such combined
 25 fiscal effort or aggregate expenditures for the second preced-
 26 ing fiscal year.

1 “(2) The State educational agency shall reduce the
 2 amount of the allocation of funds under this title in any fiscal
 3 year in the exact proportion to which a local educational
 4 agency fails to meet the requirement of paragraph (1) by fall-
 5 ing below 90 per centum of both the combined fiscal effort
 6 per student and aggregate expenditures (using the measure
 7 most favorable to such local agency); and no such lesser
 8 amount shall be used for computing the effort required under
 9 paragraph (1) for subsequent years.

10 “(3) The State educational agency may waive, for one
 11 fiscal year only, the requirements of this subsection if the
 12 State educational agency determines that such a waiver
 13 would be equitable due to exceptional or uncontrollable cir-
 14 cumstances such as a natural disaster or a precipitous and
 15 unforeseen decline in the financial resources of the local edu-
 16 cational agency.

17 “(b) ~~FEDERAL FUNDS TO SUPPLEMENT, NOT SUP-~~
 18 ~~PLANT REGULAR NON-FEDERAL FUNDS.~~—A State educa-
 19 tional agency or other State agency in operating its State
 20 level programs or a local educational agency may use funds
 21 received under this title only so as to supplement and, to the
 22 extent practical, increase the level of funds that would, in the
 23 absence of such Federal funds, be made available from non-
 24 Federal sources for the education of pupils participating in
 25 programs and projects assisted under this title; and in no case

1 may such funds be so used as to supplant such funds from
 2 such non-Federal sources. In order to demonstrate compli-
 3 ance with this subsection no State educational agency, other
 4 State agency, or local educational agency shall be required to
 5 provide services under this title outside the regular classroom
 6 or school program.

7 “(c) COMPARABILITY OF SERVICES.—(1) A local edu-
 8 cational agency may receive funds under this chapter only if
 9 State and local funds will be used in the district of such
 10 agency to provide services in project areas which, taken as a
 11 whole, are at least comparable to services being provided in
 12 areas in such district which are not receiving funds under this
 13 title. Where all school attendance areas in the district of the
 14 agency are designated as project areas, the agency may re-
 15 ceive such funds only if State and local funds are used to
 16 provide services which, taken as a whole, are substantially
 17 comparable in each project area.

18 “(2) A local educational agency shall be deemed to have
 19 met the requirements of paragraph (1) if it has filed with the
 20 State educational agency a written assurance that it has
 21 established—

22 “(A) a districtwide salary schedule;

23 “(B) a policy to ensure equivalence among schools
 24 in teachers, administrators, and auxiliary personnel;
 25 and

1 “(C) a policy to ensure equivalence among schools
2 in the provision of curriculum materials and instruc-
3 tional supplies.

4 Unpredictable changes in student enrollment or personnel as-
5 signments which occur after the beginning of a school year
6 shall not be included as a factor in determining comparability
7 of services.

8 “(d) EXCLUSION OF SPECIAL STATE AND LOCAL PRO-
9 GRAM FUNDS.—For the purposes of determining compliance
10 with the requirements of subsections (b) and (c), a local edu-
11 cational agency may exclude State and local funds expended
12 for carrying out special programs to meet the educational
13 needs of educationally deprived children, including compensa-
14 tory education for educationally deprived children (which
15 meets the requirements of section 131(c) of this Act). For the
16 purpose of determining compliance with the requirements of
17 subsection (c), a local educational agency may exclude State
18 and local funds expended for—

19 “(1) bilingual education for children of limited
20 English proficiency;

21 “(2) special education for handicapped children or
22 children with specific learning disabilities; and

23 “(3) certain State phase-in programs as described
24 in section 131(d) of the Elementary and Secondary
25 Education Act of 1965.

1 “(e) **ALLOCATION OF FUNDS IN CERTAIN STATES.**—
 2 Notwithstanding section 111(a)(3)(C) of this Act, in any State
 3 in which a large number of local educational agencies overlap
 4 county boundaries, the State educational agency is author-
 5 ized to make allocations of basic grants and special incentive
 6 grants directly to local educational agencies without regard
 7 to counties, if such allocations were made during fiscal year
 8 1982, except that (1) precisely the same factors are used to
 9 determine the amount of such grants to counties, and (2) a
 10 local educational agency dissatisfied with such determination
 11 is afforded an opportunity for a hearing on the matter by the
 12 State educational agency.

13 **“APPLICATION OF OTHER LAWS**

14 **“SEC. 108. (a) GENERAL RULE.**—Except as otherwise
 15 specifically provided by this section, the General Education
 16 Provisions Act shall apply to the programs authorized by this
 17 title.

18 **“(b) SUPERSESSION RULE.**—The following provisions
 19 of the General Education Provisions Act shall be superseded
 20 by the provisions specified in this subsection with respect to
 21 the programs authorized by this title:

22 **“(1) Section 408(a)(1) of the General Education**
 23 **Provisions Act is superseded by section 501(a) of the**
 24 **Education Consolidation and Improvement Act of**
 25 **1981.**

1 “(2) Section 426(a) of such Act is superseded by
2 section 501(b) of the Education Consolidation and Im-
3 provement Act of 1981.

4 “(3) Section 427 of such Act is superseded by
5 section 105(b)(3) of this title.

6 “(4) Section 430 of such Act is superseded by
7 section 105(a) and 564(b) of this title.

8 “(5) Section 431A of such Act is superseded by
9 section 107(a) of this title.

10 “(6) Section 453 of such Act is superseded by
11 section 502 of the Education Consolidation and Im-
12 provement Act of 1981.

13 “(7) Section 455 of such Act is superseded by
14 section 503 of the Education Consolidation and Im-
15 provement Act of 1981 with respect to judicial review
16 of withholding of payments.

17 “(c) NONAPPLICABILITY RULE.—Sections 434, 435,
18 and 436 of the General Education Provisions Act, except to
19 the extent that such sections relate to fiscal control and fund
20 accounting procedures, shall not apply to the programs au-
21 thorized by this title and shall not be construed to authorize
22 the Secretary to require any reports or take any actions not
23 specifically authorized by this title.

24 “(e) TECHNICAL AMENDMENT.—The heading of title I
25 of the Act is amended to read as follows:

1 ~~"TITLE I—FINANCIAL ASSISTANCE TO MEET~~
 2 ~~SPECIAL EDUCATIONAL NEEDS OF DISAD-~~
 3 ~~VANTAGED CHILDREN".~~

4 ~~REAUTHORIZATION OF THE CONSOLIDATION PROGRAM~~
 5 ~~UNDER CHAPTER 2~~

6 ~~SEC. 3: (a) REAUTHORIZATION.—Section 562(a) of the~~
 7 ~~Education Consolidation and Improvement Act of 1981 is~~
 8 ~~amended by striking out "for fiscal year 1982 and each of the~~
 9 ~~five succeeding fiscal years" and inserting in lieu thereof "for~~
 10 ~~fiscal year 1988 and for each succeeding fiscal year ending~~
 11 ~~prior to October 1, 1993".~~

12 ~~(b) TECHNICAL AMENDMENT.—Section 552(b) of the~~
 13 ~~Education Consolidation and Improvement Act of 1981 is~~
 14 ~~amended by striking out "1987" and inserting in lieu thereof~~
 15 ~~"1993".~~

16 ~~REPEALER~~

17 ~~SEC. 4. Effective September 30, 1987, chapter 1 of the~~
 18 ~~Education Consolidation and Improvement Act of 1981 is~~
 19 ~~repealed.~~

20 ~~SECTION 1. SHORT TITLE.~~

21 ~~*This Act may be cited as the "Robert T. Stafford Ele-*~~
 22 ~~*mentary and Secondary Education Improvement Act of*~~
 23 ~~*1987".*~~

24 ~~SEC. 2. TABLE OF CONTENTS.~~

	<i>Page</i>
<i>Sec. 1. Short title.....</i>	<i>23</i>
<i>Sec. 2. Table of contents.....</i>	<i>23</i>

TITLE I—BASIC PROGRAMS

CHAPTER 1—FINANCIAL ASSISTANCE TO MEET SPECIAL EDUCATIONAL
NEEDS OF CHILDREN

<i>Sec. 1001. Declaration of policy and statement of purpose.....</i>	<i>Page</i> 32
---	-------------------

PART A—BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

SUBPART 1—ALLOCATIONS

<i>Sec. 1005. Basic grants.....</i>	33
<i>Sec. 1006. Grants for local educational agencies in counties with especial- ly high concentrations of children from low-income fami- lies</i>	45

SUBPART 2—BASIC PROGRAM REQUIREMENTS

<i>Sec. 1011. Uses of funds.....</i>	53
<i>Sec. 1012. Applications.....</i>	55
<i>Sec. 1013. Eligible schools.....</i>	57
<i>Sec. 1014. Eligible children.....</i>	62
<i>Sec. 1015. Schoolwide projects.....</i>	64
<i>Sec. 1016. Parental involvement.....</i>	69
<i>Sec. 1017. Participation of children enrolled in private schools</i>	74
<i>Sec. 1018. Fiscal requirements</i>	80
<i>Sec. 1019. Evaluations.....</i>	89
<i>Sec. 1020. Applications by State educational agencies.....</i>	91
<i>Sec. 1021. Program improvement.....</i>	93
<i>Sec. 1022. Educational improvement plan and activities</i>	97

PART B—PROGRAMS FOR SECONDARY SCHOOL BASIC SKILLS
IMPROVEMENT AND FOR SCHOOL DROPOUT PREVENTION

<i>Sec. 1101. Statement of purpose</i>	100
<i>Sec. 1102. Allocation.....</i>	100
<i>Sec. 1103. Uses of funds.....</i>	101
<i>Sec. 1104. Applications.....</i>	105
<i>Sec. 1105. Award of grants.....</i>	108
<i>Sec. 1106. Fiscal requirements</i>	109
<i>Sec. 1107. Evaluations and program improvement.....</i>	109
<i>Sec. 1108. Authorization of appropriations.....</i>	111

PART C—PROGRAMS OPERATED BY STATE AGENCIES

SUBPART 1—PROGRAMS FOR MIGRATORY CHILDREN

<i>Sec. 1201. Grants—entitlement and amount.....</i>	111
<i>Sec. 1202. Program requirements.....</i>	114
<i>Sec. 1203. Coordination of migrant education activities.....</i>	117

SUBPART 2—PROGRAMS FOR HANDICAPPED CHILDREN

<i>Sec. 1221. Amount and eligibility.....</i>	118
<i>Sec. 1222. Service and program applications</i>	124
<i>Sec. 1223. Uses of funds.....</i>	126
<i>Sec. 1224. Eligible children.....</i>	128
<i>Sec. 1225. Federal monitoring requirement</i>	128

SUBPART 3—PROGRAMS FOR NEGLECTED AND DELINQUENT CHILDREN

	Page
<i>Sec. 1241. Amount and entitlement.....</i>	129
<i>Sec. 1242. Program requirements.....</i>	130
<i>Sec. 1243. Transition services.....</i>	132
<i>Sec. 1244. Definitions</i>	132

SUBPART 4—GENERAL PROVISIONS FOR STATE OPERATED PROGRAMS

<i>Sec. 1291. Reservation of funds for territories.....</i>	133
<i>Sec. 1292. Dual eligibility for programs.....</i>	134

PART D—PAYMENTS

<i>Sec. 1401. Payment methods.....</i>	134
<i>Sec. 1402. Amount of payments to local educational agencies.....</i>	134
<i>Sec. 1403. Adjustments where necessitated by appropriations</i>	135
<i>Sec. 1404. Payments for State administration</i>	137
<i>Sec. 1405. Limitation on grant to Puerto Rico.....</i>	139

PART E—GENERAL PROVISIONS

SUBPART 1—FEDERAL ADMINISTRATION

<i>Sec. 1431. Federal regulations.....</i>	140
<i>Sec. 1432. Availability of appropriations.....</i>	141
<i>Sec. 1433. Withholding of payments.....</i>	142
<i>Sec. 1434. Judicial review.....</i>	143
<i>Sec. 1435. Evaluation.....</i>	144
<i>Sec. 1436. Coordination of Federal, State, and local administration.....</i>	144
<i>Sec. 1437. Authorization of appropriations for evaluation and technical assistance</i>	148
<i>Sec. 1438. Application of General Education Provisions Act</i>	148

SUBPART 2—STATE ADMINISTRATION

<i>Sec. 1451. State regulations.....</i>	150
<i>Sec. 1452. Records and information.....</i>	151
<i>Sec. 1453. Assignment of personnel.....</i>	152

SUBPART 3—STUDIES

<i>Sec. 1461. National study on effect of programs on children.....</i>	152
<i>Sec. 1462. Study of fund distribution.....</i>	154
<i>Sec. 1463. Study of State operated program for handicapped children</i>	154
<i>Sec. 1464. Authorization of appropriations.....</i>	156

SUBPART 4—DEFINITIONS

<i>Sec. 1471. Definitions</i>	157
-------------------------------------	-----

SUBPART 5—MISCELLANEOUS PROVISIONS

<i>Sec. 1491. Repeal of other acts.....</i>	163
<i>Sec. 1492. Transition provisions</i>	163

CHAPTER 2—PROGRAMS FOR ELEMENTARY AND SECONDARY EDUCATION IMPROVEMENT

<i>Sec. 1501. Statement of purpose</i>	164
<i>Sec. 1502. Authorization of appropriations; duration of assistance</i>	166

PART A—STATE AND LOCAL PROGRAMS

	<i>Page</i>
<i>Sec. 1511. Allotment to States</i>	166
<i>Sec. 1512. State applications</i>	167
<i>Sec. 1513. Allocation to local educational agencies</i>	170
<i>Sec. 1514. Local applications</i>	172

PART B—TARGETED ASSISTANCE FOR EDUCATIONAL IMPROVEMENT

<i>Sec. 1531. Targeted use of funds</i>	174
<i>Sec. 1532. Authorized activities</i>	177

PART C—NATIONAL PROGRAMS AND ACTIVITIES

<i>Sec. 1561. General authority</i>	178
<i>Sec. 1562. National diffusion network activities</i>	179
<i>Sec. 1563. Inexpensive book distribution program for reading motivation ..</i>	181
<i>Sec. 1564. Arts in education program</i>	183
<i>Sec. 1565. Law-related education program</i>	184
<i>Sec. 1566. Blue ribbon schools program</i>	185
<i>Sec. 1567. Secretary's discretionary fund</i>	187

PART D—GENERAL PROVISIONS

<i>Sec. 1571. Maintenance of effort; Federal funds supplementary</i>	187
<i>Sec. 1572. Participation of children enrolled in private schools</i>	189
<i>Sec. 1573. Evaluations and reporting</i>	194
<i>Sec. 1574. Federal administration</i>	196
<i>Sec. 1575. Repeal of chapters 2 and 3 of the Education Consolidation and Improvement Act of 1981</i>	196
<i>Sec. 1576. Transition provisions</i>	196

TITLE II—SPECIAL PROGRAMS FOR INNOVATION IN
EDUCATION

PART A—EVEN START

<i>Sec. 2001. Short title</i>	197
<i>Sec. 2002. Statement of purpose</i>	197
<i>Sec. 2003. Program authorized</i>	197
<i>Sec. 2004. Uses of funds</i>	198
<i>Sec. 2005. Eligible participants</i>	200
<i>Sec. 2006. Applications</i>	201
<i>Sec. 2007. Approval of applications; duration</i>	202
<i>Sec. 2008. Evaluation</i>	204
<i>Sec. 2009. Authorization of appropriations</i>	205

PART B—EFFECTIVE SCHOOLS

<i>Sec. 2051. Program authorized</i>	205
<i>Sec. 2052. Uses of funds</i>	205
<i>Sec. 2053. Effective schools</i>	206
<i>Sec. 2054. Authorization of appropriations</i>	207

PART C—WOMEN'S EDUCATIONAL EQUITY

<i>Sec. 2101. Short title; findings and statement of purpose</i>	208
<i>Sec. 2102. Program authorized</i>	208

	<i>Page</i>
Sec. 2103. <i>Application; participation</i>	211
Sec. 2104. <i>Challenge grants</i>	212
Sec. 2105. <i>Criteria and priorities</i>	213
Sec. 2106. <i>Reports, evaluation, and dissemination</i>	213
Sec. 2107. <i>Authorization of appropriations</i>	213
Sec. 2108. <i>Repeal</i>	214

PART D—GIFTED AND TALENTED CHILDREN

Sec. 2151. <i>Short title</i>	214
Sec. 2152. <i>Findings and purposes</i>	214
Sec. 2153. <i>Definitions</i>	216
Sec. 2154. <i>Authorized programs</i>	217
Sec. 2155. <i>Program priorities</i>	219
Sec. 2156. <i>Participation of private school children and teachers</i>	220
Sec. 2157. <i>Administration</i>	221
Sec. 2158. <i>Authorization of appropriations</i>	221

PART E—FAMILY-SCHOOL PARTNERSHIP

Sec. 2251. <i>Short title</i>	221
Sec. 2252. <i>Findings and purpose</i>	222
Sec. 2253. <i>Eligible agency</i>	223
Sec. 2254. <i>Demonstration program authorized</i>	223
Sec. 2255. <i>Application</i>	225
Sec. 2256. <i>Administrative provision</i>	225
Sec. 2257. <i>Authorization of appropriations</i>	226

PART F—ALLEN J. ELLENDER FELLOWSHIP PROGRAM

Sec. 2301. <i>Findings</i>	226
----------------------------------	-----

SUBPART 1—PROGRAM FOR SECONDARY SCHOOL STUDENTS AND TEACHERS

Sec. 2311. <i>Establishment</i>	227
Sec. 2312. <i>Applications</i>	227

SUBPART 2—PROGRAMS FOR OLDER AMERICANS AND RECENT IMMIGRANTS

Sec. 2314. <i>Establishment</i>	229
Sec. 2315. <i>Applications</i>	229

SUBPART 3—GENERAL PROVISIONS

Sec. 2331. <i>Administrative provisions</i>	230
Sec. 2332. <i>Authorization of appropriations</i>	231
Sec. 2333. <i>Repeal</i>	231

PART G—TERRITORIAL ASSISTANCE

Sec. 2351. <i>General assistance for the Virgin Islands</i>	232
Sec. 2352. <i>Territorial teacher training assistance</i>	232
Sec. 2353. <i>Repeal</i>	233

PART H—PARENTAL CHOICE OPEN ENROLLMENT DEMONSTRATION PROGRAM IN PUBLIC SCHOOLS

Sec. 2401. <i>Findings and statement of purpose</i>	233
Sec. 2402. <i>Demonstration program authorized</i>	233

	<i>Page</i>
Sec. 2403. Use of funds.....	234
Sec. 2404. Application.....	235
Sec. 2405. Amount and duration of grants.....	235
Sec. 2406. Conditions and limitations.....	236
Sec. 2407. Evaluation.....	236
Sec. 2408. Authorization of appropriations.....	237

PART I—RURAL EDUCATIONAL OPPORTUNITIES

Sec. 2451. Program authorized.....	237
Sec. 2452. Priority requirements.....	238
Sec. 2453. Coordination and dissemination.....	238
Sec. 2454. Authorization of appropriations.....	239

PART J—SECRETARY'S FUND FOR INNOVATION IN EDUCATION

Sec. 2501. Program authorized.....	239
Sec. 2502. Materials for use in educational television and radio programming.....	240
Sec. 2503. Programs for computer-based instruction.....	241
Sec. 2504. Programs for the improvement of comprehensive school health education.....	244
Sec. 2505. Telecommunication and video instruction program.....	246
Sec. 2506. Youth suicide prevention programs.....	247
Sec. 2507. Authorization of appropriations.....	248

TITLE III—MAGNET SCHOOLS ASSISTANCE

PART A—MAGNET SCHOOLS TO OVERCOME RACIAL ISOLATION

Sec. 3001. Authorization of appropriations; reservation.....	248
Sec. 3002. Eligibility.....	249
Sec. 3003. Statement of purpose.....	250
Sec. 3004. Program authorized.....	250
Sec. 3005. Definition.....	251
Sec. 3006. Uses of funds.....	251
Sec. 3007. Applications and requirements.....	252
Sec. 3008. Special consideration.....	254
Sec. 3009. Prohibitions.....	255
Sec. 3010. Limitation on payments.....	255

PART B—MAGNET SCHOOLS FOR EDUCATIONAL IMPROVEMENT

Sec. 3101. Statement of purpose.....	256
Sec. 3102. Authorization of appropriations.....	256
Sec. 3103. Eligibility.....	257
Sec. 3104. Uses of funds.....	257
Sec. 3105. Applications.....	258

PART C—GENERAL PROVISIONS

Sec. 3211. Payments.....	260
Sec. 3212. Withholding.....	260
Sec. 3213. Repeal.....	260

TITLE IV—IMPACT AID PROGRAM

Sec. 4001. Short title.....	261
-----------------------------	-----

PART A—PUBLIC LAW 874

	<i>Page</i>
<i>Sec. 4002. Administrative amendments.....</i>	<i>261</i>
<i>Sec. 4003. Reauthorization.....</i>	<i>262</i>
<i>Sec. 4004. Federal acquisition of real property.....</i>	<i>262</i>
<i>Sec. 4005. Entitlements and payments.....</i>	<i>262</i>
<i>Sec. 4006. Method of payment.....</i>	<i>266</i>
<i>Sec. 4007. Children for whom local agency is unable to provide education.....</i>	<i>277</i>
<i>Sec. 4008. Disaster assistance.....</i>	<i>277</i>
<i>Sec. 4009. Regulation requirements.....</i>	<i>278</i>
<i>Sec. 4010. Definition.....</i>	<i>278</i>
<i>Sec. 4011. Special assessment rule for Federal acquisition of real property.....</i>	<i>279</i>

PART B—PUBLIC LAW 815

<i>Sec. 4101. Reauthorization.....</i>	<i>279</i>
<i>Sec. 4102. Administrative amendments.....</i>	<i>280</i>
<i>Sec. 4103. Disaster assistance.....</i>	<i>280</i>

TITLE V—ADULT AND VOCATIONAL EDUCATION

PART A—ADULT EDUCATION

<i>Sec. 5001. Short title.....</i>	<i>281</i>
<i>Sec. 5002. Definitions.....</i>	<i>281</i>
<i>Sec. 5003. State plans.....</i>	<i>282</i>
<i>Sec. 5004. Payments.....</i>	<i>283</i>
<i>Sec. 5005. Corrections education set aside.....</i>	<i>283</i>
<i>Sec. 5006. Workplace literacy partnership grants.....</i>	<i>286</i>
<i>Sec. 5007. English literacy grants.....</i>	<i>293</i>
<i>Sec. 5008. Reauthorization.....</i>	<i>298</i>
<i>Sec. 5009. Adult education for the homeless.....</i>	<i>298</i>
<i>Sec. 5010. Repeal.....</i>	<i>298</i>

PART B—VOCATIONAL EDUCATION

<i>Sec. 5101. Technical amendment.....</i>	<i>298</i>
--	------------

TITLE VI—EDUCATION FOR ECONOMIC SECURITY

PART A—REAUTHORIZATION OF EDUCATION FOR ECONOMIC SECURITY ACT

<i>Sec. 6001. Short title.....</i>	<i>299</i>
<i>Sec. 6002. Mathematics and science education reauthorized.....</i>	<i>299</i>
<i>Sec. 6003. Partnerships in education for mathematics, science, and engineering reauthorized.....</i>	<i>317</i>
<i>Sec. 6004. Presidential award for foreign language teachers.....</i>	<i>318</i>
<i>Sec. 6005. Star schools program authorized.....</i>	<i>319</i>
<i>Sec. 6006. Repeal.....</i>	<i>330</i>

PART B—FOREIGN LANGUAGE ASSISTANCE

<i>Sec. 6501. Short title.....</i>	<i>330</i>
<i>Sec. 6502. Findings.....</i>	<i>330</i>
<i>Sec. 6503. Program authorized.....</i>	<i>330</i>

	<i>Page</i>
<i>Sec. 6504. Allotment.....</i>	<i>333</i>
<i>Sec. 6505. Definitions.....</i>	<i>334</i>
<i>Sec. 6506. Authorization of appropriations.....</i>	<i>335</i>

TITLE VII—BILINGUAL EDUCATION PROGRAMS

<i>Sec. 7001. Short title.....</i>	<i>335</i>
<i>Sec. 7002. Policy; appropriations.....</i>	<i>335</i>
<i>Sec. 7003. Definitions; regulations.....</i>	<i>340</i>

PART A—FINANCIAL ASSISTANCE FOR BILINGUAL EDUCATION PROGRAMS

<i>Sec. 7021. Bilingual education programs.....</i>	<i>347</i>
<i>Sec. 7022. Indian children in schools.....</i>	<i>362</i>

PART B—DATA COLLECTION, EVALUATION, AND RESEARCH

<i>Sec. 7031. Use of funds.....</i>	<i>364</i>
<i>Sec. 7032. Grants for State programs.....</i>	<i>364</i>
<i>Sec. 7033. Program evaluation requirements.....</i>	<i>367</i>
<i>Sec. 7034. Evaluation assistance centers.....</i>	<i>368</i>
<i>Sec. 7035. Research.....</i>	<i>369</i>
<i>Sec. 7036. Coordination of research.....</i>	<i>371</i>
<i>Sec. 7037. Education statistics.....</i>	<i>371</i>

PART C—TRAINING AND TECHNICAL ASSISTANCE

<i>Sec. 7041. Use of funds.....</i>	<i>372</i>
<i>Sec. 7042. Multifunctional resource centers.....</i>	<i>375</i>
<i>Sec. 7043. Fellowships.....</i>	<i>376</i>
<i>Sec. 7044. Priority.....</i>	<i>377</i>
<i>Sec. 7045. Stipends.....</i>	<i>377</i>

PART D—ADMINISTRATION

<i>Sec. 7051. Office of bilingual education and minority languages affairs....</i>	<i>378</i>
--	------------

TITLE VIII—DEMONSTRATION PROJECTS DESIGNED TO ADDRESS SCHOOL DROPOUT PROBLEMS AND TO STRENGTHEN BASIC SKILLS INSTRUCTION

PART A—ASSISTANCE TO ADDRESS SCHOOL DROPOUT PROBLEMS

<i>Sec. 8001. Short title.....</i>	<i>381</i>
<i>Sec. 8002. Purpose.....</i>	<i>381</i>
<i>Sec. 8003. Authorization of appropriations.....</i>	<i>382</i>
<i>Sec. 8004. Grants to local educational agencies.....</i>	<i>382</i>
<i>Sec. 8005. Application.....</i>	<i>387</i>
<i>Sec. 8006. Authorized activities.....</i>	<i>390</i>
<i>Sec. 8007. Distribution of assistance; limitation on costs.....</i>	<i>394</i>
<i>Sec. 8008. National school dropout study.....</i>	<i>394</i>

PART B—ASSISTANCE TO PROVIDE BASIC SKILLS IMPROVEMENT

<i>Sec. 8101. Short title.....</i>	<i>396</i>
<i>Sec. 8102. Purpose.....</i>	<i>396</i>
<i>Sec. 8103. Authorization.....</i>	<i>397</i>
<i>Sec. 8104. Grants to local educational agencies.....</i>	<i>397</i>

	<i>Page</i>
<i>Sec. 8105. Authorized activities.....</i>	<i>397</i>
<i>Sec. 8106. Application.....</i>	<i>399</i>

PART C—GENERAL PROVISIONS

<i>Sec. 8201. General provisions.....</i>	<i>402</i>
<i>Sec. 8202. Definitions.....</i>	<i>404</i>

TITLE IX—EDUCATIONAL ASSESSMENT AND ACHIEVEMENT

PART A—NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

<i>Sec. 9001. Short title.....</i>	<i>404</i>
<i>Sec. 9002. Statement of purpose.....</i>	<i>405</i>
<i>Sec. 9003. National assessment of educational progress.....</i>	<i>405</i>

PART B—FUND FOR THE IMPROVEMENT AND REFORM OF SCHOOLS AND TEACHING

<i>Sec. 9301. Short title.....</i>	<i>415</i>
<i>Sec. 9302. Fund for the improvement and reform of schools and teaching..</i>	<i>415</i>
<i>Sec. 9303. Applications.....</i>	<i>417</i>
<i>Sec. 9304. Special grant rules.....</i>	<i>418</i>
<i>Sec. 9305. Administrative provisions.....</i>	<i>419</i>
<i>Sec. 9306. Dissemination and reporting.....</i>	<i>423</i>
<i>Sec. 9307. Coordination with the fund for the improvement of postsecondary education.....</i>	<i>423</i>
<i>Sec. 9308. Authorization of appropriations.....</i>	<i>424</i>
<i>Sec. 9309. Definitions.....</i>	<i>424</i>

PART C—OPTIONAL TESTS FOR ACADEMIC EXCELLENCE

<i>Sec. 9501. Optional tests for academic excellence.....</i>	<i>425</i>
<i>Sec. 9502. Availability of funds.....</i>	<i>427</i>

TITLE X—EDUCATION FOR NATIVE HAWAIIANS

<i>Sec. 10001. Findings.....</i>	<i>427</i>
<i>Sec. 10002. Purpose.....</i>	<i>429</i>
<i>Sec. 10003. Native Hawaiian model curriculum implementation project....</i>	<i>430</i>
<i>Sec. 10004. Native Hawaiian family based education centers.....</i>	<i>431</i>
<i>Sec. 10005. Native Hawaiian higher education demonstration program.....</i>	<i>432</i>
<i>Sec. 10006. Native Hawaiian gifted and talented demonstration program..</i>	<i>434</i>
<i>Sec. 10007. Native Hawaiian special education program.....</i>	<i>436</i>
<i>Sec. 10008. Administrative provisions.....</i>	<i>437</i>
<i>Sec. 10009. Definitions.....</i>	<i>437</i>

TITLE XI—GENERAL PROVISIONS

<i>Sec. 11001. Definitions.....</i>	<i>439</i>
<i>Sec. 11002. Budget Act provision.....</i>	<i>439</i>
<i>Sec. 11003. Effective date.....</i>	<i>440</i>

1 **TITLE I—BASIC PROGRAMS**
 2 **CHAPTER 1—FINANCIAL ASSISTANCE TO**
 3 **MEET SPECIAL EDUCATIONAL NEEDS OF**
 4 **CHILDREN**

5 **SEC. 1001. DECLARATION OF POLICY AND STATEMENT OF**
 6 **PURPOSE.**

7 (a) *DECLARATION OF POLICY.—In recognition of—*

8 (1) *the special educational needs of children of*
 9 *low-income families and the impact of concentrations of*
 10 *low-income families on the ability of local educational*
 11 *agencies to provide educational programs which meet*
 12 *such needs, and*

13 (2) *the special educational needs of children of*
 14 *migrant parents, of Indian children, and of handi-*
 15 *capped, neglected, and delinquent children,*

16 *the Congress declares it to be the policy of the United States*
 17 *to—*

18 (A) *provide financial assistance to State and local*
 19 *educational agencies to meet the special needs of such*
 20 *educationally deprived children at the preschool, ele-*
 21 *mentary, and secondary levels;*

22 (B) *expand the program authorized by this chap-*
 23 *ter over the next 5 years to increase the percentage of*
 24 *eligible children served in each fiscal year until all eli-*
 25 *gible children are served by fiscal year 1993; and*

1 (C) provide such assistance in a way which elimi-
 2 nates unnecessary administrative burden and paper-
 3 work and overly prescriptive regulations and provides
 4 flexibility to State and local educational agencies in
 5 making educational decisions.

6 (b) **STATEMENT OF PURPOSE.**—The purpose of assist-
 7 ance under this chapter is to improve the educational oppor-
 8 tunities of educationally deprived children by helping such
 9 children succeed in the regular program of the local educa-
 10 tional agency, attain grade-level proficiency, and improve
 11 achievement in basic and more advanced skills. These pur-
 12 poses shall be accomplished through such means as supple-
 13 mental education programs, schoolwide programs, and the in-
 14 creased involvement of parents in their children's education.

15 **PART A—BASIC PROGRAMS OPERATED BY LOCAL**
 16 **EDUCATIONAL AGENCIES**

17 **Subpart 1—Allocations**

18 **SEC. 1005. BASIC GRANTS.**

19 (a) **AMOUNT OF GRANTS.**—

20 (1) **GRANTS FOR TERRITORIES.**—There is au-
 21 thorized to be appropriated for each fiscal year for the
 22 purpose of this paragraph 1 percent of the amount ap-
 23 propriated for such year for payments to States under
 24 part D (other than payments under such part to juris-
 25 dictions excluded from the term "State" by this subsec-

tion, and payments pursuant to section 1291). The amount appropriated pursuant to this paragraph shall be allotted by the Secretary (A) among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective need for grants under this part, and (B) to the Secretary of the Interior in the amount necessary (i) to make payments pursuant to paragraph (1) of subsection (d), and (ii) to make payments pursuant to paragraph (2) of subsection (d). The grant which a local educational agency in Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands is eligible to receive shall be determined pursuant to such criteria as the Secretary determines will best carry out the purposes of this chapter.

(2) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—

(A) In any case in which the Secretary determines that satisfactory data for that purpose are available, the grant which a local educational agency in a State is eligible to receive under this subpart for a fiscal year shall (except as provided in paragraph (3)), be determined by multiplying the number of children counted under subsection

(c) by 40 percent of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that (i) if the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, such amount shall be 80 percent of the average per pupil expenditure in the United States, or (ii) if the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, such amount shall be 120 percent of the average per pupil expenditure in the United States.

(B) In any case in which such data are not available, subject to paragraph (3), the grant for any local educational agency in a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under subparagraph (A) for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined

1 *by the State educational agency in accordance*
 2 *with the basic criteria prescribed by the Secre-*
 3 *tary.*

4 *(C) For each fiscal year, the Secretary shall*
 5 *determine the percentage which the average per*
 6 *pupil expenditure in Puerto Rico is of the lowest*
 7 *average per pupil expenditure of any of the 50*
 8 *States. The grant which Puerto Rico shall be eli-*
 9 *gible to receive under this subpart for a fiscal*
 10 *year shall be the amount arrived at by multiply-*
 11 *ing the number of children counted under subsec-*
 12 *tion (c) for Puerto Rico by the product of—*

13 *(i) the percentage determined under the*
 14 *preceding sentence and*

15 *(ii) 32 percent of the average per pupil*
 16 *expenditure in the United States.*

17 **(3) SPECIAL ALLOCATION PROCEDURES.—**

18 *(A) Upon determination by the State educa-*
 19 *tional agency that a local educational agency in*
 20 *the State is unable or unwilling to provide for the*
 21 *special educational needs of children described in*
 22 *clause (C) of paragraph (1) of subsection (c), who*
 23 *are living in institutions for neglected or delin-*
 24 *quent children, the State educational agency*
 25 *shall, if it assumes responsibility for the special*

1 *educational needs of such children, be eligible to*
2 *receive the portion of the allocation to such local*
3 *educational agency which is attributable to such*
4 *neglected or delinquent children, but if the State*
5 *educational agency does not assume such respon-*
6 *sibility, any other State or local public agency, as*
7 *determined by regulations established by the Sec-*
8 *retary, which does assume such responsibility*
9 *shall be eligible to receive such portion of the*
10 *allocation.*

11 *(B) In the case of local educational agencies*
12 *which serve in whole or in part the same geo-*
13 *graphical area, and in the case of a local educa-*
14 *tional agency which provides free public education*
15 *for a substantial number of children who reside in*
16 *the school district of another local educational*
17 *agency, the State educational agency may allocate*
18 *the amount of the grants for those agencies among*
19 *them in such manner as it determines will best*
20 *carry out the purposes of this chapter.*

21 *(C) In any State in which a large number*
22 *of local educational agencies overlap county*
23 *boundaries, the State educational agency may*
24 *apply to the Secretary for authority during any*
25 *particular fiscal year to make the allocations*

1 under this part (other than section 1006) directly
 2 to local educational agencies without regard to the
 3 counties. If the Secretary approves an application
 4 of a State educational agency for a particular
 5 year under this subparagraph, the State educa-
 6 tional agency shall provide assurances that such
 7 allocations will be made using precisely the same
 8 factors for determining a grant as are used under
 9 this part and that a procedure will be established
 10 through which local educational agencies dissatis-
 11 fied with the determinations made by the State
 12 educational agency may appeal directly to the
 13 Secretary for a final determination.

14 (4) *DEFINITION.*—For purposes of this subsec-
 15 tion, the term “State” does not include Guam, Ameri-
 16 can Samoa, the Virgin Islands, the Northern Mariana
 17 Islands, and the Trust Territory of the Pacific Islands.

18 (b) *MINIMUM NUMBER OF CHILDREN TO QUAL-*
 19 *IFY.*—A local educational agency shall be eligible for a basic
 20 grant for a fiscal year under this subpart only if it meets the
 21 following requirements with respect to the number of children
 22 counted under subsection (c):

23 (1) In any case (except as provided in paragraph
 24 (3)) in which the Secretary determines that satisfac-
 25 tory data for the purpose of this subsection as to the

1 *number of such children are available on a school dis-*
 2 *trict basis, the number of such children in the school*
 3 *district of such local educational agency shall be at*
 4 *least 10.*

5 *(2) In any other case, except as provided in para-*
 6 *graph (3), the number of such children in the county*
 7 *which includes such local educational agency's school*
 8 *district shall be at least 10.*

9 *(3) In any case in which a county includes a part*
 10 *of the school district of the local educational agency*
 11 *concerned and the Secretary has not determined that*
 12 *satisfactory data for the purpose of this subsection are*
 13 *available on a school district basis for all the local edu-*
 14 *cational agencies or all the counties into which the*
 15 *school district of the local educational agency concerned*
 16 *extends, the eligibility requirement with respect to the*
 17 *number of such children for such local educational*
 18 *agency shall be determined in accordance with regula-*
 19 *tions prescribed by the Secretary for the purposes of*
 20 *this subsection.*

21 *(c) CHILDREN TO BE COUNTED.—*

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

1 (A) *the number of children aged 5 to 17, in-*
 2 *clusive, in the school district of the local educa-*
 3 *tional agency from families below the poverty*
 4 *level as determined under paragraph (2)(A), and*

5 (B) *the number of children aged 5 to 17, in-*
 6 *clusive, in the school district of such agency living*
 7 *in institutions for neglected or delinquent children*
 8 *(other than such institutions operated by the*
 9 *United States) but not counted pursuant to sub-*
 10 *part 3 of part C for the purposes of a grant to a*
 11 *State agency, or being supported in foster homes*
 12 *with public funds.*

13 (2) *DETERMINATION OF NUMBER OF CHIL-*
 14 *DREN.—*

15 (A) *For the purposes of this section, the Sec-*
 16 *retary shall determine the number of children*
 17 *aged 5 to 17, inclusive, from families below the*
 18 *poverty level on the basis of the most recent satis-*
 19 *factory data available from the Department of*
 20 *Commerce for local educational agencies (or, if*
 21 *such data are not available for such agencies, for*
 22 *counties); and in determining the families which*
 23 *are below the poverty level, the Secretary shall*
 24 *utilize the criteria of poverty used by the Bureau*

1 *of the Census in compiling the most recent decen-*
2 *nial census.*

3 (B) *The Secretary shall determine the*
4 *number of such children and the number of chil-*
5 *dren of such ages living in institutions for ne-*
6 *glected or delinquent children, or being supported*
7 *in foster homes with public funds, on the basis of*
8 *the caseload data for the month of October of the*
9 *preceding fiscal year or, to the extent that such*
10 *data are not available to the Secretary before Jan-*
11 *uary of the calendar year in which the Secre-*
12 *tary's determination is made, then on the basis of*
13 *the most recent reliable data available to the Sec-*
14 *retary at the time of such determination. The Sec-*
15 *retary of Health and Human Services shall col-*
16 *lect and transmit the information required by this*
17 *subparagraph to the Secretary not later than Jan-*
18 *uary 1 of each year.*

19 (C) *When requested by the Secretary, the*
20 *Secretary of Commerce shall make a special esti-*
21 *mate of the number of children of such ages who*
22 *are from families below the poverty level (as deter-*
23 *mined under subparagraph (A) of this paragraph)*
24 *in each county or school district, and the Secre-*
25 *tary is authorized to pay (either in advance or by*

1 way of reimbursement) the Secretary of Com-
 2 merce the cost of making this special estimate.
 3 The Secretary of Commerce shall give consider-
 4 ation to any request of the chief executive of a
 5 State for the collection of additional census infor-
 6 mation. For purposes of this section, the Secre-
 7 tary shall consider all children who are in correc-
 8 tional institutions to be living in institutions for
 9 delinquent children.

10 (d) PROGRAM FOR INDIAN CHILDREN.—(1) From the
 11 amount allotted for payments to the Secretary of the Interior
 12 under the second sentence of subsection (a)(1), the Secretary
 13 of the Interior shall make payments to local educational
 14 agencies, upon such terms as the Secretary determines will
 15 best carry out the purposes of this chapter with respect to out-
 16 of-State Indian children in the elementary and secondary
 17 schools of such agencies under special contracts with the De-
 18 partment of the Interior. The amount of such payment may
 19 not exceed, for each such child, 40 percent of (A) the average
 20 per pupil expenditure in the State in which the agency is
 21 located or (B) 120 percent of such expenditure in the United
 22 States, whichever is the greater.

23 (2) The amount allotted for payments to the Secretary
 24 of the Interior under the second sentence of subsection (a)(1)
 25 for any fiscal year shall be, as determined pursuant to crite-

1 *ria established by the Secretary, the amount necessary to*
 2 *meet the special educational needs of educationally deprived*
 3 *Indian children on reservations serviced by elementary and*
 4 *secondary schools operated, or operated with Federal assist-*
 5 *ance, for Indian children by the Department of the Interior.*
 6 *Such payment shall be made pursuant to an agreement be-*
 7 *tween the Secretary and the Secretary of the Interior con-*
 8 *taining such assurances and terms as the Secretary deter-*
 9 *mines will best achieve the purposes of this chapter. Such*
 10 *agreement shall contain (A) an assurance that payments*
 11 *made pursuant to this subparagraph will be used solely for*
 12 *programs and projects approved by the Secretary of the Inte-*
 13 *rior which meet the applicable requirements of subpart 2 of*
 14 *this part and that the Department of the Interior will comply*
 15 *in all other respects with the requirements of this chapter,*
 16 *and (B) provision for carrying out the applicable provisions*
 17 *of subpart 2 of this part and part E. Such agreement shall*
 18 *consider a tribal organization operating a school under the*
 19 *Indian Self-Determination and Education Assistance Act*
 20 *(25 U.S.C. 450 et seq.) as a local educational agency, and*
 21 *shall consider the Secretary of the Interior as a State or*
 22 *State educational agency for all purposes defining the au-*
 23 *thority of States or State educational agencies relative to*
 24 *local educational agencies. If, in the capacity as a State edu-*
 25 *cational agency, the Secretary of the Interior promulgates*

1 *regulations applicable to such tribal organizations, the Secre-*
 2 *tary shall comply with section 1451 of this Act and with*
 3 *section 553 of title 5 of the United States Code, relating to*
 4 *administrative procedure, and such regulations must be con-*
 5 *sistent with subsections (d) and (e) of section 1121, section*
 6 *1130, and section 1133 of the Education Amendments of*
 7 *1978.*

8 (e) *TREATMENT OF EARNINGS FOR PURPOSES OF*
 9 *AID TO FAMILIES WITH DEPENDENT CHILDREN.—Not-*
 10 *withstanding the provisions of title IV of the Social Security*
 11 *Act, a State plan approved under section 402 of such Act*
 12 *shall provide that for a period of not less than 12 months, and*
 13 *may provide that for a period of not more than 24 months,*
 14 *the first \$85 earned by any person in any month for services*
 15 *rendered to any program assisted under this chapter of this*
 16 *Act shall not be regarded (1) in determining the need of such*
 17 *person under such approved State plan or (2) in determining*
 18 *the need for any other individual under such approved State*
 19 *plan.*

20 (f) *DURATION OF ASSISTANCE.—During the period be-*
 21 *ginning October 1, 1988, and ending September 30, 1993,*
 22 *the Secretary shall, in accordance with the provisions of this*
 23 *part, make payments to State educational agencies for grants*
 24 *made on the basis of entitlements created under this chapter.*

1 **SEC. 1006. GRANTS FOR LOCAL EDUCATIONAL AGENCIES IN**
 2 **COUNTIES WITH ESPECIALLY HIGH CONCEN-**
 3 **TRATIONS OF CHILDREN FROM LOW-INCOME**
 4 **FAMILIES.**

5 (a) *ELIGIBILITY FOR AND AMOUNT OF SPECIAL*
 6 *GRANTS.*—(1) *From one-half of the amount available for*
 7 *this section under subsection (e), in each fiscal year, each*
 8 *county, in a State other than Guam, American Samoa, the*
 9 *Virgin Islands, the Northern Mariana Islands, and the*
 10 *Trust Territory of the Pacific Islands, which is eligible for a*
 11 *grant under this chapter for any fiscal year shall be entitled*
 12 *to an additional grant under this section for that fiscal year*
 13 *if—*

14 (A) *the number of children counted under section*
 15 *1005(c) of this chapter in the school district of local*
 16 *educational agencies in such county for the preceding*
 17 *fiscal year exceeds 5,000, or*

18 (B) *the number of children counted under section*
 19 *1005(c) exceeds 20 percent of the total number of chil-*
 20 *dren aged 5 to 17, inclusive, in the school districts of*
 21 *local educational agencies in such county in that fiscal*
 22 *year,*

23 *except that no such State shall receive less than one-half of 1*
 24 *percent of the sums reserved under subsection (e) and avail-*
 25 *able for this subsection for such fiscal year.*

1 (2) *For each county in which there are local educational*
2 *agencies eligible to receive an additional grant under this*
3 *subsection for any fiscal year the Secretary shall determine*
4 *the product of—*

5 (A) *the number of children in excess of 5,000*
6 *counted under section 1005(c) for the preceding fiscal*
7 *year or the number of children counted under that sec-*
8 *tion in excess of 20 per centum of the total number of*
9 *children aged 5 to 17, inclusive, in the school districts*
10 *of local educational agencies in such country for that*
11 *preceding fiscal year, whichever is greater, and*

12 (B) *the quotient resulting from the division of the*
13 *amount determined for those agencies under section*
14 *1005(a)(2) of this title for the fiscal year for which the*
15 *determination is being made divided by the total*
16 *number of children counted under section 1005(c) for*
17 *the preceding fiscal year.*

18 (3) *The amount of the additional grant to which an eli-*
19 *gible county is entitled under this subsection for any fiscal*
20 *year shall be an amount which bears the same ratio to the*
21 *amount reserved under subsection (e) and available for this*
22 *subsection for that fiscal year as the product determined*
23 *under paragraph (2) for such county for that fiscal year*
24 *bears to the sum of such products for all counties in the*
25 *United States for that fiscal year.*

1 (b) *ADDITIONAL ELIGIBILITY FOR AMOUNT OF SPE-*
 2 *CIAL GRANTS.—(1)(A) From one-half of the amount avail-*
 3 *able under subsection (e) of this section for each fiscal year,*
 4 *except as provided in subparagraph (B), each State, other*
 5 *than Guam, American Samoa, the Virgin Islands, the*
 6 *Northern Mariana Islands, and the Trust Territory of the*
 7 *Pacific Islands, shall be eligible to receive a grant for each*
 8 *fiscal year under this section in an amount that bears the*
 9 *same ratio to the amount reserved under subsection (e) and*
 10 *available for this subsection in that fiscal year as the amount*
 11 *allocated under section 1005 of this Act to local educational*
 12 *agencies in the State bears to the total amount allocated to*
 13 *such agencies in all States.*

14 (B) *No State shall receive less than one-half of 1 per-*
 15 *cent of the amount available for this subsection for any fiscal*
 16 *year.*

17 (2)(A) *Each State, from amounts allocated to the State*
 18 *under paragraph (1) of this subsection, shall allocate funds to*
 19 *each county described in subparagraph (B) of this paragraph,*
 20 *in accordance with this subsection.*

21 (B) *The counties described in subparagraph (A) are any*
 22 *counties in the State in which there are local educational*
 23 *agencies in which—*

24 (i) *the number of children counted under section*
 25 *1005(c) in the school districts of local educational*

1 *agencies in such county for the preceding year exceeds*
 2 *5,000; or*

3 *(ii) the number of children counted under section*
 4 *1005(c) exceeds 20 percent of the total number of chil-*
 5 *dren aged 5 to 17, inclusive, in the school districts of*
 6 *local educational agencies in such county in such fiscal*
 7 *year.*

8 *(3)(A) The amount of the additional grant under this*
 9 *subsection to which an eligible county is entitled under this*
 10 *section shall be an amount which bears the same ratio to the*
 11 *amount allocated to the State under subsection (a) as the*
 12 *product determined under subparagraph (2)(B) for such*
 13 *county for that fiscal year bears to the sum of such products*
 14 *for all counties which are eligible in the State for that fiscal*
 15 *year.*

16 *(B) For the purpose of subparagraph (A), the State edu-*
 17 *cational agency shall determine the product of—*

18 *(i) the number of children counted in local educa-*
 19 *tional agencies in each county of the State which meets*
 20 *the requirements of paragraph (2)(B); and*

21 *(ii) the quotient resulting from the division of the*
 22 *amount determined for those agencies under section*
 23 *1005(a)(2) of this title for the fiscal year for which the*
 24 *determination is being made divided by the total*

1 *number of children counted under section 1005(c) for*
 2 *the preceding fiscal year.*

3 *(c) SPECIAL WITHIN-STATE ALLOCATION RULES.—*

4 *(1) For the purpose of this section, the State educational*
 5 *agency shall determine the number of children counted under*
 6 *section 1005(c) for any county, and the total number of chil-*
 7 *dren aged 5 to 17, inclusive, in school districts of local educa-*
 8 *tional agencies in such county, on the basis of the most recent*
 9 *satisfactory data available at the time the payment for such*
 10 *county is determined under section 1005.*

11 *(2)(A) Pursuant to regulations established by the Secre-*
 12 *tary and except as provided in subparagraphs (B) and (C),*
 13 *funds allocated to counties under this part shall be allocated*
 14 *by the State educational agency only to those local education-*
 15 *al agencies whose school districts lie (in whole or in part)*
 16 *within the county and which are determined by the State*
 17 *educational agency to meet the eligibility criteria of subpara-*
 18 *graphs (A) and (B) of subsection (a)(1), or clauses (i) and*
 19 *(ii) of subsection (b)(2)(B). Such determination shall be*
 20 *made on the basis of the available poverty data which such*
 21 *State educational agency determines best reflect the current*
 22 *distribution in the local educational agency of low-income*
 23 *families consistent with the purposes of this chapter. The*
 24 *amount of funds under this part that each qualifying local*
 25 *educational agency receives shall be proportionate to the*

1 *number or percentage of children from low-income families in*
2 *the school districts of the local educational agency.*

3 *(B) In counties where no local educational agency meets*
4 *the criteria of subparagraph (A) or (B) of subsection (a)(1),*
5 *or clauses (i) and (ii) of subsection (b)(2)(B), the State edu-*
6 *cational agency shall allocate such funds among the local*
7 *educational agencies within such counties (in whole or in*
8 *part) in rank order of their respective concentration and*
9 *numbers of children from low-income families and in*
10 *amounts which are consistent with the degree of concentration*
11 *of poverty. Only local educational agencies with concentra-*
12 *tions of poverty that exceed the county wide average of pov-*
13 *erty shall receive any funds pursuant to the provisions of this*
14 *subparagraph.*

15 *(C)(i) In any State which in any fiscal year receives*
16 *less than 1 percent of the amount available for this section*
17 *under subsection (e), the State educational agency shall allo-*
18 *cate such funds among local educational agencies in the*
19 *State in accordance with division (ii) and in the order pro-*
20 *vided in division (ii).*

21 *(ii) The State educational agency shall, subject to the*
22 *conditions of division (iv), allocate funds in each fiscal*
23 *year—*

24 *(I) first, to local educational agencies in counties*
25 *which meet the requirements of subsection (b)(2)(B);*

1 (II) then, to local educational agencies, regardless
 2 of county, which meet the requirements of subsection
 3 (b)(2)(B); and

4 (III) last, to local educational agencies which do
 5 not meet the requirements of subsection (b)(2)(B), sub-
 6 ject to the requirement that only local educational
 7 agencies with concentrations of poverty that exceed the
 8 statewide average of poverty will receive funds and
 9 subject to division (iii).

10 (iii) The State educational agency may not select the
 11 ranking order described in subdivision (III) until the State
 12 pays for the children in local educational agencies described
 13 in subdivisions (I) and (II) an amount equal to the amount
 14 which such agency is paid for such children under section
 15 1005(a)(2) for the fiscal year for which the determination is
 16 made.

17 (iv) In carrying out the ranking order under division
 18 (ii), the total number of local educational agencies eligible for
 19 assistance under this subparagraph may not be more than the
 20 maximum number of local educational agencies that the
 21 State educational agencies would have identified under sub-
 22 division (III) of division (ii).

23 (d) PAYMENTS; USE OF FUNDS.—(1) The total
 24 amount which counties in a State are entitled to receive
 25 under this section for any fiscal year shall be added to the

1 amount paid to that State under section 1401 for such year.
 2 From the amount paid to it under this section, the State shall
 3 distribute to local educational agencies in each county of the
 4 State the amount (if any) to which it is entitled under this
 5 section.

6 (2) The amount paid to a local educational agency
 7 under this section shall be used by that agency for activities
 8 undertaken pursuant to its application submitted under sec-
 9 tion 1012 and shall be subject to the other requirements in
 10 subpart 2 of this part.

11 (e) *RESERVATION OF FUNDS.*—(1) For any fiscal year
 12 for which amounts appropriated for this chapter exceed
 13 \$4,300,000,000, the amount specified in paragraph (2) shall
 14 be available to carry out this section.

15 (2)(A) The first \$400,000,000 in excess of
 16 \$4,300,000,000 appropriated for this chapter in any fiscal
 17 year shall be available to carry out this section.

18 (B) Whenever the amounts appropriated for this chapter
 19 exceed \$4,700,000,000 in any fiscal year, 10 percent of the
 20 amount appropriated for that fiscal year shall be available to
 21 carry out this section.

22 (f) *RATABLE REDUCTION RULE.*—If the sums avail-
 23 able under subsection (e) for any fiscal year for making pay-
 24 ments under subsection (a) are not sufficient to pay in full
 25 the total amounts which all States are entitled to receive

1 under subsection (a) for such fiscal year, the maximum
 2 amounts which all States are entitled to receive under subsec-
 3 tion (a) for such fiscal year shall be ratably reduced. In case
 4 additional funds become available for making such payments
 5 for any fiscal year during which the preceding sentence is
 6 applicable, such reduced amount shall be increased on the
 7 same basis as they were reduced.

8 **Subpart 2—Basic Program Requirements**

9 **SEC. 1011. USES OF FUNDS.**

10 (a) **PROGRAM DESCRIPTION.**—(1) A local educational
 11 agency may use funds received under this chapter only for
 12 programs and projects which are designed to meet the special
 13 educational needs of educationally deprived children identi-
 14 fied in accordance with section 1014 and which are included
 15 in an application for assistance approved by the State educa-
 16 tional agency.

17 (2) Such programs and projects under paragraph (1)
 18 may include preschool through secondary programs; the ac-
 19 quisition of equipment and instructional materials; books and
 20 school library resources; employment of special instructional
 21 personnel, school counselors, and other pupil services person-
 22 nel; employment and training of education aides; payments
 23 to teachers of amounts in excess of regular salary schedules
 24 as a bonus for service in schools serving project areas; the
 25 training of teachers, librarians, other instructional and pupil

1 *services personnel, and as appropriate, early childhood edu-*
 2 *cation professionals (including training in preparation for*
 3 *the implementation of programs and projects in a subsequent*
 4 *school year); the construction, where necessary, of school fa-*
 5 *cilities; parental involvement activities under section 1016;*
 6 *planning for and evaluation of such programs and projects*
 7 *assisted under this chapter; and other expenditures author-*
 8 *ized under this chapter.*

9 (3) *Educational agencies are encouraged to develop pro-*
 10 *grams to assist eligible children to improve their achievement*
 11 *in basic skills and more advanced skills and to consider year-*
 12 *round services and activities, including intensive summer*
 13 *school programs.*

14 (b) *INNOVATION PROJECTS.*—*Subject to the approval*
 15 *of the State educational agency, a local educational agency*
 16 *may use not more than 5 percent of payments under this part*
 17 *for the costs of conducting innovative projects developed by*
 18 *the local educational agency that include only—*

19 (1) *the continuation of services to children eligible*
 20 *for services in any preceding year for a period suffi-*
 21 *cient to maintain progress made during their eligibil-*
 22 *ity;*

23 (2) *the provision of extended services to eligible*
 24 *children transferred to ineligible areas or schools as*
 25 *part of a desegregation plan;*

1 (3) *incentive payments to schools that have dem-*
2 *onstrated significant progress and success in attaining*
3 *the goals of this chapter;*

4 (4) *training of teachers and librarians not paid*
5 *with funds under this chapter with respect to the spe-*
6 *cial educational needs of eligible children and to inte-*
7 *grate activities under this chapter into regular class-*
8 *room programs;*

9 (5) *programs to encourage innovative approaches*
10 *to parental involvement or rewards to or expansion of*
11 *exemplary parental involvement programs; and*

12 (6) *encouraging community and private sector in-*
13 *volvement and resources (including fiscal resources) in*
14 *meeting the needs of eligible children.*

15 **SEC. 1012. APPLICATIONS.**

16 (a) *IN GENERAL.*—A local educational agency may re-
17 *ceive a grant under this chapter for any fiscal year if it has*
18 *on file with the State educational agency an application*
19 *which describes the programs and projects to be conducted*
20 *with such assistance for a period of not more than 3 years*
21 *and which describes the desired outcomes, in terms of basic*
22 *and more advanced skills, which will be used as the basis for*
23 *evaluating the program or project as required by section*
24 *1019, and such application has been approved by the State*

1 *educational agency and developed in consultation with teach-*
 2 *ers and parents.*

3 (b) *ASSURANCES.*—*Such application shall provide as-*
 4 *urance that the programs and projects described—*

5 (1) *are of sufficient size, scope, and quality to*
 6 *give reasonable promise of substantial progress toward*
 7 *meeting the special educational needs of the children*
 8 *being served, are designed and implemented in consul-*
 9 *tation with teachers (including early childhood educa-*
 10 *tion professionals and librarians when appropriate),*
 11 *and provide for parental involvement in accordance*
 12 *with section 1016;*

13 (2) *make provision for services to educationally*
 14 *deprived children attending private elementary and sec-*
 15 *ondary schools in accordance with section 1017;*

16 (3) *allocate time and resources for frequent and*
 17 *regular coordination of the curriculum under this chap-*
 18 *ter with the regular instructional program; and*

19 (4) *in the case of participating students who are*
 20 *also limited English proficient or are handicapped,*
 21 *provide maximum coordination between services pro-*
 22 *vided under this chapter and services provided to ad-*
 23 *dress children's handicapping conditions or limited*
 24 *English proficiency, in order to increase program effec-*

1 *tiveness, eliminate duplication, and reduce fragmenta-*
 2 *tion of the students' programs.*

3 *(c) DESCRIPTION OF SERVICES.—The application*
 4 *shall include a description of the local educational agency's*
 5 *plan for providing high quality services under this chapter,*
 6 *including—*

7 *(1) the procedures to be used under section*
 8 *1014(b) for assessing students' needs in relation to the*
 9 *program goals;*

10 *(2) the procedures to be used under section*
 11 *1019(a) for evaluation of the program's effectiveness in*
 12 *achieving the goals; and*

13 *(3) the procedures to be used for identifying and*
 14 *modifying the program for schools and students under*
 15 *section 1021.*

16 **SEC. 1013. ELIGIBLE SCHOOLS.**

17 *(a) GENERAL PROVISIONS.—(1) Subject to subsection*
 18 *(b), a local educational agency shall use funds received under*
 19 *this chapter in school attendance areas having high concen-*
 20 *trations of children from low-income families (hereinafter re-*
 21 *ferred to as "eligible school attendance areas"), and where*
 22 *funds under this chapter are insufficient to provide programs*
 23 *and projects for all educationally deprived children in eligible*
 24 *school attendance areas, a local educational agency shall an-*
 25 *nually rank its eligible school attendance areas from highest*

1 to lowest, according to relative degree of concentration of chil-
 2 dren from low-income families. A local educational agency
 3 may carry out a program or project assisted under this chap-
 4 ter in an eligible school attendance area only if it also carries
 5 out such program or project in all other eligible school attend-
 6 ance areas which are ranked higher under the first sentence.

7 (2) The same measure of low income, which shall be
 8 chosen by the local educational agency on the basis of the best
 9 available data and which may be a composite of several indi-
 10 cators, shall be used with respect to all such areas, both to
 11 identify the areas having high concentrations of children
 12 from low-income families and to determine the ranking of
 13 each area.

14 (3) The requirements of this subsection shall not apply
 15 in the case of a local educational agency with a total enroll-
 16 ment of less than one thousand children, but this paragraph
 17 does not relieve such an agency from the responsibility to
 18 serve eligible children according to the provisions of section
 19 1014.

20 (b) LOCAL EDUCATIONAL AGENCY DISCRETION.—
 21 Notwithstanding subsection (a)(1) of this section, a local edu-
 22 cational agency shall have discretion to identify and rank
 23 eligible attendance areas as follows:

24 (1) A local educational agency may designate as
 25 eligible and serve any of its attendance areas if the

1 *percentage of children from low income families in*
2 *each attendance area of the agency is within 5 percent-*
3 *age points of the average percentage of such children*
4 *for the entire local educational agency.*

5 *(2) A local educational agency may designate any*
6 *school attendance area in which at least 25 percent of*
7 *the children are from low-income families as an eligi-*
8 *ble school attendance area if the aggregate amount ex-*
9 *pended under this chapter and under a State program*
10 *meeting the requirements of section 1018(d)(1)(B) in*
11 *that fiscal year in each school attendance area of that*
12 *agency in which projects assisted under this chapter*
13 *were carried out in the preceding fiscal year equals or*
14 *exceeds the amount expended from those sources in that*
15 *area in such preceding fiscal year.*

16 *(3) A local educational agency may, with the ap-*
17 *proval of the State educational agency, designate as el-*
18 *igible and serve school attendance areas with substan-*
19 *tially higher numbers or percentages of educationally*
20 *deprived children before school attendance areas with*
21 *higher concentrations of children from low-income fam-*
22 *ilies, but this paragraph shall not permit the provision*
23 *of services to more school attendance areas than could*
24 *otherwise be served. A State educational agency shall*
25 *approve such a proposal only if the State educational*

1 *agency finds that the proposal will not substantially*
2 *impair the delivery of compensatory education services*
3 *to educationally derived children from low-income fam-*
4 *ilies in project areas served by the local educational*
5 *agency.*

6 *(4) Funds received under this chapter may be*
7 *used for educationally deprived children who are in a*
8 *school which is not located in an eligible school attend-*
9 *ance area when the proportion of children from low-*
10 *income families in average daily attendance in such*
11 *school is substantially equal to the proportion of such*
12 *children in an eligible school attendance area of such*
13 *agency.*

14 *(5) If an eligible school attendance area or eligible*
15 *school was so designated in accordance with subsection*
16 *(a) in the immediately preceding fiscal year, it may*
17 *continue to be so designated for the subsequent fiscal*
18 *year even though it does not qualify in such additional*
19 *year.*

20 *(6) With the approval of the State educational*
21 *agency, eligible school attendance areas or eligible*
22 *schools which have higher proportions or numbers of*
23 *children from low-income families may be skipped if*
24 *they are receiving, from non-Federal funds, services of*
25 *the same nature and scope as would otherwise be pro-*

1 *vided under this chapter, except that (A) the number of*
2 *children attending private elementary and secondary*
3 *schools who receive services under this chapter shall be*
4 *determined without regard to non-Federal compensato-*
5 *ry education funds which serve eligible children in*
6 *public elementary and secondary schools, and (B) chil-*
7 *dren attending private elementary and secondary*
8 *schools who receive assistance under this chapter shall*
9 *be identified in accordance with this section and with-*
10 *out regard to skipping public school attendance areas*
11 *or schools under this paragraph.*

12 *(c) ALLOCATIONS.—(1) Except as provided in para-*
13 *graph (2), a local educational agency shall allocate funds*
14 *under this chapter among project areas or schools on the basis*
15 *of the number and needs of children to be served as deter-*
16 *mined in accordance with section 1014.*

17 *(2) Children in eligible schools, who receive services*
18 *under this chapter and subsequently become ineligible due to*
19 *academic achievement attributable to such services, may con-*
20 *tinue to be considered eligible for 2 additional years only for*
21 *the purpose of determining the allocation of funds among eli-*
22 *gible schools under paragraph (1). Any funds so allocated*
23 *shall be used to provide services to any children determined to*
24 *be eligible under section 1014.*

1 **SEC. 1014. ELIGIBLE CHILDREN.**

2 (a) **GENERAL PROVISIONS.**—(1) *Except as provided*
 3 *in subsections (c), (d), and (e) of this section and section*
 4 *1015, a local educational agency shall use funds received*
 5 *under this chapter for educationally deprived children, identi-*
 6 *fied in accordance with subsection (b) as having the greatest*
 7 *need for special assistance, in school attendance areas or*
 8 *schools satisfying the requirements of section 1013.*

9 (2) *The eligible population for services under this part*
 10 *are—*

11 (A) *those children up to age 21 who are entitled to*
 12 *a free public education through grade 12, and*

13 (B) *those children who are not yet at a grade level*
 14 *where the local educational agency provides a free*
 15 *public education, yet are of an age at which they can*
 16 *benefit from an organized instructional program pro-*
 17 *vided in a school or other educational setting.*

18 (b) **ASSESSMENT OF EDUCATIONAL NEED.**—*A local*
 19 *educational agency may receive funds under this chapter*
 20 *only if it makes an assessment of educational needs each year*
 21 *to (1) identify educationally deprived children in all eligible*
 22 *attendance areas; (2) identify the general instructional areas*
 23 *on which the program will focus; (3) select those educational-*
 24 *ly deprived children who have the greatest need for special*
 25 *assistance, as identified on the basis of educationally related*
 26 *objective criteria established by the local educational agency,*

1 *which include written or oral testing instruments, that are*
 2 *uniformly applied to particular grade levels throughout the*
 3 *local educational agency; and (4) determine the special edu-*
 4 *cational needs (and library resource needs) of participating*
 5 *children with specificity sufficient to ensure concentration on*
 6 *such needs.*

7 (c) *LOCAL EDUCATIONAL AGENCY DISCRETION.—(1)*
 8 *Educationally deprived children who begin participation in a*
 9 *program or project assisted under this chapter, in accordance*
 10 *with subsections (a) and (b) but who, in the same school year,*
 11 *are transferred to a school attendance area or school not re-*
 12 *ceiving funds under this chapter, may, if the local agency so*
 13 *determines, continue to participate in a program or project*
 14 *funded under this chapter for the duration of that same school*
 15 *year.*

16 (2) *In providing services under this chapter a local edu-*
 17 *cational agency may skip educationally deprived children in*
 18 *greatest need of assistance who are receiving, from non-Fed-*
 19 *eral sources, services of the same nature and scope as would*
 20 *otherwise be provided under this chapter.*

21 (3) *A child who, in the previous year was identified as*
 22 *being in greatest need of assistance, and who continues to be*
 23 *educationally deprived, but who is no longer identified as*
 24 *being in greatest need of assistance, may participate in a*

1 *program or project assisted under this chapter for 2 addition-*
 2 *al years.*

3 (d) *SPECIAL RULES.—(1) Children receiving services*
 4 *to overcome a handicapping condition or limited English pro-*
 5 *ficiency shall also be eligible to receive services under this*
 6 *chapter, if they have needs stemming from educational depri-*
 7 *vation and not related solely to the handicapping condition or*
 8 *limited English proficiency. Such children shall be selected*
 9 *on the same basis as other children identified as eligible for*
 10 *and selected to receive services under this chapter. Funds*
 11 *under this chapter may not be used to provide services that*
 12 *are otherwise required by law to be made available to such*
 13 *children.*

14 (2) *A student who in the previous 2 years was receiving*
 15 *services under subpart 3 of part C of this chapter or under*
 16 *subpart 3 of part B of title I of the Elementary and Second-*
 17 *ary Education Act (as amended by chapter 1 of the Educa-*
 18 *tion Consolidation and Improvement Act of 1981) shall be*
 19 *considered eligible for services under this part, and may be*
 20 *served subject to the provisions of subsections (a) and (b).*

21 **SEC. 1015. SCHOOLWIDE PROJECTS.**

22 (a) *USE OF FUNDS FOR SCHOOLWIDE PROJECTS.—*
 23 *In the case of—*

24 (1) *any school serving an attendance area that is*
 25 *eligible to receive services under this chapter and in*

1 *which, for the first year of projects assisted under this*
 2 *section, not less than 75 percent of the children are*
 3 *from low-income families, or*

4 *(2) any eligible school in which not less than 75*
 5 *percent of the children enrolled in the school are from*
 6 *low-income families,*

7 *the local educational agency may carry out a project under*
 8 *this chapter to upgrade the entire educational program in that*
 9 *school if the requirements of subsections (b), (c), and (d) are*
 10 *met.*

11 *(b) DESIGNATION OF SCHOOLS.—A school may be*
 12 *designated for a schoolwide project under subsection (a) if—*

13 *(1) a plan has been developed for that school by*
 14 *the local educational agency and has been approved by*
 15 *the State educational agency which—*

16 *(A) provides for a comprehensive assessment*
 17 *of educational needs of all students in the school,*
 18 *in particular the special needs of educationally*
 19 *deprived children;*

20 *(B) establishes goals to meet the special*
 21 *needs of all students and to ensure that education-*
 22 *ally deprived children are served effectively and*
 23 *demonstrate performance gains comparable to*
 24 *other students;*

1 (C) describes the instructional program,
2 pupil services, and procedures to be used to imple-
3 ment the goals; and

4 (D) describes the specific uses of funds for
5 compensatory educational services under this
6 chapter as part of that program;

7 (2) the plan has been developed with the involve-
8 ment of individuals who will be engaged in carrying
9 out the plan, including parents, teachers, librarians,
10 education aides, pupil services personnel, and adminis-
11 trators (and secondary students if the plan relates to a
12 secondary school);

13 (3) the plan provides for consultation among such
14 individuals under paragraph (2) as to the educational
15 progress of all students and the participation of such
16 individuals in the development and implementation of
17 the accountability measures required by subsection (e);

18 (4) appropriate training is provided to parents of
19 children to be served, teachers, librarians, and other in-
20 structional, administrative, and pupil services person-
21 nel to enable them effectively to carry out the plan;

22 (5) the plan includes procedures for measuring
23 progress, as required by subsection (e), and describes
24 the particular measures to be used; and

1 (6)(A) in the case of a school district in which
 2 there are one or more schools described in subsection
 3 (a) and there are also one or more other schools serving
 4 project areas, the local educational agency makes the
 5 Federal funds provided under this part available for
 6 children in such schools described in subsection (a) in
 7 amounts which per educationally deprived child served,
 8 equal or exceed the amount of such funds made avail-
 9 able per educationally deprived child served in such
 10 other schools; and

11 (B) the average per pupil expenditure in schools
 12 described in subsection (a) (excluding amounts expend-
 13 ed under a State compensatory education program) for
 14 the fiscal year in which the plan is to be carried out
 15 will not be less than such expenditure in such schools
 16 in the previous fiscal year, except that the cost of serv-
 17 ices for programs described in section 1018(d)(2)(A)
 18 shall be included for each fiscal year as appropriate
 19 only in proportion to the number of children in the
 20 building served in such programs in the year for which
 21 this determination is made.

22 (c) APPROVAL OF PLAN; OPERATION OF PROJECT.—

23 (1) The State educational agency shall approve the plan of
 24 any local educational agency for a schoolwide project if that
 25 plan meets the requirements of subsection (b).

1 (2) *For any school which has such a plan approved, the*
 2 *local educational agency—*

3 (A) *shall, in order to carry out the plan, be re-*
 4 *lieved of any requirements under this chapter with re-*
 5 *spect to the commingling of Federal funds provided*
 6 *under this chapter with funds available for regular pro-*
 7 *grams;*

8 (B) *shall use funds received under this chapter*
 9 *only to supplement, and to the extent practicable, in-*
 10 *crease the level of funds that would in the absence of*
 11 *such Federal funds, be made available from non-Feder-*
 12 *al sources for the school approved for a school-wide*
 13 *project under paragraph (1); and*

14 (C) *shall comply with the provisions of section*
 15 *1018(d).*

16 (d) *USE OF FUNDS.—In addition to uses under section*
 17 *1011, funds may be used in schoolwide projects for other ac-*
 18 *tivities to improve the instructional program and pupil serv-*
 19 *ices in the school, such as reducing class size, training staff*
 20 *and parents of children to be served, and implementing ex-*
 21 *tended schoolday programs.*

22 (e) *ACCOUNTABILITY.—(1) The State educational*
 23 *agency may grant authority for a local educational agency to*
 24 *operate a schoolwide project for a period of 3 years. If a*
 25 *school meets the accountability requirements in paragraphs*

1 (2) and (3) at the end of such period, as determined by the
 2 State educational agency, that school will be allowed to con-
 3 tinue the schoolwide project for an additional 3-year period.

4 (2)(A) Except as provided in subparagraph (B), after 3
 5 years, a school must be able to demonstrate (i) that the
 6 achievement level of eligible children, as measured according
 7 to the means specified in the plan required by subsection (b)
 8 exceeds the average achievement of participating children dis-
 9 trictwide, or (ii) that the achievement of eligible children in
 10 that school exceeds the average achievement of such children
 11 in that school in the 3 fiscal years prior to initiation of the
 12 schoolwide project.

13 (B) For a secondary school, demonstration of lower
 14 dropout rates, increased retention rates, or increased gradua-
 15 tion rates is acceptable in lieu of increased achievement, if
 16 achievement levels do not decline.

17 (3) Schools shall annually collect achievement and other
 18 assessment data for the purposes of paragraph (2). The re-
 19 sults of achievement and other assessments shall be made
 20 available annually to parents, the public, and the State edu-
 21 cational agency.

22 SEC. 1016. PARENTAL INVOLVEMENT.

23 (a) FINDINGS; GENERAL REQUIREMENT.—(1) Con-
 24 gress finds that activities by schools to increase parental in-
 25 volvement are a vital part of programs under this chapter.

1 (2) *Toward that end, a local educational agency may*
 2 *receive funds under this chapter only if it implements pro-*
 3 *grams, activities, and procedures for the involvement of par-*
 4 *ents in programs assisted under this chapter. Such activities*
 5 *and procedures shall be planned and implemented with*
 6 *meaningful consultation with parents of participating chil-*
 7 *dren and must be of sufficient size, scope, and quality to give*
 8 *reasonable promise of substantial progress toward achieving*
 9 *the goals under subsection (b).*

10 (3) *For purposes of this section, parental involvement*
 11 *includes, but is not limited to, parental input into the design*
 12 *and implementation of programs under this chapter, volun-*
 13 *teer or paid participation by parents in school activities, and*
 14 *programs, training, and materials which build parents' ca-*
 15 *pacity to improve their children's learning in the home and*
 16 *in school.*

17 (b) *GOALS OF PARENT INVOLVEMENT.—In carrying*
 18 *out the requirements of subsection (a), a local educational*
 19 *agency shall, in coordination with parents of participating*
 20 *children, develop programs, activities, and procedures which*
 21 *have the following goals—*

22 (1) *to inform parents of participating children of*
 23 *the program under this chapter, the reasons for their*
 24 *children's participation in such programs, and the spe-*

1 *cific instructional objectives and methods of the*
2 *program;*

3 (2) *to support the efforts of parents, including*
4 *training parents, to the maximum extent practicable, to*
5 *work with their children in the home to attain the in-*
6 *structional objectives of programs under this chapter*
7 *and to understand the program requirements of this*
8 *chapter and to train parents and teachers to build a*
9 *partnership between home and school;*

10 (3) *to train teachers and other staff involved in*
11 *programs under this chapter to work effectively with*
12 *the parents of participating students;*

13 (4) *to consult with parents, on an ongoing basis,*
14 *concerning the manner in which the school and parents*
15 *can better work together to achieve the program's objec-*
16 *tives and to give parents a feeling of partnership in the*
17 *education of their children;*

18 (5) *to provide a comprehensive range of opportuni-*
19 *ties for parents to become informed, in a timely way,*
20 *about how the program will be designed, operated, and*
21 *evaluated, allowing opportunities for parental partici-*
22 *pation, so that parents and educators can work together*
23 *to achieve the program's objectives; and*

1 (6) to ensure opportunities, to the extent practica-
 2 ble, for the full participation of parents who lack liter-
 3 acy skills or whose native language is not English.

4 (c) *MECHANISMS FOR PARENTAL INVOLVEMENT.*—

5 (1) Each local educational agency, after consultation with
 6 and review by parents, shall develop written policies to
 7 ensure that parents are involved in the planning, design, and
 8 implementation of programs and shall provide such reasona-
 9 ble support for parental involvement activities as parents
 10 may request. Such policies shall be made available to parents
 11 of participating children.

12 (2) Each local educational agency shall convene an
 13 annual meeting to which all parents of participating children
 14 shall be invited, to explain to parents the programs and ac-
 15 tivities provided with funds under this chapter. Such meet-
 16 ings may be districtwide or at the building level, as long as
 17 all such parents are given an opportunity to participate.

18 (3) Each local educational agency shall provide parents
 19 of participating children with reports on the children's
 20 progress, and to the extent practical hold a parent-teacher
 21 conference with parents of each child served in the program,
 22 to discuss that child's progress, placement, and methods by
 23 which parents can complement the child's instruction. Edu-
 24 cational personnel under this chapter shall be readily accessi-

1 ble to parents and shall permit parents to observe activities
2 under this chapter.

3 (4) Local educational agencies shall (A) provide oppor-
4 tunities for regular meetings of parents to formulate parental
5 input into the program, if parents of participating children so
6 desire; (B) provide parents of participating children with
7 timely information about the program; and (C) make parents
8 aware of parental involvement requirements and other rele-
9 vant provisions of programs under this chapter.

10 (5) Parent programs, activities, and procedures may in-
11 clude regular parent conferences; parent resource centers;
12 parent training programs and reasonable and necessary ex-
13 penditures associated with the attendance of parents at train-
14 ing sessions; hiring, training, and utilization of parental in-
15 volvement liaison workers; reporting to parents on the chil-
16 dren's progress; training and support of personnel to work
17 with parents, to coordinate parent activities, and to make
18 contact in the home; use of parents as classroom volunteers,
19 tutors, and aides; provision of school-to-home complementary
20 curriculum and materials and assistance in implementing
21 home-based education activities that reinforce classroom in-
22 struction and student motivation; provision of timely infor-
23 mation on programs under this chapter (such as program
24 plans and evaluations); soliciting parents' suggestions in the
25 planning, development, and operation of the program; provid-

1 *ing timely responses to parent recommendations; parent advi-*
 2 *sory councils; and other activities designed to enlist the sup-*
 3 *port and participation of parents to aid in the instruction of*
 4 *their children.*

5 (6) *Parents of participating children are expected to co-*
 6 *operate with the local educational agency by becoming knowl-*
 7 *edgeable of the program goals and activities and by working*
 8 *to reinforce their children's training at home.*

9 (d) *COORDINATION WITH ADULT EDUCATION*
 10 *ACT.—Programs of parental involvement shall coordinate, to*
 11 *the extent possible, with programs funded under the Adult*
 12 *Education Act.*

13 (e) *ACCESSIBILITY REQUIREMENT.—Information,*
 14 *programs, and activities for parents pursuant to this section*
 15 *shall be provided in a language and form which the parents*
 16 *understand.*

17 **SEC. 1017. PARTICIPATION OF CHILDREN ENROLLED IN**
 18 **PRIVATE SCHOOLS.**

19 (a) *GENERAL REQUIREMENTS.—To the extent con-*
 20 *sistent with the number of educationally deprived children in*
 21 *the school district of the local educational agency who are*
 22 *enrolled in private elementary and secondary schools, such*
 23 *agency shall, after timely and meaningful consultation with*
 24 *appropriate private school officials, make provisions for in-*
 25 *cluding special educational services and arrangements (such*

1 as dual enrollment, educational radio and television, other
 2 technology, and mobile educational services and equipment)
 3 in which such children can participate and which meet the
 4 requirements of sections 1011, 1012(b)(1), 1013, 1014, and
 5 1018(b). Expenditures for educational services and arrange-
 6 ments pursuant to this section for educationally deprived
 7 children in private schools shall be equal (taking into account
 8 the number of children to be served and the special educa-
 9 tional needs of such children) to expenditures for children
 10 enrolled in the public schools of the local educational agency.

11 (b) *BYPASS PROVISION.*—(1) If a local educational
 12 agency is prohibited by law from providing for the participa-
 13 tion in special programs for educationally deprived children
 14 enrolled in private elementary and secondary schools as re-
 15 quired by subsection (a), the Secretary shall waive such re-
 16 quirements, and shall arrange for the provision of services to
 17 such children through arrangements which shall be subject to
 18 the requirements of subsection (a).

19 (2) If the Secretary determines that a local educational
 20 agency has substantially failed to provide for the participa-
 21 tion on an equitable basis of educationally deprived children
 22 enrolled in private elementary and secondary schools as re-
 23 quired by subsection (a), the Secretary shall arrange for the
 24 provision of services to such children through arrangements
 25 which shall be subject to the requirements of subsection (a),

1 upon which determination the provisions of subsection (a)
2 shall be waived.

3 (3)(A) The Secretary shall develop and implement writ-
4 ten procedures for receiving, investigating, and resolving
5 complaints from parents, teachers, or other concerned organi-
6 zations or individuals concerning violations of this section.
7 The Secretary shall investigate and resolve each such com-
8 plaint within 120 days after receipt of the complaint.

9 (B) When the Secretary arranges for services pursuant
10 to this subsection, the Secretary shall, after consultation with
11 the appropriate public and private school officials, pay to the
12 provider the cost of such services, including the administra-
13 tive cost of arranging for such services, from the appropriate
14 allocation or allocations under this chapter.

15 (C) Pending final resolution of any investigation or
16 complaint that could result in a determination under this
17 subsection, the Secretary may withhold from the allocation of
18 the affected State or local educational agency the amount the
19 Secretary estimates would be necessary to pay the cost of
20 such services.

21 (D) Any determination by the Secretary under this sec-
22 tion shall continue in effect until the Secretary determines
23 that there will no longer be any failure or inability on the
24 part of the local educational agency to meet the requirements
25 of subsection (a).

1 (4)(A) *The Secretary shall not take any final action*
 2 *under this subsection until the State educational agency and*
 3 *local educational agency affected by such action have had an*
 4 *opportunity, for at least 45 days after receiving written notice*
 5 *thereof, to submit written objections and to appear before the*
 6 *Secretary or a designee to show cause why such action*
 7 *should not be taken.*

8 (B) *If a State or local educational agency is dissatisfied*
 9 *with the Secretary's final action after a proceeding under*
 10 *subparagraph (A) of this paragraph, it may within 60 days*
 11 *after notice of such action, file with the United States court*
 12 *of appeals for the circuit in which such State is located a*
 13 *petition for review of that action. A copy of the petition shall*
 14 *be forthwith transmitted by the clerk of the court to the Secre-*
 15 *tary. The Secretary thereupon shall file in the court the*
 16 *record of the proceedings on which he based his action, as*
 17 *provided in section 2112 of title 28, United States Code.*

18 (C) *The findings of fact by the Secretary, if supported*
 19 *by substantial evidence, shall be conclusive; but the court, for*
 20 *good cause shown, may remand the case to the Secretary to*
 21 *take further evidence, and the Secretary may thereupon make*
 22 *new or modified findings of fact and may modify his previ-*
 23 *ous action, and shall file in the court the record of the further*
 24 *proceedings. Such new or modified findings of fact shall like-*
 25 *wise be conclusive if supported by substantial evidence.*

1 (D) Upon the filing of a petition under subparagraph
 2 (B), the court shall have jurisdiction to affirm the action of
 3 the Secretary or to set it aside, in whole or in part. The
 4 judgment of the court shall be subject to review by the Su-
 5 preme Court of the United States upon certiorari or certifica-
 6 tion as provided in section 1254 of title 28, United States
 7 Code.

8 (c) *PRIOR DETERMINATION.*—Any bypass determina-
 9 tion by the Secretary under title I of the Elementary and
 10 Secondary Education Act of 1965 or chapter 1 of the Educa-
 11 tion Consolidation and Improvement Act shall remain in
 12 effect to the extent consistent with the purposes of this
 13 chapter.

14 (d) *CAPITAL EXPENSES.*—(1) A local educational
 15 agency may apply to the State educational agency for pay-
 16 ments for capital expenses consistent with the provisions of
 17 this subsection. State educational agencies shall distribute
 18 funds to local educational agencies based on the degree of
 19 need as set forth in the application. Such an application shall
 20 contain information on such capital expenses by fiscal year
 21 and shall contain an assurance that any funds received pur-
 22 suant to this subsection shall be used solely for purposes of
 23 the program authorized by this chapter.

24 (2)(A) From the amount appropriated for the purposes
 25 of this subsection for any fiscal year, the amount which each

1 *State shall be eligible to receive shall be an amount which*
 2 *bears the same ratio to the amount appropriated as the*
 3 *number of children enrolled in private schools who were*
 4 *served under chapter 1 of the Education Consolidation and*
 5 *Improvement Act of 1981 in the State during the period July*
 6 *1, 1984 through June 30, 1985, bears to the total number of*
 7 *such children served during such period in all States.*

8 *(B) Amounts which are not used by a State for the pur-*
 9 *poses of this subsection shall be reallocated by the Secretary*
 10 *among other States on the basis of need.*

11 *(3) There is authorized to be appropriated \$50,000,000*
 12 *for fiscal year 1989, and such sums as may be necessary for*
 13 *each of the fiscal years 1990, 1991, 1992, and 1993. Any*
 14 *sums appropriated under this provision shall be used for in-*
 15 *creases in capital expenses paid from funds under chapter 1*
 16 *of the Education Consolidation and Improvement Act or this*
 17 *section subsequent to July 1, 1985, of local educational agen-*
 18 *cies in providing the instructional services required under*
 19 *section 557 of the Education Consolidation and Improve-*
 20 *ment Act and this section, when without such funds, services*
 21 *to private schoolchildren would have been or have been re-*
 22 *duced or would be reduced or adversely affected.*

23 *(4) For the purposes of this subsection, the term "capital*
 24 *expenses" is limited to expenditures for noninstructional*
 25 *goods and services such as the purchase, lease and renovation*

1 of real and personal property, insurance, and maintenance
 2 costs, transportation, and other comparable goods and serv-
 3 ices.

4 **SEC. 1018. FISCAL REQUIREMENTS.**

5 (a) **MAINTENANCE OF EFFORT.**—(1) *Except as provid-*
 6 *ed in paragraph (2), a local educational agency may receive*
 7 *funds under this chapter for any fiscal year only if the State*
 8 *educational agency finds that either the combined fiscal effort*
 9 *per student or the aggregate expenditures of that agency and*
 10 *the State with respect to the provision of free public education*
 11 *by that agency for the preceding fiscal year was not less than*
 12 *90 percent of such combined fiscal effort or aggregate expend-*
 13 *itures for the second preceding fiscal year.*

14 (2) *The State educational agency shall reduce the*
 15 *amount of the allocation of funds under this chapter in any*
 16 *fiscal year in the exact proportion to which a local education-*
 17 *al agency fails to meet the requirement of paragraph (1) by*
 18 *falling below 90 percent of both the combined fiscal effort per*
 19 *student and aggregate expenditures (using the measure most*
 20 *favorable to such local agency), and no such lesser amount*
 21 *shall be used for computing the effort required under para-*
 22 *graph (1) for subsequent years.*

23 (3) *The State educational agency may waive, for one*
 24 *fiscal year only, the requirements of this subsection if the*
 25 *State educational agency determines that such a waiver*

1 *would be equitable due to exceptional or uncontrollable cir-*
 2 *cumstances such as a natural disaster or a precipitous and*
 3 *unforeseen decline in the financial resources of the local edu-*
 4 *cational agency.*

5 **(b) FEDERAL FUNDS TO SUPPLEMENT, NOT SUP-**
 6 **PLANT REGULAR NON-FEDERAL FUNDS.**—*A State educa-*
 7 *tional agency or other State agency in operating its State*
 8 *level programs or a local educational agency may use funds*
 9 *received under this chapter only so as to supplement and, to*
 10 *the extent practicable, increase the level of funds that would,*
 11 *in the absence of such Federal funds, be made available from*
 12 *regular non-Federal sources for the education of pupils par-*
 13 *ticipating in programs and projects assisted under this chap-*
 14 *ter and in no case may such funds be so used as to supplant*
 15 *such funds from such non-Federal sources. In order to dem-*
 16 *onstrate compliance with this subsection, no State education-*
 17 *al agency, other State agency, or local educational agency*
 18 *shall be required to provide services under this chapter*
 19 *through use of a particular instructional method or in a par-*
 20 *ticular instructional setting.*

21 **(c) FEDERAL FUNDS TO SUPPLEMENT, NOT SUP-**
 22 **PLANT, NON-FEDERAL FUNDS FOR CERTAIN SPECIAL**
 23 **STATE AND LOCAL PROGRAMS.**—*(1) A local educational*
 24 *agency may use funds received under this chapter only so as*
 25 *to supplement and, to the extent practical, increase the level*

1 of funds that would, in the absence of such Federal funds, be
 2 made available from non-Federal sources for each of the spe-
 3 cial programs described in subsection (e) for the education of
 4 educationally deprived children, in the aggregate, in eligible
 5 school attendance areas or attending eligible schools and in
 6 no case, as to supplant such funds from non-Federal sources.

7 (2) It shall not be considered a violation of this subsec-
 8 tion for a local educational agency, in carrying out a special
 9 program described in subsection (e), to take into consider-
 10 ation funds made available under this chapter, and to coordi-
 11 nate such special program with programs using this chapter,
 12 and to coordinate such special programs with programs using
 13 such Federal funds, if educationally deprived children, in the
 14 aggregate, in eligible school attendance areas or attending eli-
 15 gible schools, receive at least the same level of such special
 16 State and local funds that would have been made available to
 17 such children in the absence of funds under this chapter.

18 (3) For the purpose of this subsection, the level of funds
 19 that, in the absence of funds under this chapter would have
 20 been made available to such children shall be determined by
 21 reference to a plan for distributing such special funds. Such
 22 plan shall be based on objective criteria of need that do not
 23 discriminate against educationally deprived children, in the
 24 aggregate, in eligible school attendance areas or attending eli-
 25 gible schools. The objective criteria chosen by the local educa-

1 tional agency shall prescribe, with particularity, the children
 2 as well as the schools, grade-spans, or school attendance areas
 3 eligible for assistance and the method for selecting the par-
 4 ticular children who will receive assistance under such spe-
 5 cial State or local program and the schools or grade-spans
 6 which such children attend or the school attendance areas in
 7 which such children reside. The criteria for selecting chil-
 8 dren, schools, grade-spans, and school attendance areas for
 9 participation shall be either educational need, a reasonable
 10 proxy for educational need, level of poverty, or a combination
 11 of such factors. Educationally deprived children residing in
 12 eligible school attendance areas or attending eligible schools,
 13 satisfying such objective criteria, must receive assistance
 14 under either this chapter or under such special State or local
 15 program before any child who does not satisfy such criteria
 16 receives such assistance.

17 (4) The provisions of this subsection shall not apply
 18 until 2 years after the date of enactment of this Act in any
 19 State in which State law contains provisions permitting local
 20 educational agencies to supplant State compensatory educa-
 21 tion funds which, in the absence of the funds under this chap-
 22 ter, would have been made available to educationally de-
 23 prived children, in the aggregate, in eligible school attendance
 24 areas or attending eligible schools.

1 (d) *COMPARABILITY OF SERVICES.*—(1) A local edu-
 2 cational agency may receive funds under this chapter only if
 3 State and local funds will be used in the district of such
 4 agency to provide services in project areas which, taken as a
 5 whole, are at least comparable to services being provided in
 6 areas in such district which are not receiving funds under
 7 this chapter. Where all school attendance areas in the district
 8 of the agency are designated as project areas, the agency may
 9 receive such funds only if State and local funds are used to
 10 provide services which, taken as a whole, are substantially
 11 comparable in each project area.

12 (2)(A) A local educational agency meets the require-
 13 ments of paragraph (1) if the agency has filed with the State
 14 educational agency a written assurance that it has estab-
 15 lished and implemented—

16 (i) a districtwide salary schedule;

17 (ii) a policy to ensure equivalence among schools
 18 in teachers, administrators, and auxiliary personnel;
 19 and

20 (iii) a policy to ensure equivalence among schools
 21 in the provision of curriculum materials and instruc-
 22 tional supplies.

23 (B) Unpredictable changes in student enrollment or per-
 24 sonnel assignments which occur after the beginning of a

1 school year shall not be included as a factor in determining
2 comparability of services.

3 (3) Local educational agencies shall develop procedures
4 for compliance with the provisions of this subsection, and
5 shall annually maintain records documenting compliance.
6 State educational agencies shall monitor the compliance of
7 local educational agencies within their States with respect to
8 the requirements of this paragraph.

9 (4) Local educational agencies with not more than one
10 building for each grade span shall not be subject to the provi-
11 sions of this subsection.

12 (e) EXCLUSION OF SPECIAL STATE AND LOCAL
13 PROGRAM FUNDS.--(1)(A) For the purpose of determining
14 compliance with the requirements of subsection (d), a local
15 educational agency may exclude State and local funds ex-
16 pended for carrying out special programs to meet the educa-
17 tional needs of educationally deprived children including
18 compensatory education for educationally deprived children
19 (which meets the requirements of subparagraph (B)).

20 (B) A State or local program meets the requirements of
21 this subparagraph if it is similar to programs assisted under
22 this part. The Secretary shall consider a State or local pro-
23 gram to be similar to programs assisted under this part if—

24 (i) all children participating in the program are
25 educationally deprived,

1 (ii) the program is based on similar performance
2 objectives related to educational achievement and is
3 evaluated in a manner consistent with those perform-
4 ance objectives,

5 (iii) the program provides supplementary services
6 designed to meet the special educational needs of the
7 children who are participating,

8 (iv) the local educational agency keeps such
9 records and affords such access thereto as are necessary
10 to assure the correctness and verification of the require-
11 ments of this subparagraph, and

12 (v) the State educational agency monitors per-
13 formance under the program to assure that the require-
14 ments of this subparagraph are met.

15 (2)(A) For the purpose of determining compliance with
16 the requirements of subsection (d), a local educational agency
17 may exclude State and local funds expended for—

18 (i) bilingual education for children of limited
19 English proficiency;

20 (ii) special education and related services for
21 handicapped children; and

22 (iii) certain State phase-in programs as described
23 in subparagraph (B).

1 *(B) A State education program which is being phased*
 2 *into full operation meets the requirements of this subpara-*
 3 *graph if the Secretary is satisfied that—*

4 *(i) the program is authorized and governed specif-*
 5 *ically by the provisions of State law;*

6 *(ii) the purpose of the program is to provide for*
 7 *the comprehensive and systematic restructuring of the*
 8 *total educational environment at the level of the indi-*
 9 *vidual school;*

10 *(iii) the program is based on objectives, including*
 11 *but not limited to, performance objectives related to*
 12 *educational achievement and is evaluated in a manner*
 13 *consistent with those objectives;*

14 *(iv) parents and school staff are involved in com-*
 15 *prehensive planning, implementation, and evaluation of*
 16 *the program;*

17 *(v) the program will benefit all children in a par-*
 18 *ticular school or grade span within a school;*

19 *(vi) schools participating in a program describe,*
 20 *in a school level plan, program strategies for meeting*
 21 *the special educational needs of educationally deprived*
 22 *children;*

23 *(vii) at all times during such phase-in period at*
 24 *least 50 percent of the schools participating in the pro-*
 25 *gram are the schools serving project areas which have*

1 *the greatest number or concentrations of educationally*
 2 *deprived children or children from low-income families;*

3 *(viii) State funds made available for the phase-in*
 4 *program will supplement, and not supplant, State and*
 5 *local funds which would, in the absence of the phase-in*
 6 *program, have been provided for schools participating*
 7 *in such program;*

8 *(ix) the local educational agency is separately ac-*
 9 *countable, for purposes of compliance with the clauses*
 10 *of this subparagraph, to the State educational agency*
 11 *for any funds expended for such program; and*

12 *(x) the local educational agencies carrying out the*
 13 *program are complying with the clauses of this sub-*
 14 *paragraph and the State educational agency is comply-*
 15 *ing with applicable provisions of this paragraph.*

16 *(3) The Secretary shall make an advance determination*
 17 *of whether or not a State program meets the requirements of*
 18 *this subsection. The Secretary shall require each State edu-*
 19 *cational agency to submit the provisions of State law together*
 20 *with implementing rules, regulations, orders, guidelines, and*
 21 *interpretations which are necessary for an advance determi-*
 22 *nation. The Secretary's determination shall be in writing*
 23 *and shall include the reasons for the determination. When-*
 24 *ever there is any material change in pertinent State law af-*

fecting the program, the State educational agency shall submit such changes to the Secretary.

(4) The State educational agency shall make an advance determination of whether or not a local program meets the requirements of this subsection. The State educational agency shall require each local educational agency to submit the provisions of local law, together with implementing rules, regulations, guidelines, and interpretations which are necessary to make such an advance determination. The State educational agency's determination shall be in writing and shall include the reasons for the determination. Whenever there is any material change in pertinent local law affecting the program, the local educational agency shall submit such changes to the State educational agency.

(f) PROHIBITION REGARDING STATE AID.—No State shall take into consideration payments under this chapter in determining the eligibility of any local educational agency in that State for State aid, or the amount of State aid, with respect to free public education of children.

SEC. 1019. EVALUATIONS.

(a) LOCAL EVALUATION.—In accordance with national standards, each local educational agency shall—

(1) evaluate the effectiveness of programs assisted under this part at least once every 3 years (using objective measurement of individual student achievement

1 *in basic skills and more advanced skills, aggregated for*
 2 *the local educational agency as a whole) as an indica-*
 3 *tor of the impact of the program;*

4 (2) *submit such evaluation results to the State*
 5 *educational agency at least once during each 3-year*
 6 *application cycle;*

7 (3) *conduct a review of the program's effectiveness*
 8 *in improving student achievement in any year in*
 9 *which the local educational agency does not conduct an*
 10 *evaluation pursuant to paragraph (1) and make the re-*
 11 *sults of such review available to teachers, parents of*
 12 *participating children, and other appropriate parties;*

13 (4) *determine whether improved performance*
 14 *under paragraph (1) is sustained over a period of more*
 15 *than one program year;*

16 (5) *use the results of such evaluation and review*
 17 *in program improvement efforts; and*

18 (6) *annually evaluate, through consultation with*
 19 *parents, the effectiveness of the parental involvement*
 20 *program and determine what action needs to be taken,*
 21 *if any, to increase parental participation.*

22 (b) *STATE EVALUATIONS.—In accordance with na-*
 23 *tional standards, each State educational agency shall—*

24 (1) *conduct an evaluation (based on local evalua-*
 25 *tion data collected under subsection (a) and sections*

1 1108(b), 1202(a)(6), and 1242(d)) of the programs as-
 2 sisted under this chapter at least every 2 years, submit
 3 that evaluation to the Secretary and make public the
 4 results of that evaluation;

5 (2) inform local educational agencies, in advance,
 6 of the specific evaluation data that will be needed and
 7 how it may be collected; and

8 (3) collect data on the race, age, gender, and
 9 handicapping condition of children served by the pro-
 10 grams assisted under this chapter and on the number
 11 of children served by grade-level under the programs
 12 assisted under this chapter and annually submit such
 13 data to the Secretary.

14 **SEC. 1020. APPLICATIONS BY STATE EDUCATIONAL AGENCIES.**

15 (a) **APPLICATION REQUIRED.**—Any State desiring to
 16 participate under this chapter shall submit to the Secretary,
 17 through its State educational agency, an application for a
 18 period not to exceed 3 fiscal years for each program for which
 19 it seeks assistance. The application may be amended annual-
 20 ly, as may be necessary to reflect changes, without filing a
 21 new application.

22 (b) **CONTENTS OF APPLICATION.**—(1) Each applica-
 23 tion submitted by a State educational agency under this sec-
 24 tion shall include—

1 (A) a description of the criteria the State educa-
 2 tional agency will use, and the procedures it will
 3 follow, to assess the educational effectiveness of pro-
 4 grams conducted by local educational agencies and
 5 State agencies within the State receiving assistance
 6 under this chapter; and

7 (B) a description of the criteria the State educa-
 8 tional agency will use, and the policy and procedures
 9 the State educational agency will follow, in taking cor-
 10 rective measures, in accordance with section 1021(f).

11 (2) In carrying out the requirement in paragraph
 12 (1)(A), each State educational agency shall demonstrate that
 13 the criteria and procedures are based on measurements and
 14 techniques that are generally accepted as valid and reliable.
 15 Each such assessment may take into account such factors
 16 as—

17 (A) the educational disadvantage of the student
 18 and the income of the family of the student,

19 (B) the size, scope, and quality of services and
 20 programs furnished under this chapter,

21 (C) the failure or inability of local educational
 22 agencies to provide services required by this chapter,

23 (D) the loss of regular class time for participating
 24 children, and

1 (E) safety concerns raised by the conditions
2 under which services are provided.

3 (3) The Secretary may require the collection of certain
4 data and the use of specific evaluation methods to ensure that
5 data from the various States may be aggregated and com-
6 pared.

7 (4) In any case in which the State assessment differs
8 from the local assessment, the State educational agency shall
9 include in its application the reasons for the difference, in-
10 cluding the difference in the criteria for measurements used
11 by the State and by the local educational agency.

12 (c) **APPROVAL OF APPLICATIONS.**—(1) The Secretary
13 shall approve any State application that meets the require-
14 ments of this section.

15 (2) Before disapproving a State application, the Secre-
16 tary shall provide reasonable notice and an opportunity for a
17 hearing to the State educational agency.

18 **SEC. 1021. PROGRAM IMPROVEMENT.**

19 (a) **SCHOOL PROGRAM IMPROVEMENT.**—With respect
20 to each school which shows inadequate improvement or a de-
21 cline in aggregate achievement of children served under this
22 chapter for one school year according to the objective meas-
23 ures and standards developed pursuant to section 1020 and
24 section 1022, the local educational agency shall—

1 (1) develop and implement in coordination with
 2 such school a plan for program improvement which
 3 shall incorporate those program changes which have the
 4 greatest likelihood of improving the performance of edu-
 5 cationally disadvantaged children including—

6 (A) a description of educational strategies de-
 7 signed to achieve the stated program goals and to
 8 meet the needs of eligible children revealed by the
 9 assessment to be deficient and in need of addition-
 10 al educational services;

11 (B) a description of adequate resources, and
 12 how the resources will be applied, to carry out ef-
 13 fectively the strategies selected, including qualified
 14 personnel, inservice training, curriculum materi-
 15 als, equipment, and physical facilities;

16 (C) technical assistance;

17 (D) alternative curriculum that has shown
 18 promise in similar schools;

19 (E) improving coordination between the
 20 chapter 1 and the regular school program;

21 (F) evaluation of parent involvement;

22 (G) appropriate inservice training for staff
 23 paid with funds under this chapter and other staff
 24 who teach children served under this chapter; and

1 (H) other measures proposed by the local
2 educational agency; and

3 (2) submit the plan to the local school board and
4 the State educational agency, and make it available to
5 parents of children served under this chapter in that
6 school.

7 (b) STATE ASSISTANCE TO LOCAL EDUCATIONAL
8 AGENCIES.—(1) If for 2 consecutive years, the aggregate
9 achievement of children served under this chapter in a school
10 does not improve or declines, the local educational agency
11 shall, in consultation with the State educational agency,
12 school staff and parents of participating children, develop and
13 implement a joint plan for program improvement in that
14 school until improved achievement in the aggregate is sus-
15 tained over a period of more than 1 year.

16 (2) The State educational agency shall provide appro-
17 priate technical assistance to each school identified under
18 paragraph (1) and shall jointly establish with local educa-
19 tional agency representatives objective measures of education-
20 al performance in identified schools and disseminate such
21 criteria to local educational agencies.

22 (c) LOCAL CONDITIONS.—The local educational
23 agency and the State educational agency, in performing their
24 responsibilities under subsections (a) and (b), shall take into
25 consideration—

1 (1) *the mobility of the student population,*

2 (2) *the extent of educational deprivation among*
3 *program participants which may negatively affect im-*
4 *provement efforts,*

5 (3) *the difficulties involved in dealing with older*
6 *children in secondary school programs funded under*
7 *this chapter, and*

8 (4) *whether indicators other than improved*
9 *achievement demonstrate the positive effects on partici-*
10 *pating children of the activities funded under this*
11 *chapter.*

12 (d) *STUDENT PROGRAM IMPROVEMENT.—On the*
13 *basis of the evaluations and reviews under section 1019, each*
14 *local educational agency shall—*

15 (1) *identify students who have been served for a*
16 *program year and have shown no improvement or a de-*
17 *cline in achievement,*

18 (2) *consider modifications in the program offered*
19 *to better serve students so identified, and*

20 (3) *conduct a thorough assessment of the educa-*
21 *tional needs of students who remain in the program*
22 *after 2 consecutive years of participation with no im-*
23 *provement in achievement.*

24 (e) *TECHNICAL ASSISTANCE.—In carrying out the*
25 *program improvement and student improvement activities re-*

1 quired in subsections (a), (b), and (d), local educational
 2 agencies and State educational agencies shall utilize the re-
 3 sources of the regional technical assistance centers established
 4 by section 1437(a), to the full extent such resources are
 5 available.

6 (f) **NONCOMPLIANCE.**—Whenever a State educational
 7 agency, after providing reasonable notice and an opportunity
 8 for a hearing to a local educational agency, finds that such
 9 agency has substantially failed to, for at least 2 years (1)
 10 provide effective compensatory educational services under
 11 this chapter, including services in accordance with section
 12 1017, or (2) carry out any other requirement applicable to
 13 the program of the local educational agency under this chap-
 14 ter, the State educational agency shall take appropriate cor-
 15 rective action consistent with section 1022.

16 **SEC. 1022. EDUCATIONAL IMPROVEMENT PLAN AND ACTIVITIES.**

17 (a) **PLAN CONDITION.**—In any fiscal year in which
 18 appropriations are made pursuant to section 1404(b) to carry
 19 out the provisions of this section, a State educational agency
 20 shall submit to the Secretary through its State educational
 21 agency a plan for a period not to exceed 3 years which meets
 22 the requirements of subsection (b).

23 (b) **PLAN REQUIREMENTS.**—Each plan submitted
 24 under subsection (a) shall be developed in consultation with
 25 local educational agencies within the State. Each such plan

1 *shall contain provisions designed to carry out the responsibil-*
2 *ities of the State educational agency under section 1021, in-*
3 *cluding—*

4 (1) *the objective measures and standards the State*
5 *educational agency will use to assess school perform-*
6 *ance, or in the case of States where such measures and*
7 *standards have not been developed, the process the*
8 *State educational agency will use to develop the meas-*
9 *ures and standards in consultation with local educa-*
10 *tional agencies;*

11 (2) *the means the State educational agency will*
12 *use to assist local educational agencies in assessing*
13 *school performance and determining which schools are*
14 *most in need of program improvement or in the case of*
15 *States where such assessment has been done, the re-*
16 *sults of the assessment and plan for service to schools*
17 *most in need of program improvement;*

18 (3) *in the case of States where the requirements of*
19 *paragraphs (1) and (2) are completed upon application*
20 *or will be within the first 2 years of the plan, the tech-*
21 *nical assistance the State educational agency will pro-*
22 *vide local educational agencies which have identified,*
23 *pursuant to section 1021(a), schools in greatest need of*
24 *program improvement to attain satisfactory student*
25 *progress; and*

1 (4) *the means the State educational agency will*
 2 *use to develop joint plans with local educational agen-*
 3 *cies which have identified, pursuant to section*
 4 *1021(b)(2), schools in greatest need of program im-*
 5 *provement to attain satisfactory student progress and*
 6 *the technical assistance the State educational agency*
 7 *will provide such schools pursuant to section*
 8 *1021(b)(3).*

9 (c) *PROGRAM IMPROVEMENT ACTIVITIES.—In the*
 10 *second fiscal year in which the provisions of subsection (a)*
 11 *are applicable, and in any such fiscal year thereafter, the*
 12 *State educational agency shall, consistent with the plan sub-*
 13 *mitted under subsection (a), provide program improvement*
 14 *assistance to local educational agencies within the State and*
 15 *to schools within such agencies having the greatest need of*
 16 *assistance to attain adequate student achievement. Such pro-*
 17 *gram improvement assistance may include (but shall not be*
 18 *limited to) training and retraining of personnel, development*
 19 *of curricula that has shown promise in similar schools, repli-*
 20 *cation of promising practices in effective schools models, im-*
 21 *proving coordination between programs assisted under this*
 22 *chapter and the regular school program, and the development*
 23 *of innovative strategies to enhance parental involvement.*

1 **PART B—PROGRAMS FOR SECONDARY SCHOOL**
 2 **BASIC SKILLS IMPROVEMENT AND FOR SCHOOL**
 3 **DROPOUT PREVENTION**

4 **SEC. 1101. STATEMENT OF PURPOSE.**

5 *It is the purpose of this part to provide additional assist-*
 6 *ance to local educational agencies with high concentrations of*
 7 *low-income children to improve the achievement of education-*
 8 *ally disadvantaged children enrolled in secondary schools of*
 9 *such agencies, and to reduce the number of youths who do not*
 10 *complete their elementary and secondary education.*

11 **SEC. 1102. ALLOCATION.**

12 (a) **RESERVATION FOR MIGRANT PROGRAMS.**—*From*
 13 *the amount appropriated under section 1109 for fiscal years*
 14 *1990, 1991, 1992, and 1993, the Secretary shall first re-*
 15 *serve an amount equal to 3 percent of such amount for pro-*
 16 *grams consistent with the purpose of this part for school drop-*
 17 *out prevention and reentry programs and secondary school*
 18 *basic skills improvement programs for migrant children. Pro-*
 19 *grams for which funds are reserved under this subsection*
 20 *shall be conducted through the Office of Migrant Education.*

21 (b) **STATE ALLOCATION.**—*Except as provided in sub-*
 22 *section (c), each State shall be eligible to receive a grant*
 23 *under this part in each fiscal year that bears the same ratio*
 24 *to the remainder of the amount appropriated in that fiscal*
 25 *year as the amount allocated under section 1005 of this Act*

1 *to the local educational agencies in the State bears to the total*
 2 *amount allocated to such agencies in all States.*

3 (c) *STATE MINIMUM.*—No State shall receive less than
 4 *one-half of one percent of the amount appropriated for this*
 5 *part for any fiscal year.*

6 (d) *LOCAL EDUCATIONAL AGENCY ALLOCATION.*—
 7 *Each State educational agency shall allocate funds among*
 8 *local educational agencies in the State on the basis of—*

9 (1) *the eligibility of such agency for funds under*
 10 *section 1005 of this Act; and*

11 (2) *the criteria described in section 1105.*
 12 *Each local educational agency may carry out the activities*
 13 *described in section 1103 in cooperation with community-*
 14 *based organizations.*

15 (e) *STATE ADMINISTRATION.*—A State may reserve
 16 *not more than 5 percent of the amounts available under this*
 17 *part for any fiscal year for State administrative costs.*

18 **SEC. 1103. USES OF FUNDS.**

19 (a) *GENERAL RULE.*—A local educational agency may
 20 *use—*

21 (1) *not to exceed 50 percent of funds paid under*
 22 *this part in any fiscal year for dropout prevention and*
 23 *reentry activities pursuant to subsection (b), and*

1 (2) *the remainder of such funds for secondary*
2 *schools basic skills improvement activities pursuant to*
3 *subsection (c).*

4 (b) *BASIC SKILLS FOR SECONDARY SCHOOLS.—*
5 *Funds made available under this subsection may be used*
6 *for—*

7 (1) *the initiation or expansion of programs to*
8 *meet the special educational needs of secondary school*
9 *students and to help such students attain grade level*
10 *proficiency in basic skills;*

11 (2) *remedial programs specifically tailored to the*
12 *needs of secondary school students;*

13 (3) *remedial activities to address the problems of*
14 *poor achievement and course failure among eligible*
15 *children;*

16 (4) *innovative approaches for surmounting bar-*
17 *riers that make secondary school programs under this*
18 *part difficult for certain students to attend and to ad-*
19 *minister, such as scheduling problems, courses leading*
20 *to a general education diploma, and graduation re-*
21 *quirements;*

22 (5) *innovative programs involving community-*
23 *based organizations or the private sector, or both, to*
24 *provide motivational activities, pre-employment train-*
25 *ing, or transition-to-work activities;*

1 (6) *programs for eligible students outside the*
2 *school, with the goal of reaching dropouts who will not*
3 *reenter the traditional school, for the purpose of provid-*
4 *ing remedial education, basic skills education, or*
5 *courses for general educational development;*

6 (7) *the application of the resources of the commu-*
7 *nity to assist in providing services to the target popula-*
8 *tion;*

9 (8) *training for staff who will work with the*
10 *target population on strategies and techniques for iden-*
11 *tifying, instructing, and assisting such students;*

12 (9) *guidance and counseling activities, support*
13 *services, exploration of postsecondary educational op-*
14 *portunities, youth employment activities, and other stu-*
15 *dent services which are necessary to assist eligible stu-*
16 *dents; and*

17 (10) *the recruitment, training, and supervision of*
18 *secondary school students (including the provision of*
19 *stipends to low-income students) to serve as tutors of*
20 *other students eligible for services under this part and*
21 *under part A, in order to assist such eligible students*
22 *with homework assignments, provide instructional ac-*
23 *tivities, and foster good study habits and improved*
24 *achievement.*

1 (c) *USES OF FUNDS FOR SCHOOL DROPOUT PRE-*
 2 *VENTION AND REENTRY PROJECTS.—Funds made avail-*
 3 *able under this subsection may be used for—*

4 (1) *effective programs which identify potential*
 5 *student dropout and prevent them from dropping out*
 6 *of elementary and secondary school;*

7 (2) *effective programs which identify and encour-*
 8 *age children who have already dropped out to reenter*
 9 *school and complete their elementary and secondary*
 10 *education;*

11 (3) *effective programs for early intervention de-*
 12 *signed to identify at-risk students in elementary and*
 13 *early secondary schools;*

14 (4) *model systems for collecting and reporting in-*
 15 *formation to local school officials on the number, ages,*
 16 *and grade levels of the children not completing their el-*
 17 *ementary and secondary education and the reasons*
 18 *why such children have dropped out of school;*

19 (5) *dropout programs which include coordinated*
 20 *services and activities with programs of vocational edu-*
 21 *cation, adult basic education, and programs under the*
 22 *Job Training Partnership Act; and*

23 (6) *projects which are carried out in consortia*
 24 *with a community-based organization, any nonprofit*
 25 *private organization, institution of higher education,*

1 *State educational agency, State and local public agen-*
 2 *cies, private industry councils (established under the*
 3 *Job Training Partnership Act), museum, library, or*
 4 *educational television or broadcasting station, or com-*
 5 *munity-based organization.*

6 (d) *LIMITATION.*—*Not more than 25 percent of*
 7 *amounts available may be used by a local educational agency*
 8 *for noninstructional services.*

9 **SEC. 1104. APPLICATIONS.**

10 (a) *APPLICATION REQUIRED.*—*Any local educational*
 11 *agency which desires to receive a grant under this part shall*
 12 *submit to the State educational agency an application which*
 13 *describes the program to be supported with funds under this*
 14 *part and complies with the provisions of subsection (b).*

15 (b) *CONTENTS OF APPLICATION.*—*Each application*
 16 *submitted under subsection (a) shall—*

17 (1) *describe the program goals and the manner in*
 18 *which funds will be used to initiate or expand services*
 19 *to secondary school students, dropouts, and potential*
 20 *dropouts;*

21 (2) *describe the activities and services which will*
 22 *be provided by the program (including documentation*
 23 *to demonstrate that the local educational agency has*
 24 *the qualified personnel required to develop, administer,*
 25 *and implement the program under this subpart);*

1 (3) assure that the programs will be conducted in
2 schools with the greatest need for assistance, in terms
3 of achievement levels, poverty rates, or dropout rates;

4 (4) assure that the programs will serve those eligi-
5 ble students most in need of the activities and services
6 provided by this part;

7 (5) assure that services will be provided under
8 this part to special populations, such as individuals
9 with limited English proficiency and individuals with
10 handicaps;

11 (6) assure that parents of eligible students will be
12 involved in the development and implementation of pro-
13 grams under this part;

14 (7) describe the methods by which the applicant
15 will coordinate programs under this part with pro-
16 grams for the eligible student population operated by
17 community-based organizations, social service organi-
18 zations and agencies, private sector entities, and other
19 agencies, organizations, and institutions, and with pro-
20 grams conducted under the Vocational Education Act,
21 the Adult Education Act, the Job Training Partner-
22 ship Act, and other relevant Acts;

23 (8) assure that, if feasible, the local educational
24 agency will enter into arrangements with local busi-
25 nesses, labor organizations, or chambers of commerce

1 *under which such businesses and organizations will*
2 *help secure employment for graduates of schools operat-*
3 *ing projects under this part;*

4 (9) *assure that to the extent consistent with the*
5 *number of students in the school district of the local*
6 *educational agency who are enrolled in private second-*
7 *ary schools, such agency shall, after timely and mean-*
8 *ingful consultation with appropriate private school offi-*
9 *cials, make provision for including such services and*
10 *arrangements for the benefit of such students as will*
11 *assure their equitable participation in the purposes and*
12 *benefits of this part;*

13 (10) *in the case of a local educational agency that*
14 *is seeking funding for both dropout prevention and re-*
15 *entry and secondary school basic skills improvement*
16 *activities, identify which activities in the applicant's*
17 *proposed program that are primarily dropout preven-*
18 *tion and reentry activities, and which activities are*
19 *primarily secondary school basic skills improvement*
20 *activities and the amount of funding requested for each*
21 *such type of activity; and*

22 (11) *provide such other information as the State*
23 *educational agency may require to determine the*
24 *nature and quality of the proposed project and the ap-*
25 *plicant's ability to carry it out.*

1 (c) *SPECIAL RULE.*—If the Secretary determines that
 2 a local educational agency has substantially failed to comply
 with paragraph (9) (by reason of State law or otherwise) or
 4 is unwilling to provide for such participation on an equitable
 5 basis, the Secretary shall waive such requirement, and, sub-
 6 ject to the provisions of section 1017(b) of part A of this
 7 chapter, shall arrange for the provision of services to such
 8 students.

9 **SEC. 1105. AWARD OF GRANTS.**

10 Each State educational agency shall award grants to
 11 programs of local educational agencies within the State
 12 which—

13 (1) are serving local educational agencies in the
 14 State with the greatest need for services provided under
 15 this part based on their numbers of low-income chil-
 16 dren, and numbers of low-achieving children;

17 (2) are representative of urban and rural regions
 18 of the State;

19 (3) offer innovative approaches to achievement
 20 among eligible youth or offer approaches which show
 21 promise for replication and dissemination; and

22 (4) offer innovative approaches to reducing the
 23 number of school dropouts.

1 **SEC. 1106. FISCAL REQUIREMENTS.**

2 (a) *GENERAL RULE.*—*The provisions of section 1018*
 3 *(a) through (e) of this Act shall apply to the program author-*
 4 *ized by this part.*

5 (b) *SPECIAL RULE.*—(1) *Each local educational*
 6 *agency shall use funds under this part to supplement the level*
 7 *of funds under this chapter that are used for secondary school*
 8 *programs.*

9 (2) *In order to comply with paragraph (1), any local*
 10 *educational agency which operates secondary school pro-*
 11 *grams funded under chapter 1 of the Education Consolida-*
 12 *tion and Improvement Act of 1981 or part A of this Act and*
 13 *which are operating secondary school basic skills programs*
 14 *under this subpart shall continue the same aggregate level of*
 15 *funding for such programs, at the same schools or at other*
 16 *eligible schools within the local educational agency.*

17 **SEC. 1107. EVALUATIONS AND PROGRAM IMPROVEMENT.**

18 (a) *LOCAL EVALUATIONS.*—*In accordance with na-*
 19 *tional standards, each local educational agency shall—*

20 (1) *evaluate programs assisted under this part in*
 21 *terms of their effectiveness in achieving goals (includ-*
 22 *ing objective measurement of educational achievement*
 23 *in basic skills and a determination of whether im-*
 24 *proved performance is sustained over a period of more*
 25 *than 1 year), or in the case of school dropout pro-*

1 *grams, a measurement of the education in the dropout*
 2 *rate;*

3 *(2) submit the results of such evaluations to the*
 4 *State educational agency at least every 2 years and*
 5 *consider such evaluations in improvement of the pro-*
 6 *grams and projects assisted under this part; and*

7 *(3) assess the programmatic needs of students who*
 8 *remain in the program after 3 years of participation.*

9 *(b) STATE EVALUATIONS.—In accordance with na-*
 10 *tional standards, each State educational agency shall—*

11 *(1) conduct an evaluation (based on local evalua-*
 12 *tion data collected under subsection (a)) of the pro-*
 13 *grams assisted under this part at least every 2 years*
 14 *and shall make public the results of that evaluation;*

15 *(2) inform local educational agencies, in advance,*
 16 *of the specific evaluation data that will be needed and*
 17 *how it may be collected; and*

18 *(3) collect data on the race, age, gender, and*
 19 *handicapping condition of children served by the pro-*
 20 *grams assisted under this part and on the number of*
 21 *children served by grade-level under the programs as-*
 22 *sisted under this part.*

23 *(c) PROGRAM IMPROVEMENT.—(1) Schools which*
 24 *show a decline in achievement of children served under this*

1 part in any 2 consecutive years shall submit a detailed plan
2 for improvement to the local educational agency.

3 (2) Schools receiving funds under this subsection which
4 show no decline in the dropout rate shall submit a detailed
5 plan for improvement to the local educational agency.

6 (3) The local educational agency shall review each plan
7 required under paragraph (1) or (2), or both, and provide
8 technical assistance for program improvement at that school.
9 If achievement of children at that school continues to decline
10 for 2 additional years, the local educational agency shall
11 notify the State educational agency which shall provide tech-
12 nical assistance, as needed, for program improvement.

13 **SEC. 1108. AUTHORIZATION OF APPROPRIATIONS.**

14 There are authorized to be appropriated \$400,000,000
15 for fiscal year 1990, \$450,000,000 for fiscal year 1991,
16 \$500,000,000 for fiscal year 1992, and \$550,000,000 for
17 fiscal year 1993 to carry out this part.

18 **PART C—PROGRAMS OPERATED BY STATE**

19 **AGENCIES**

20 **Subpart 1—Programs for Migratory Children**

21 **SEC. 1201. GRANTS—ENTITLEMENT AND AMOUNT.**

22 (a) **ENTITLEMENT.**—A State educational agency or a
23 combination of such agencies shall, upon application, be enti-
24 tled to receive a grant for any fiscal year under this part to
25 establish or improve, either directly or through local educa-

1 tional agencies, programs of education for migratory children
 2 of migratory agricultural workers (including migratory agri-
 3 cultural dairy workers) or of migratory fishermen which meet
 4 the requirements of section 1202.

5 (b) AMOUNT OF GRANT.—(1) Except as provided in
 6 section 1291, the total grants which shall be made available
 7 for use in any State (other than Puerto Rico) for this subpart
 8 shall be an amount equal to 40 percent of the average per
 9 pupil expenditure in the State (or (A) in the case where the
 10 average per pupil expenditure in the State is less than 80
 11 percent of the average per pupil expenditure in the United
 12 States, of 80 percent of the average per pupil expenditure in
 13 the United States, or (B) in the case where the average per
 14 pupil expenditure in the State is more than 120 percent of
 15 the average per pupil expenditure in the United States, of
 16 120 percent of the average per pupil expenditure in the
 17 United States) multiplied by (i) the estimated number of
 18 such migratory children aged 3 to 21, inclusive, who reside
 19 in the State full time, and (ii) the full-time equivalent of the
 20 estimated number of such migratory children aged 3 to 21,
 21 inclusive, who reside in the State part time, as determined by
 22 the Secretary in accordance with regulations, except that if,
 23 in the case of any State, such amount exceeds the amount
 24 required under section 1202, the Secretary shall allocate
 25 such excess, to the extent necessary, to other States, whose

1 *total of grants under this sentence would otherwise be insuffi-*
2 *cient for all such children to be served in such other States.*
3 *In determining the full-time equivalent number of migratory*
4 *children who are in a State during the summer months, the*
5 *Secretary shall adjust the number so determined to take into*
6 *account the special needs of those children for summer pro-*
7 *grams and the additional costs of operating such programs*
8 *during the summer. In determining the number of migrant*
9 *children for the purposes of this section the Secretary shall*
10 *use statistics made available by the migrant student record*
11 *transfer system or such other system as he may determine*
12 *most accurately and fully reflects the actual number of mi-*
13 *grant students. In submitting the information required to*
14 *make such determination, the States shall not exceed a stand-*
15 *ard error rate of 5 percent.*

16 (2) *To carry out the determinations of eligibility re-*
17 *quired by this section, the Secretary shall develop a national*
18 *standard form for certification of migrant students.*

19 (3) *For each fiscal year, the Secretary shall determine*
20 *the percentage which the average per pupil expenditure in*
21 *Puerto Rico is of the lowest average per pupil expenditure of*
22 *any of the 50 States. The grant which Puerto Rico shall be*
23 *eligible to receive under this section for a fiscal year shall be*
24 *the amount arrived at by multiplying the number of such*
25 *migrant children in Puerto Rico by the product of—*

1 (A) the percentage determined under the preceding
2 sentence, and

3 (B) 32 percent of the average per pupil expendi-
4 ture in the United States.

5 **SEC. 1202. PROGRAM REQUIREMENTS.**

6 (a) **REQUIREMENTS FOR APPROVAL OF APPLICA-**
7 **TION.**—*The Secretary may approve an application submitted*
8 *under section 1201(a) only upon a determination—*

9 (1) *that payments will be used for programs and*
10 *projects (including the acquisition of equipment and*
11 *where necessary the construction of school facilities)*
12 *which are designed to meet the special educational*
13 *needs of migratory children of migratory agricultural*
14 *workers or of migratory fishermen, and to coordinate*
15 *such programs and projects with similar programs and*
16 *projects in other States, including the transmittal of*
17 *pertinent information with respect to school records of*
18 *such children;*

19 (2) *that in planning and carrying out programs*
20 *and projects there has been and will be appropriate co-*
21 *ordination with programs administered under section*
22 *418 of the Higher Education Act, section 402 of the*
23 *Job Training Partnership Act, the Education of the*
24 *Handicapped Act, the Community Services Block*
25 *Grant Act, the Head Start program, the migrant*

1 *health program, and all other appropriate programs*
2 *under the Departments of Education, Labor, and*
3 *Agriculture;*

4 *(3) that such programs and projects will be ad-*
5 *ministered and carried out in a manner consistent with*
6 *the basic objectives of section 1011 (other than subsec-*
7 *tion (b)), sections 1012, 1014, and 1018, and subpart*
8 *2 of part E;*

9 *(4) that, in the planning and operation of pro-*
10 *grams and projects at both the State and local educa-*
11 *tional agency level, there is appropriate consultation*
12 *with parent advisory councils (established in order to*
13 *comply with this provision) for programs extending for*
14 *the duration of a school year, and that all programs*
15 *are carried out in a manner consistent with the re-*
16 *quirements of section 1016;*

17 *(5) that, in planning and carrying out programs*
18 *and projects, there has been adequate assurance that*
19 *provision will be made for the preschool education*
20 *needs of migratory children of migratory agricultural*
21 *workers or of migratory fishermen; and*

22 *(6) that programs conducted under this subpart*
23 *will be evaluated in terms of their effectiveness in*
24 *achieving stated goals, including objective measure-*
25 *ments of educational achievement in basic skills, and*

1 *that for formerly migratory children who have been*
2 *served under this subpart in a full school year program*
3 *for at least 2 years, such evaluations shall include a*
4 *determination of whether improved performance is sus-*
5 *tained for more than 1 year.*

6 *(b) CONTINUATION OF MIGRANT STATUS.—For pur-*
7 *poses of this subpart, with the concurrence of the parents, a*
8 *migratory child of a migratory agricultural worker or of a*
9 *migratory fisherman shall be considered to continue to be*
10 *such a child for a period, not in excess of 5 years. Such*
11 *children who are currently migrant, as determined pursuant*
12 *to regulations of the Secretary, shall be given priority in the*
13 *consideration of programs and activities contained in appli-*
14 *cations submitted under this section.*

15 *(c) DEFINITIONS.—The Secretary shall continue to use*
16 *the definitions of “agricultural activity”, “currently migrato-*
17 *ry child”, and “fishing activity” which were published in the*
18 *Federal Register on April 30, 1985, in regulations prescribed*
19 *under section 555(b) of the Education Consolidation and*
20 *Improvement Act of 1981 and subpart 1 of part B of title I of*
21 *the Elementary and Secondary Education Act of 1965. No*
22 *additional definition of “migra- tory agricultural worker” or*
23 *“migratory fisherman” may be applied to the provisions of*
24 *this subpart.*

1 *(d) BYPASS PROVISION.—If the Secretary determines*
 2 *that a State is unable or unwilling to conduct educational*
 3 *programs for migratory children of migratory agricultural*
 4 *workers or of migratory fishermen, that it would result in*
 5 *more efficient and economic administration, or that it would*
 6 *add substantially to the welfare or educational attainment of*
 7 *such children, the Secretary may make special arrangements*
 8 *with other public or nonprofit private agencies to carry out*
 9 *the purposes of this section in one or more States, and for*
 10 *this purpose the Secretary may use all or part of the total of*
 11 *grants available for any such State under this subpart.*

12 **SEC. 1203. COORDINATION OF MIGRANT EDUCATION ACTIVITIES.**

13 *(a) ACTIVITIES AUTHORIZED.—(1) The Secretary is*
 14 *authorized to make grants (in consultation with and with the*
 15 *approval of the States) to State educational agencies for ac-*
 16 *tivities to improve the interstate and intrastate coordination*
 17 *among State and local educational agencies of the education-*
 18 *al programs available for migratory students. Each grant*
 19 *issued under this paragraph shall not exceed 3 years for its*
 20 *stated purpose.*

21 *(2) The Secretary is also authorized to enter into con-*
 22 *tracts with State educational agencies to operate a system for*
 23 *the transfer among State and local educational agencies of*
 24 *migrant student records. No activity under this section shall,*

1 *for purposes of any Federal law, be treated as an information*
 2 *collection that is conducted or sponsored by a Federal agency.*

3 (3) *Grants or contracts shall also be made under this*
 4 *section to State educational agencies to develop and establish*
 5 *a national program of credit exchange and accrual for mi-*
 6 *grant students so that such students will be better able to meet*
 7 *graduation requirements and receive their high school diplo-*
 8 *mas. Such grants or contracts may not exceed 3 years.*

9 (b) *AVAILABILITY OF FUNDS.—The Secretary shall,*
 10 *from the funds appropriated for carrying out this subpart,*
 11 *reserve for purposes of this section for any fiscal year an*
 12 *amount, determined by the Secretary, which shall not be less*
 13 *than \$6,000,000 nor more than 5 percent of the amount*
 14 *appropriated.*

15 ***Subpart 2—Programs for Handicapped Children***

16 ***SEC. 1221. AMOUNT AND ELIGIBILITY.***

17 (a) *ELIGIBILITY FOR GRANT.—(1) A State education-*
 18 *al agency shall be eligible to receive a grant under this sub-*
 19 *part for any fiscal year for programs for handicapped chil-*
 20 *dren.*

21 (2) *For the purpose of this subpart—*

22 (A) *“children” includes infants and toddlers, as*
 23 *appropriate, and*

24 (B) *“handicapped children” means mentally re-*
 25 *tarded, hard of hearing, deaf, speech or language im-*

1 *paired, visually handicapped, seriously emotionally*
 2 *disturbed, orihopedically impaired, or other health im-*
 3 *paired children or children with specific learning dis-*
 4 *abilities.*

5 ***(b) STATE EDUCATIONAL AGENCY APPLICATION.—***

6 *In order to receive a grant under this subpart, a State educa-*
 7 *tional agency shall submit an application to the Secretary*
 8 *which provides assurances that—*

9 *(1) payments made under this subpart are used*
 10 *for programs and projects (including the acquisition of*
 11 *equipment) which are designed to meet the special edu-*
 12 *cation needs of handicapped children and the early*
 13 *intervention needs of handicapped infants and toddlers;*

14 *(2) all handicapped children in the State partici-*
 15 *pating in programs and projects funded under this sub-*
 16 *part receive a free appropriate public education and*
 17 *such children and such children's parents are provided*
 18 *all the rights and procedural safeguards under part B*
 19 *of the Education of the Handicapped Act and this sub-*
 20 *part and that all handicapped infants and toddlers in*
 21 *the State participating under this subpart receive early*
 22 *intervention services and such infants and toddlers and*
 23 *their families are provided the rights and procedural*
 24 *safeguards under part H of such Act;*

1 (3) *programs and projects receiving assistance*
2 *under this subpart are administered in a manner con-*
3 *sistent with this subpart, subpart 2 of part E, part B*
4 *of the Education of the Handicapped Act, and as deter-*
5 *mined by the Secretary to be appropriate, part H of*
6 *the Education of the Handicapped Act, including the*
7 *monitoring by such agency of compliance under para-*
8 *graph (2);*

9 (4) *programs and projects under this subpart will*
10 *be coordinated with services under the Education of the*
11 *Handicapped Act;*

12 (5) *for fiscal year 1991, and each subsequent*
13 *fiscal year, the State educational agency will adminis-*
14 *ter the program authorized by this subpart through the*
15 *State office responsible for administering part B of the*
16 *Education of the Handicapped Act;*

17 (6) *the agency will report, annually, to the Secre-*
18 *tary—*

19 (A) *the number of children served under this*
20 *subpart for each disability and age category as de-*
21 *scribed in part B of the Education of the Handi-*
22 *capped Act;*

23 (B) *the number of children served under this*
24 *subpart in each of the educational placements de-*
25 *scribed in section 618(b)(2) of the Education of*

1 *the Handicapped Act (and shall report separately*
 2 *State-operated and State-supported programs and*
 3 *local educational agency programs for children*
 4 *previously served in such State programs);*

5 *(C) the place of residence for the participat-*
 6 *ing children; and*

7 *(D) on the uses of funds and the allocation*
 8 *of such funds for such uses under this subpart;*
 9 *and*

10 *(7) the agency shall report to the Secretary such*
 11 *other information as the Secretary may reasonably*
 12 *request.*

13 *(c) AMOUNT OF GRANT.—(1) Except as provided in*
 14 *subsection (e) and section 1291, the grant which a State edu-*
 15 *cational agency (other than the agency for Puerto Rico) shall*
 16 *be eligible to receive under this section shall be an amount*
 17 *equal to 40 percent of the average per pupil expenditure in*
 18 *the State (or (A) in the case where the average per pupil*
 19 *expenditure in the State is less than 80 percent of the average*
 20 *per pupil expenditure in the United States, of 80 percent of*
 21 *the average per pupil expenditure in the United States, or*
 22 *(B) in the case where the average per pupil expenditure in*
 23 *the State is more than 120 percent of the average per pupil*
 24 *expenditure in the United States, of 120 percent of the aver-*
 25 *age per pupil expenditure in the United States), multiplied*

1 *by the number of handicapped children, aged from birth*
2 *through age 21, enrolled on December 1, as determined by the*
3 *Secretary, in programs or schools for handicapped infants,*
4 *toddlers and children operated or supported by a State*
5 *agency which—*

6 *(i) is directly responsible for providing free public*
7 *education for handicapped children (including schools*
8 *providing special education and related services for*
9 *handicapped children); and*

10 *(ii) is directly responsible for providing early*
11 *intervention services,*

12 *under contract or other arrangement with such State agency,*
13 *in the most recent fiscal year for which satisfactory data are*
14 *available. The State educational agency shall distribute such*
15 *funds to the appropriate State educational agency on the*
16 *basis of the December 1 child count by distributing an equal*
17 *amount for each child counted.*

18 *(2) For each fiscal year, the Secretary shall determine*
19 *the percentage which the average per pupil expenditure in the*
20 *Commonwealth of Puerto Rico is of the lowest average per*
21 *pupil expenditure of any of the 50 States. Except as provided*
22 *in subsection (e), a grant which the Commonwealth of Puerto*
23 *Rico shall be eligible to receive under this subpart for a fiscal*
24 *year shall be the amount arrived at by multiplying the*

1 *number of such handicapped children in the Commonwealth*
 2 *of Puerto Rico by the product of—*

3 *(A) the percentage determined under the preceding*
 4 *sentence, and*

5 *(B) 32 percent of the average per pupil expendi-*
 6 *ture in the United States.*

7 *(d) COUNTING OF CHILDREN TRANSFERRING FROM*
 8 *STATE TO LOCAL PROGRAMS.—In any case in which a*
 9 *child described in section 1221(c)(1) leaves an educational*
 10 *program for handicapped children operated or supported by a*
 11 *State agency in order to participate in such a program oper-*
 12 *ated or supported by a local educational agency, such child*
 13 *shall be counted under subsection (c) if—*

14 *(1) the child was receiving and continues to re-*
 15 *ceive a free appropriate public education; and*

16 *(2) the State educational agency transfers to the*
 17 *local educational agency in whose program such child*
 18 *participates an amount equal to the sums received by*
 19 *such State agency under this section which are attrib-*
 20 *utable to such child, to be used for the purposes set*
 21 *forth in section 1222.*

22 *(e) SPECIAL REQUIREMENT.—The State educational*
 23 *agency may count handicapped children aged 3–5, inclusive,*
 24 *in a State only if such State is eligible for a grant under*
 25 *section 619 of the Education of the Handicapped Act.*

1 **SEC. 1222. SERVICE AND PROGRAM APPLICATIONS.**

2 (a) **APPLICATION REQUIRED.**—A State agency or
3 local educational agency may receive a grant under this sub-
4 part for any fiscal year if it has on file with the State educa-
5 tional agency an application which describes the services,
6 programs, and projects to be conducted with such assistance
7 for a period of not more than 3 years, and each such applica-
8 tion has been approved by the State educational agency. Any
9 State educational agency operating programs or projects
10 under this subpart shall prepare a written description of such
11 programs and projects in accordance with subsections (b) and
12 (c).

13 (b) **REQUIREMENTS.**—At a minimum each such appli-
14 cation shall—

- 15 (1) indicate the number of children to be served;
- 16 (2) specify the number of children to be served for
17 each disability and age category as described in part B
18 of the Education of the Handicapped Act;
- 19 (3) describe the purpose or purposes of the project
20 and the method or methods of evaluating the effective-
21 ness of the services, projects, or program;
- 22 (4) specify the services to be provided with the
23 funds furnished under this subpart; and
- 24 (5) include other information the Secretary or
25 State educational agency may request.

1 (c) *APPLICATION ASSURANCES.*—Any such applica-
2 tion shall provide assurances that—

3 (1) *all handicapped children in the State partici-*
4 *parting in programs and projects funded under this sub-*
5 *part receive a free appropriate public education and*
6 *such children and such children's parents are provided*
7 *all the rights and procedural safeguards under part B*
8 *of the Education of the Handicapped Act and this sub-*
9 *part and that all handicapped infants and toddlers in*
10 *the State participating under this subpart receive early*
11 *intervention services and such infants and toddlers and*
12 *their families are provided the rights and procedural*
13 *safeguards under part H of such Act;*

14 (2) *services, programs, and projects conducted*
15 *under this subpart are of sufficient size, scope, and*
16 *quality to give reasonable promise toward meeting the*
17 *special educational and early intervention needs of*
18 *children to be served;*

19 (3) *funds made available under the subpart will*
20 *supplement, not supplant State and local funds in ac-*
21 *cordance with section 1018(b);*

22 (4) *the agency will maintain its fiscal effort in*
23 *accordance with section 1018(a);*

24 (5) *the agency will conduct such evaluations and*
25 *assessments as may be necessary to demonstrate that*

1 *the programs and projects are beneficial to the children*
 2 *served;*

3 *(6) the parents of children to be served with funds*
 4 *under this subpart are provided an opportunity to par-*
 5 *ticipate in the development of its project application;*
 6 *and*

7 *(7) the agency will comply with all reporting re-*
 8 *quirements in a timely manner.*

9 *(d) LETTER OF REQUEST.—The State educational*
 10 *agency may accept, in lieu of a project application, a letter of*
 11 *request for payment from a local educational agency, if the*
 12 *local agency intends to serve fewer than 5 children with its*
 13 *payment. In such a letter the agency shall include an assur-*
 14 *ance that the payment shall be used to supplement the provi-*
 15 *sion of special education and related services.*

16 **SEC. 1223. USES OF FUNDS.**

17 *(a) GENERAL RULE.—Services, programs, and*
 18 *projects authorized under this subpart may include, but are*
 19 *not limited to—*

20 *(1) services provided in early intervention, pre-*
 21 *school, elementary, secondary, and transition pro-*
 22 *grams;*

23 *(2) acquisition of equipment and instructional*
 24 *materials;*

25 *(3) employment of special personnel;*

1 (4) *training and employment of education aides;*

2 (5) *training in the use and provision of assistive*
3 *devices and other specialized equipment;*

4 (6) *training of teachers and other personnel;*

5 (7) *training of parents of handicapped infants*
6 *and children;*

7 (8) *training of nonhandicapped children to facili-*
8 *tate their participation with handicapped children and*
9 *infants in joint activities;*

10 (9) *training of employers and independent living*
11 *personnel involved in assisting the transition of handi-*
12 *capped children from school to the world of work and*
13 *independent living;*

14 (10) *outreach activities to identify and involve*
15 *handicapped infants and children and their families*
16 *more fully in a wide range of educational and recre-*
17 *ational activities in their communities;*

18 (11) *assessment of children; and*

19 (12) *planning for, evaluation of, and dissemina-*
20 *tion of information regarding such programs and*
21 *projects assisted under this subpart.*

22 (b) **PROHIBITION.**—*Programs and projects authorized*
23 *under this subpart may not include the construction of facili-*
24 *ties.*

1 **SEC. 1224. ELIGIBLE CHILDREN.**

2 *The eligible children for services under this subpart*
3 *are—*

4 *(1) those handicapped children from birth to 21,*
5 *inclusive, who—*

6 *(A) the State is directly responsible for pro-*
7 *viding education or early intervention services to,*
8 *and*

9 *(B)(i) are participating in a State-operated*
10 *or State-supported school or program for handi-*
11 *capped children (including schools and programs*
12 *operated under contract or other arrangement with*
13 *a State agency), or*

14 *(ii) previously participated in such a pro-*
15 *gram and are being educated by local educational*
16 *agencies; and*

17 *(2) other handicapped children, if children de-*
18 *scribed in paragraph (1) have been fully served.*

19 **SEC. 1225. FEDERAL MONITORING REQUIREMENT.**

20 *Whenever the Secretary conducts monitoring visits*
21 *under part B of the Education of the Handicapped Act, the*
22 *Secretary shall monitor the program authorized by this sub-*
23 *part, if applicable.*

1 **Subpart 3—Programs for Neglected and Delinquent**

2 **Children**

3 **SEC. 1241. AMOUNT AND ENTITLEMENT.**

4 (a) **ENTITLEMENT TO GRANTS.**—A State agency
5 which is responsible for providing free public education for
6 children in institutions for neglected or delinquent children
7 or in adult correctional institutions shall be entitled to receive
8 a grant under this subpart for any fiscal year (but only if
9 grants received under this subpart are used only for children
10 in such institutions).

11 (b) **AMOUNT OF GRANT.**—(1) Except as provided in
12 section 1291, the grant which such an agency (other than the
13 agency for Puerto Rico) shall be eligible to receive shall be an
14 amount equal to 40 percent of the average per pupil expendi-
15 ture in the State (or (A) in the case where the average per
16 pupil expenditure in the State is less than 80 percent of the
17 average per pupil expenditure in the United States, of 80
18 percent of the average per pupil expenditure in the United
19 States, or (B) in the case where the average per pupil ex-
20 penditure in the State is more than 120 percent of the aver-
21 age per pupil expenditure in the United States, of 120 per-
22 cent of the average per pupil expenditure in the United
23 States) multiplied by the number of such neglected or delin-
24 quent children in average daily attendance, as determined by
25 the Secretary, at schools for such children operated or sup-
26 ported by that agency, including schools providing education

1 *for such children under contract or other arrangement with*
 2 *such agency, in the most recent fiscal year for which satisfac-*
 3 *tory data are available.*

4 (2) *For each fiscal year, the Secretary shall determine*
 5 *the percentage which the average per pupil expenditure in*
 6 *Puerto Rico is of the lowest average per pupil expenditure of*
 7 *any of the 50 States. The grant which Puerto Rico shall be*
 8 *eligible to receive under this subpart for a fiscal year shall be*
 9 *the amount arrived at by multiplying the number of such*
 10 *neglected or delinquent children in Puerto Rico by the prod-*
 11 *uct of—*

12 (A) *the percentage determined under the preceding*
 13 *sentence, and*

14 (B) *32 percent of the average per pupil expendi-*
 15 *ture in the United States.*

16 **SEC. 1242. PROGRAM REQUIREMENTS.**

17 (a) **USE OF PAYMENTS.**—*A State agency shall use*
 18 *payments under this subpart only for programs and projects*
 19 *(including the acquisition of equipment and where necessary*
 20 *the construction of school facilities) which are designed to*
 21 *meet the special educational needs of children in institutions*
 22 *for neglected or delinquent children, children attending com-*
 23 *munity day programs for neglected and delinquent children,*
 24 *or children in adult correctional institutions. Such programs*
 25 *and projects shall be designed to support educational services*

1 *supplemental to the basic education of such children which*
 2 *must be provided by the State, and such programs and*
 3 *projects shall be administered and carried out in a manner*
 4 *consistent with subpart 2 of part E and sections 1011 (other*
 5 *than subsection (b)), 1014, and section 1018 (other than sub-*
 6 *section (c)). The transfer among State and local educational*
 7 *agencies, institutions, and programs of neglected and delin-*
 8 *quent student records shall include any individualized educa-*
 9 *tion programs of such students.*

10 (b) *COMPLIANCE.—In determining whether programs*
 11 *under this subpart have complied with the supplement not*
 12 *supplant requirement under section 1018(b), programs which*
 13 *are supplementary in terms of the number of hours of in-*
 14 *struction students are receiving from State and local sources,*
 15 *shall be considered in compliance without regard to the sub-*
 16 *ject areas in which those instructional hours are given.*

17 (c) *THREE-YEAR PROJECTS.—Where a State agency*
 18 *operates programs under this chapter in which children are*
 19 *likely to participate for more than 1 year, the State educa-*
 20 *tional agency may approve the application for a grant under*
 21 *this subpart for a period of more than 1 year, but not to*
 22 *exceed 3 years.*

23 (d) *EVALUATION.—Programs for neglected and delin-*
 24 *quent children under this subpart shall be evaluated annual-*
 25 *ly to determine their impact on the ability of such children to*

1 *maintain and improve educational achievement, to maintain*
 2 *school credit in compliance with State requirements, and to*
 3 *make the transition to a regular program or special education*
 4 *program operated by a local educational agency.*

5 **SEC. 1243. TRANSITION SERVICES.**

6 (a) **TRANSITION SERVICES.**—*Each State may reserve*
 7 *not more than 10 percent of the amount it receives under*
 8 *section 1241 for any fiscal year to support projects that fa-*
 9 *cilitate the transition of children from State operated institu-*
 10 *tions for neglected and delinquent children into locally*
 11 *operated programs.*

12 (b) **CONDUCT OF PROJECTS.**—*Projects supported*
 13 *under this section may be conducted directly by the State*
 14 *agency, or by contracts or other arrangements with one or*
 15 *more local educational agencies, other public agencies, or pri-*
 16 *vate nonprofit organizations.*

17 (c) **LIMITATION.**—*Assistance under this section shall*
 18 *be used only to provide special educational services to neglect-*
 19 *ed and delinquent children in schools other than State*
 20 *operated institutions.*

21 **SEC. 1244. DEFINITIONS.**

22 *For the purposes of this subpart, the following terms*
 23 *have the following meanings:*

24 (1) *The term “institution for delinquent chil-*
 25 *dren”, as determined by the State educational agency,*

1 *means a public or private residential facility that is*
 2 *operated for the care of children who have been deter-*
 3 *mined to be delinquent or in need of supervision.*

4 (2) *The term "institution for neglected children"*
 5 *means, as determined by the State educational agency,*
 6 *a public or private residential facility (other than a*
 7 *foster home) that is operated for the care of children*
 8 *who have been committed to the institution or voluntar-*
 9 *ily placed in the institution under applicable State*
 10 *law, due to abandonment, neglect, or death of parents*
 11 *or guardians.*

12 ***Subpart 4—General Provisions for State Operated Programs***

13 ***SEC. 1291. RESERVATION OF FUNDS FOR TERRITORIES.***

14 *There is authorized to be appropriated for each fiscal*
 15 *year for purposes of each of subparts 1, 2, and 3 of this part,*
 16 *an amount equal to not more than 1 percent of the amount*
 17 *appropriated for such year for such subparts, for payments to*
 18 *Guam, American Samoa, the Virgin Islands, the Northern*
 19 *Mariana Islands, and the Trust Territory of the Pacific Is-*
 20 *lands under each such subpart. The amounts appropriated for*
 21 *each such subpart shall be allotted among Guam, American*
 22 *Samoa, the Virgin Islands, the Northern Mariana Islands,*
 23 *and the Trust Territory of the Pacific Islands according to*
 24 *their respective need for such grants, based on such criteria*

1 *as the Secretary determines will best carry out the purposes*
 2 *of this chapter.*

3 **SEC. 1292. DUAL ELIGIBILITY FOR PROGRAMS.**

4 *Neglected and delinquent children under subpart 3 who*
 5 *are eligible for programs for handicapped children under sub-*
 6 *part 2, may be counted under each subpart for purposes of*
 7 *grant determination and may be served under each such*
 8 *program.*

9 **PART D—PAYMENTS**

10 **SEC. 1401. PAYMENT METHODS.**

11 *The Secretary shall, from time to time pay to each*
 12 *State, in advance or otherwise, the amount which it and the*
 13 *local educational agencies of that State are eligible to receive*
 14 *under this chapter. Such payments shall take into account*
 15 *the extent (if any) to which any previous payment to such*
 16 *State educational agency under this chapter (whether or not*
 17 *in the same fiscal year) was greater or less than the amount*
 18 *which should have been paid to it.*

19 **SEC. 1402. AMOUNT OF PAYMENTS TO LOCAL EDUCATIONAL**
 20 **AGENCIES.**

21 *From the funds paid to it pursuant to section 1401 each*
 22 *State educational agency shall distribute to each local educa-*
 23 *tional agency of the State which is eligible to receive a grant*
 24 *under this chapter and which has submitted an application*
 25 *approved pursuant to section 1012 the amount for which such*

1 application has been approved, and the amount which the
 2 local educational agency is eligible to receive under section
 3 1102 except that the amount shall not exceed the amount
 4 determined for that local educational agency under this chap-
 5 ter.

6 **SEC. 1403. ADJUSTMENTS WHERE NECESSITATED BY APPRO-**
 7 **PRIATIONS.**

8 (a) **ADJUSTMENT ALLOCATION.**—If the sums appropri-
 9 ated for any fiscal year for making the payments provided in
 10 this chapter are not sufficient to pay in full the total amounts
 11 which all local and State educational agencies are entitled to
 12 receive under this chapter for such year, the amount available
 13 for each grant to a State agency eligible for a grant under
 14 subpart 1, 2, or 3 of part C shall be equal to the total
 15 amount of the grant as computed under each such subpart. If
 16 the remainder of such sums available after the application of
 17 the preceding sentence is not sufficient to pay in full the total
 18 amounts which all local educational agencies are entitled to
 19 receive under subpart 1 of part A of this chapter for such
 20 year, the allocations to such agencies shall, subject to section
 21 1006(c) and to adjustments under the next sentence, be rat-
 22 ably reduced to the extent necessary to bring the aggregate of
 23 such allocations within the limits of the amount so appropri-
 24 ated. The allocation of a local educational agency which
 25 would be reduced under the preceding sentence to less than 85

1 percent of its allocation under subpart 1 of the part A for the
 2 preceding fiscal year, shall be increased to such amount, the
 3 total of the increases thereby required being derived by pro-
 4 portionately reducing the allocations of the remaining local
 5 educational agencies, under the preceding sentence, but with
 6 such adjustments as may be necessary to prevent the alloca-
 7 tion to any remaining local educational agency from being
 8 thereby reduced to less than 85 percent of its allocation for
 9 such year.

10 (b) *ADDITIONAL FUNDS ALLOCATION.*—(1) In case
 11 additional funds become available for making payments
 12 under this chapter for that year, allocations that were reduced
 13 pursuant to subsection (a) shall be increased on the same
 14 basis that they were reduced.

15 (2) In order to permit the most effective use of all appro-
 16 priations made to carry out this chapter, the Secretary may
 17 set dates by which (A) State educational agencies must certi-
 18 fy to the Secretary the amounts for which the applications of
 19 educational agencies have been or will be approved by the
 20 State and (B) State educational agencies referred to in sub-
 21 part 1 of part C must file applications. If the maximum
 22 grant a local educational agency would receive (after any rat-
 23 able reduction which may have been required under the first
 24 sentence of subsection (a) of this section) is more than an
 25 amount which the State educational agency determines, in

1 accordance with regulations prescribed by the Secretary, such
 2 agency will use, the excess amount shall be made available
 3 first to educational agencies in that State. Determinations of
 4 the educational agencies to which such excess amounts shall
 5 be made available by the State educational agency in further-
 6 ance of the purposes of this chapter shall be in accordance
 7 with criteria prescribed by the Secretary which are designed
 8 to assure that such excess amounts will be made available to
 9 other eligible educational agencies with the greatest need, for
 10 the purpose of, where appropriate, redressing inequities in-
 11 herent in, or mitigating hardships caused by, the application
 12 of the provisions of section 1005(a) as a result of such factors
 13 as population shifts and changing economic circumstances.
 14 In the event excess amounts remain after carrying out the
 15 preceding two sentences of this section, such excess amounts
 16 shall be distributed among the other States as the Secretary
 17 shall prescribe for use by local educational agencies in such
 18 States for the purposes of this chapter in such manner as the
 19 respective State educational agencies shall prescribe.

20 **SEC. 1404. PAYMENTS FOR STATE ADMINISTRATION.**

21 (a) *IN GENERAL.*—The Secretary is authorized to pay
 22 to each State amounts equal to the amounts expended by it
 23 for the proper and efficient performance of its duties under
 24 this chapter (other than subsection 1022), except that the

1 *total of such payments in any fiscal year shall be the greater*
 2 *of the following:*

3 (1) *1 percent of the amount allocated to the State*
 4 *and its local educational agencies and to other State*
 5 *agencies as determined for that year under parts A and*
 6 *C; or*

7 (2) *\$325,000, or \$50,000 in the case of Guam,*
 8 *American Samoa, the Virgin Islands, the Northern*
 9 *Mariana Islands, or the Trust Territory of the Pacific*
 10 *Islands.*

11 (b) *STATE EDUCATION IMPROVEMENT ADMINISTRA-*
 12 *TION COSTS.—In any fiscal year in which the appropria-*
 13 *tions for this chapter equal or exceed \$4,800,000,000, the*
 14 *Secretary is authorized to pay, in addition to the amounts*
 15 *described in subsection (a), to each State for carrying out*
 16 *section 1022, an amount equal to—*

17 (1)(A) *0.5 percent of the amount allocated to the*
 18 *State and its local educational agencies and to other*
 19 *State agencies as determined for that year under parts*
 20 *A and C for the first and second such fiscal years; and*

21 (B) *1 percent of the amount allocated to the State*
 22 *and its local educational agencies and to other State*
 23 *agencies as determined for that year under parts A and*
 24 *C for each such fiscal year thereafter; or*

1 (2)(A) \$160,000 or \$25,000 in the case of Guam,
 2 American Samoa, the Virgin Islands, the Northern
 3 Mariana Islands, or the Trust Territory of the Pacific
 4 Islands, in the first or second such year, and

5 (B) \$325,000 or \$50,000 in the case of Guam,
 6 American Samoa, the Virgin Islands, the Northern
 7 Mariana Islands, or the Trust Territory of the Pacific
 8 Islands, in each such fiscal year thereafter.

9 (c) *LIMITATION ON INDIRECT COSTS.*—Not more than
 10 15 percent of the State administrative allocation under sub-
 11 section (a) may be used for indirect costs of the grant.

12 **SEC. 1405. LIMITATION ON GRANT TO PUERTO RICO.**

13 Notwithstanding the provisions of this chapter, the
 14 amount paid to the Commonwealth of Puerto Rico under this
 15 c for any fiscal year shall not exceed 150 percent of the
 16 amount received by Puerto Rico under chapter 1 of the Edu-
 17 cation Consolidation and Improvement Act or under this
 18 chapter in the preceding fiscal year. Any excess over such
 19 amount shall be used to ratably increase the allocations
 20 under subpart 1 of part A of the other local educational agen-
 21 cies whose allocations do not exceed the maximum amount
 22 for which they are eligible under section 1005.

PART E—GENERAL PROVISIONS

Subpart 1—Federal Administration

SEC. 1431. FEDERAL REGULATIONS.

(a) *IN GENERAL.*—The Secretary is authorized to issue such regulations as are considered necessary to reasonably ensure that there is compliance with the specific requirements and assurances required by this chapter.

(b) *NEGOTIATED RULEMAKING REQUIRED.*—(1) The Secretary shall ensure that, before publication in the Federal Register, proposed regulations pursuant to this chapter are developed by means of the negotiated rulemaking process, as defined by the Administrative Conference of the United States in Recommendation 82–4, “Procedures for Negotiating Proposed Regulations” (47 Fed. Reg. 30708, June 18, 1982).

(2) It is the intent of the Congress that Federal, State, and local administrators, parents, teachers, and members of local boards of education involved with implementation of programs under this chapter should participate in the negotiated rulemaking process.

(c) *LIMITATION.*—Programs under this chapter may not be required to follow any one instructional model, such as the provision of services outside the regular classroom or school program.

1 **SEC. 1432. AVAILABILITY OF APPROPRIATIONS.**

2 (a) **GENERAL PROVISION.**—*Notwithstanding any*
 3 *other provision of law, unless expressly in limitation of this*
 4 *section, funds appropriated in any fiscal year to carry out*
 5 *activities under this chapter shall become available for obliga-*
 6 *tion on July 1 of such fiscal year and shall remain available*
 7 *for obligation until the end of the subsequent fiscal year.*

8 (b) **CARRYOVER AND WAIVER.**—*Notwithstanding sec-*
 9 *tion 412 of General Education Provisions Act, subsection*
 10 *(a) or any other provision of law—*

11 (1) *not more than 25 percent of funds appropri-*
 12 *ated for fiscal year 1989 and 15 percent of funds ap-*
 13 *propriated for fiscal year 1990 and each subsequent*
 14 *year may remain available for obligation for 1 addi-*
 15 *tional year;*

16 (2) *a State educational agency may grant a one-*
 17 *time waiver of the percentage limitation under para-*
 18 *graph (1) if the agency determines that the request by*
 19 *a local educational agency is reasonable and necessary*
 20 *or may grant a waiver in any fiscal year in which*
 21 *supplemental appropriations for this chapter become*
 22 *available for obligation; and*

23 (3) *the percentage limitation under paragraph (1)*
 24 *shall not apply with respect to any local educational*
 25 *agency which receives less than \$50,000 under this*
 26 *chapter for any fiscal year.*

1 **SEC. 1433. WITHHOLDING OF PAYMENTS.**

2 (a) *WITHHOLDING.*—Whenever the Secretary, after
3 reasonable notice to any State educational agency and an
4 opportunity for a hearing on the record, finds that there has
5 been a failure to comply substantially with any assurances
6 required to be given or conditions required to be met under
7 this chapter, the Secretary shall notify such agency of these
8 findings and that beginning 60 days after the date of such
9 notification, further payments will not be made to the State
10 under this chapter, or affected part or subpart thereof (or, in
11 his discretion, that the State educational agency shall reduce
12 or terminate further payments under the affected part or sub-
13 part thereof, to specified local educational agencies or State
14 agencies affected by the failure) until the Secretary is satis-
15 fied that there is no longer any such failure to comply. Until
16 the Secretary is so satisfied, (1) no further payments shall be
17 made to the State under the part or subpart thereof, or (2)
18 payments by the State educational agency under the part or
19 subpart thereof shall be limited to local educational agencies
20 and State agencies not affected by the failure, or (3) pay-
21 ments to particular local educational agencies shall be re-
22 duced, as the case may be.

23 (b) *NOTICE TO PUBLIC.*—Upon submission to a State
24 of a notice under subsection (a) that the Secretary is with-
25 holding payments, the Secretary shall take such action c

1 *may be necessary to bring the withholding of payments to the*
2 *attention of the public within the State.*

3 **SEC. 1434. JUDICIAL REVIEW.**

4 (a) **FILING APPEALS.**—*If any State is dissatisfied*
5 *with the Secretary's action under section 1433(a), such State*
6 *may, within 60 days after notice of such action, file with the*
7 *United States court of appeals for the circuit in which such*
8 *State is located a petition for review of that action. A copy of*
9 *the petition shall be forthwith transmitted by the clerk of the*
10 *court to the Secretary. The filing of such petition shall act to*
11 *suspend any withholding of funds by the Secretary pending*
12 *the judgment of the court and prior to a final action on any*
13 *review of such judgment. The Secretary thereupon shall file*
14 *in the court the record of the proceedings on which the Secre-*
15 *tary's action was based, as provided in section 2112 of title*
16 *28, United States Code.*

17 (b) **BASIS OF REVIEW.**—*For the purposes of this chap-*
18 *ter, the basis of review shall be as provided in section 458(c)*
19 *of the General Education Provisions Act.*

20 (c) **JUDICIAL APPEALS.**—*Upon the filing of such peti-*
21 *tion, the court shall have jurisdiction to affirm the action of*
22 *the Secretary or to set it aside, in whole or in part. The*
23 *judgment of the court shall be subject to review by the Su-*
24 *preme Court of the United States upon certiorari of certifica-*

1 *tion as provided in section 1254 of title 28, United States*
 2 *Code.*

3 **SEC. 1435. EVALUATION.**

4 (a) **NATIONAL STANDARDS.**—*In consultation with*
 5 *State and local educational agencies (including members of*
 6 *State and local boards of education and parent representa-*
 7 *tives), the Secretary shall develop national standards for*
 8 *local evaluation of programs under this chapter. Such stand-*
 9 *ards shall ensure a common reporting format to allow*
 10 *national aggregation of evaluation results. The Secretary*
 11 *shall provide advance notification to State and local educa-*
 12 *tional agencies of the requirements of such national stand-*
 13 *ards of evaluation.*

14 (b) **REPORTS.**—*The Secretary shall submit a compre-*
 15 *hensive and detailed report concerning State and local eval-*
 16 *uation results based on data collected under sections 1019,*
 17 *1107(a), 1202(a)(6), and 1242(d) to the appropriate commit-*
 18 *tees of the Congress on a biennial basis.*

19 **SEC. 1436. COORDINATION OF FEDERAL, STATE, AND LOCAL**
 20 **ADMINISTRATION.**

21 (a) **POLICY MANUAL.**—*The Secretary shall, not later*
 22 *than 6 months after the publication of final regulations with*
 23 *respect to this chapter, prepare and distribute to State educa-*
 24 *tional agencies, State agencies operating programs under*
 25 *part C, and local educational agencies, and shall make avail-*

1 able to parents and other interested individuals, organiza-
 2 tions, and agencies, a policy manual for this chapter to—

3 (1) assist such agencies in (A) preparing applica-
 4 tions for program funds under this chapter, (B) meet-
 5 ing the applicable program requirements under this
 6 chapter, and (C) enhancing the quality, increasing the
 7 depth, or broadening the scope of activities for pro-
 8 grams under this chapter;

9 (2) assist State educational agencies in achieving
 10 proper and efficient administration of programs funded
 11 under this chapter;

12 (3) assist parents to become involved in the plan-
 13 ning for, and implementation and evaluation of, pro-
 14 grams and projects under this chapter; and

15 (4) ensure that officers and employees of the De-
 16 partment of Education, including officers and employ-
 17 ees of the Secretary and officers and employees of such
 18 Department charged with auditing programs carried on
 19 under this chapter, uniformly interpret, apply, and en-
 20 force requirements under this chapter throughout the
 21 United States.

22 (b) *CONTENTS OF POLICY MANUAL.*—The policy
 23 manual shall, with respect to programs carried on under this
 24 chapter, contain descriptions, statements, procedural and sub-
 25 stantive rules, opinions, policy statements and interpretations

1 *and indices to and amendments of the foregoing, and in par-*
2 *ticular, whether or not such items are required under section*
3 *552 of title 5, United States Code to be published or made*
4 *available, the manual shall include (but not be limited to)—*

5 (1) *a statement of the requirements applicable to*
6 *the programs carried on under this chapter including*
7 *such requirements contained in this chapter, the Gen-*
8 *eral Education Provisions Act, other applicable stat-*
9 *utes, and regulations issued under the authority of*
10 *such statutes;*

11 (2) *an explanation of the purpose of each require-*
12 *ment and its interrelationship with other applicable*
13 *requirements;*

14 (3) *a statement of the procedures to be followed by*
15 *the Secretary with respect to proper and efficient per-*
16 *formance of administrative responsibilities;*

17 (4) *summaries of (A) advisory opinions interpret-*
18 *ing and applying applicable requirements, and (B)*
19 *final audit determinations relevant to programs under*
20 *this chapter, including examples of actual applications*
21 *of the legal requirements of applicable statutes and*
22 *regulations;*

23 (5) *model forms and instructions developed by the*
24 *Secretary for use by State and local educational agen-*
25 *cies, at their discretion, including, but not limited to,*

1 *application forms, application review checklists, and*
 2 *instruments for monitoring programs under this*
 3 *chapter;*

4 *(6) summaries of appropriate court decisions con-*
 5 *cerning programs under this chapter; and*

6 *(7) model forms, policies, and procedures devel-*
 7 *oped by State educational agencies.*

8 *(c) TECHNICAL ASSISTANCE.—From funds available*
 9 *to the Secretary for studies, evaluations, and technical assist-*
 10 *ance, the Secretary shall continue, establish, and expand*
 11 *technical assistance centers to provide assistance to State and*
 12 *local educational agencies with respect to programs under*
 13 *this chapter. In providing such assistance, centers shall place*
 14 *particular emphasis on information relating to program im-*
 15 *provement, parental involvement, instruction, testing and*
 16 *evaluation, and curriculum under this chapter. Such centers*
 17 *shall be accessible through electronic means.*

18 *(d) FEDERAL DISSEMINATION OF EXEMPLARY PRO-*
 19 *GRAMS.—To the extent possible, the Secretary shall provide*
 20 *information to State and local educational agencies regarding*
 21 *opportunities for dissemination of exemplary programs under*
 22 *this chapter through the National Diffusion Network. The*
 23 *Secretary shall emphasize programs which are exemplary in*
 24 *their implementation of the parent involvement provisions of*
 25 *section 1016. The Secretary shall coordinate Federal exem-*

1 *plary project identification activities with the National Dif-*
 2 *fusion Network.*

3 (e) *FEDERAL REVIEW OF STATE AND LOCAL ADMIN-*
 4 *ISTRATION.—The Secretary shall provide for a review of*
 5 *State and local administration of programs under this chap-*
 6 *ter. In addition to such other areas as the Secretary may*
 7 *consider appropriate, the review shall consider State policies,*
 8 *guidance materials, monitoring and enforcement activities,*
 9 *and the detection and resolution of problems of local non-*
 10 *compliance.*

11 **SEC. 1437. AUTHORIZATION OF APPROPRIATIONS FOR EVALUA-**
 12 **TION AND TECHNICAL ASSISTANCE.**

13 *There are authorized to be appropriated for the purposes*
 14 *of sections 1435, 1436, and 1437, for other Federal evalua-*
 15 *tion, technical assistance, and research activities related to*
 16 *this chapter, and authorized studies under this chapter,*
 17 *\$8,000,000 for fiscal year 1989; \$8,400,000 for fiscal year*
 18 *1990; \$8,800,000 for fiscal year 1991; \$9,200,000 for fiscal*
 19 *year 1992; and \$9,700,000 for fiscal year 1993.*

20 **SEC. 1438. APPLICATION OF GENERAL EDUCATION PROVISIONS**
 21 **ACT.**

22 (a) *GENERAL RULE.—Except as otherwise specifically*
 23 *provided by this section, the General Education Provisions*
 24 *Act shall apply to the programs authorized by this chapter.*

1 **(b) SUPERCESSION RULE.**—*The following provisions*
2 *of the General Education Provisions Act shall be superseded*
3 *by the specified provisions of this chapter with respect to the*
4 *programs authorized by this subtitle:*

5 **(1)** *Section 408(a)(1) of the General Education*
6 *Provisions Act is superseded by section 1431 of this*
7 *chapter.*

8 **(2)** *Section 426(a) of such Act is superseded by*
9 *section 1437 of this chapter.*

10 **(3)** *Section 427 of such Act is superseded by sec-*
11 *tion 1016 of this chapter.*

12 **(4)** *Section 430 of such Act is superseded by sec-*
13 *tions 1012, 1105(b), 1202, and 1224 of this chapter.*

14 **(5)** *Section 453 of such Act is superseded by sec-*
15 *tion 1433 of this chapter.*

16 **(6)** *Section 455 of such Act is superseded by sec-*
17 *tion 1434 of this chapter with respect to judicial review*
18 *of withholding of payments.*

19 **(c) EXCLUSION RULE.**—*Sections 434, 435, and 436 of*
20 *the General Education Provisions Act, except to the extent*
21 *that such sections relate to fiscal control and fund accounting*
22 *procedures, shall not apply to the programs authorized by this*
23 *chapter and shall not be construed to authorize the Secretary*
24 *to require any reports or take any actions not specifically*
25 *authorized by this chapter.*

1 (d) *COMPLAINT PROCEDURES REGULATIONS.*—The
 2 Secretary shall revise regulations issued under the General
 3 Education Provisions Act, relating to the State complaint
 4 procedures, as such regulations apply to the operation of the
 5 program authorized by this chapter, in order to assure that
 6 the regulations are designed to make parents aware of the
 7 availability of such procedures.

8 **Subpart 2—State Administration**

9 **SEC. 1451. STATE REGULATIONS.**

10 (1) *IN GENERAL.*—(1) Except as provided in para-
 11 graph (2), nothing in this chapter may be interpreted to pre-
 12 empt, prohibit, or encourage State regulations issued pursu-
 13 ant to State law which are not inconsistent with the provi-
 14 sions of this chapter, regulations promulgated under this
 15 chapter, or other applicable Federal statutes and regulations.

16 (2) State rules or policies may not limit local school
 17 districts' decisions regarding the grade levels to be served; the
 18 basic skills areas (such as reading, math, or language arts) to
 19 be addressed; instructional settings, materials or teaching
 20 techniques to be used; instructional staff to be employed (as
 21 long as such staff meet State certification and licensing re-
 22 quirements for education personnel); or other essential sup-
 23 port services (such as counseling and other pupil personnel
 24 services) to be provided as part of the programs authorized
 25 under this chapter.

1 **(b) REVIEW BY COMMITTEE OF PRACTITIONERS.—**

2 *Before publication of any proposed or final State rule or reg-*
 3 *ulation pursuant to this chapter, each such rule shall be re-*
 4 *viewed by a State committee of practitioners which shall in-*
 5 *clude administrators, teachers, parents, and members of local*
 6 *boards of education, and on which a majority of the members*
 7 *shall be local educational agency representatives. In an emer-*
 8 *gency situation where such regulation must be issued within*
 9 *a very limited time to assist local educational agencies with*
 10 *the operation of the program, the State educational agency*
 11 *may issue a regulation without such prior consultation, but*
 12 *shall immediately thereafter convene a State committee of*
 13 *practitioners to review the emergency regulation prior to issu-*
 14 *ance in final form.*

15 **(c) IDENTIFICATION AS STATE REQUIREMENT.—***The*
 16 *imposition of any State rule or policy relating to the admin-*
 17 *istration and operation of programs funded by this chapter*
 18 *(including those based on State interpretation of any Federal*
 19 *law, regulation, or guideline) shall be identified as a State*
 20 *imposed requirement.*

21 **SEC. 1452. RECORDS AND INFORMATION.**

22 *Each State educational agency shall keep such records*
 23 *and provide such information to the Secretary as may be*
 24 *required for fiscal audit and program evaluation (consistent*
 25 *with the responsibilities of the Secretary under this chapter).*

1 **SEC. 1453. ASSIGNMENT OF PERSONNEL.**

2 (a) *LIMITATIONS.*—Public school personnel paid en-
 3 tirely by funds made available under this chapter may be
 4 assigned limited supervisory duties which are assigned to
 5 similarly situated personnel who are not paid with such
 6 funds, and such duties need not be limited to classroom in-
 7 struction or to the benefit of children participating in pro-
 8 grams or projects funded under this chapter. Such duties
 9 may not exceed the same proportion of total time as prevails
 10 with respect to similarly situated personnel at the same school
 11 site except that such time may not exceed one period per day.

12 (b) *USE IN STATE PROGRAMS.*—If a State carries out
 13 a program as defined under section 1018(d), the State may
 14 use funds under this chapter to pay salaries of personnel as-
 15 signed to both the State program and the program under this
 16 chapter for administration, training, and technical assist-
 17 ance, if the State educational agency maintains time distri-
 18 bution records reflecting the actual amount of time spent by
 19 each such employee signed by that employee's supervisor, and
 20 costs are charged on a prorated basis to both programs.

21 **Subpart 3—Studies**

22 **SEC. 1461. NATIONAL STUDY ON EFFECT OF PROGRAMS ON**
 23 **CHILDREN.**

24 (a) *NATIONAL LONGITUDINAL STUDY.*—The Secre-
 25 tary shall contract with a qualified organization or agency to
 26 conduct a national longitudinal study of eligible children

1 *participating in programs under this chapter. The study shall*
2 *assess the impact of participation by such children in chapter*
3 *1 programs until they are 18 years of age. The study shall*
4 *compare educational achievement of those children with sig-*
5 *nificant participation in chapter 1 programs and comparable*
6 *children who did not receive chapter 1 services. Such study*
7 *shall consider the correlations between participation in pro-*
8 *grams under this chapter and academic achievement, delin-*
9 *quency rates, truancy, pregnancy rates, school dropout rates,*
10 *employment and earnings, enrollment in and completion of*
11 *postsecondary education, and incidence of suicide. The study*
12 *shall be conducted throughout the country in urban, rural,*
13 *and suburban areas and shall be of sufficient size and scope*
14 *to assess and evaluate the effect of the program in all geo-*
15 *graphic areas of the Nation.*

16 (b) *FOLLOW-UP.*—*The agency or organization with*
17 *which the Secretary has entered a contract under subsection*
18 (a) *shall conduct a follow-up of the initial survey which shall*
19 *include a periodic update on the participation and achieve-*
20 *ment of a representative group of children who participated in*
21 *the initial study. Such follow-up shall evaluate the effects of*
22 *participation until such children are 25 years of age.*

23 (c) *REPORT.*—*A final report summarizing the findings*
24 *of the study shall be submitted to the appropriate committees*

1 of the Congress not later than January 1, 1997; an interim
 2 report shall be so submitted not later than January 1, 1993.

3 **SEC. 1462. STUDY OF FUND DISTRIBUTION.**

4 *The Secretary shall conduct a study concerning the*
 5 *methods used for the allocation of funds among the States in*
 6 *the various programs of financial assistance to elementary*
 7 *and secondary education administered by the Department of*
 8 *Education. The study shall consider whether States and*
 9 *local school districts should be rewarded for making greater*
 10 *tax and fiscal efforts in support of general elementary and*
 11 *secondary education through adjustment of allocations under*
 12 *the various Federal financial assistance programs. The study*
 13 *shall investigate various methods of defining tax and fiscal*
 14 *efforts. Such study may consider other issues relating to the*
 15 *allocation of funds, such as the reliability and currency of*
 16 *poverty data used for purposes of chapter 1 program alloca-*
 17 *tions. The Secretary shall submit an interim report of such*
 18 *study on June 30, 1990, and shall submit a final report of*
 19 *such study not later than June 30, 1991.*

20 **SEC. 1463. STUDY OF STATE OPERATED PROGRAM FOR HANDI-**
 21 **CAPPED CHILDREN.**

22 *(a) STUDY REQUIRED.—(1) The Comptroller General*
 23 *of the United States shall conduct a study of the State Oper-*
 24 *ated Program for Handicapped Children under chapter 1.*

1 (2) *Not later than January 30, 1989, the Comptroller*
 2 *General shall prepare and submit a report containing the*
 3 *findings of such study to the Committee on Labor and*
 4 *Human Resources of the Senate and the Committee on Edu-*
 5 *cation and Labor of the House of Representatives.*

6 (3) *For the purpose of this section, the term "children"*
 7 *includes infants and toddlers.*

8 (b) *STUDY COMPONENTS.—The study shall include—*

9 (1) *a description of State and local agencies that*
 10 *participate in the program, the children the agencies*
 11 *serve, and the programs for which the agencies use*
 12 *funds;*

13 (2) *how such program is administered by the*
 14 *State educational agency or any predecessor agencies*
 15 *serving as fiscal agents for the States;*

16 (3) *the major policies, procedures and practices*
 17 *pertaining to the determination of when a child is con-*
 18 *sidered eligible to be counted under such program; the*
 19 *allocation of funds to agencies, schools, programs and*
 20 *projects within schools; the supplementary nature of the*
 21 *services provided; and authorized use of funds;*

22 (4) *the policies and procedures governing the*
 23 *placement of handicapped children, including local*
 24 *educational agency transfer children, in schools and*

1 *programs and projects receiving assistance under chap-*
 2 *ter 1;*

3 *(5) the relationship between the chapter 1 program*
 4 *and parts B and H of the Education of the Handi-*
 5 *capped Act (conceptual relationship; comparison of how*
 6 *the two programs are administered by the State educa-*
 7 *tional agency; and a comparison between the programs*
 8 *with respect to the extent to which handicapped chil-*
 9 *dren receive a free appropriate public education and*
 10 *such children and their parents are provided the rights*
 11 *and procedural safeguards guaranteed under part B of*
 12 *the Education of the Handicapped Act); and*

13 *(6) such other information as the Comptroller*
 14 *General considers appropriate.*

15 *(c) FINDINGS AND RECOMMENDATIONS.—The Comp-*
 16 *troller General shall include in the report the findings based*
 17 *on the study, a State-by-State analysis for the States subject*
 18 *to the study, together with such recommendations, including*
 19 *recommendations for legislation, as the Comptroller General*
 20 *deems appropriate.*

21 **SEC. 1464. AUTHORIZATION OF APPROPRIATIONS.**

22 *There are authorized to be appropriated \$4,000,000 for*
 23 *fiscal year 1989; \$4,200,000 for fiscal year 1990;*
 24 *\$4,400,000 for fiscal year 1991; \$4,700,000 for fiscal year*

1 1992; and \$5,000,000 for fiscal year 1993 for carrying out
2 sections 1461 and 1462.

3 **Subpart 4—Definitions**

4 **SEC. 1471. DEFINITIONS.**

5 *Except as otherwise provided, for purposes of this Act:*

6 (1) *The term "average daily attendance" means*
7 *attendance determined in accordance with State law,*
8 *except that notwithstanding any other provision of this*
9 *chapter, where the local educational agency of the*
10 *school district in which any child resides makes or con-*
11 *tracts to make a tuition payment for the free public*
12 *education of such child in a school situated in another*
13 *school district, for purposes of this chapter the attend-*
14 *ance of such child at such school shall be held and con-*
15 *sidered (A) to be in attendance at a school of the local*
16 *educational agency so making or contracting to make*
17 *such tuition payment, and (B) not to be in attendance*
18 *at a school of the local educational agency receiving*
19 *such tuition payment or entitled to receive such pay-*
20 *ment under the contract.*

21 (2) *The term "average per pupil expenditure"*
22 *means in the case of a State or the United States, the*
23 *aggregate current expenditures, during the third fiscal*
24 *year preceding the fiscal year for which the computa-*
25 *tion is made (or if satisfactory data for that year are*

1 *not available at the time of computation, then during*
 2 *the most recent preceding fiscal year for which satisfac-*
 3 *tory data are available), of all local educational agen-*
 4 *cies in the State, or in the United States (which for*
 5 *the purposes of this subsection means the 50 States,*
 6 *and the District of Columbia), as the case may be,*
 7 *plus any direct current expenditures by the State for*
 8 *operation of such agencies (without regard to the source*
 9 *of funds from which either of such expenditures are*
 10 *made), divided by the aggregate number of children in*
 11 *average daily attendance to whom such agencies pro-*
 12 *vided free public education during such preceding year.*

13 (3) *The term "Secretary" means the United*
 14 *States Secretary of Education.*

15 (4) *The term "construction" includes the prepara-*
 16 *tion of drawings and specifications for school facilities;*
 17 *erecting, building, acquiring, altering, remodeling, im-*
 18 *proving, or extending school facilities; and the inspec-*
 19 *tion and supervision of the construction of school*
 20 *facilities.*

21 (5) *The term "county" means those divisions of a*
 22 *State utilized by the Secretary of Commerce in compil-*
 23 *ing and reporting data regarding counties.*

24 (6) *The term "current expenditures" means ex-*
 25 *penditures for free public education, including expendi-*

1 *tures for administration, instruction, attendance, and*
2 *health services, pupil transportation services, operation*
3 *and maintenance of plant, fixed charges, and net ex-*
4 *penditures to cover deficits for food services and stu-*
5 *dent body activities, but not including expenditures for*
6 *community services, capital outlay, and debt service, or*
7 *any expenditures made from funds granted under this*
8 *chapter, chapter 2, or chapter 2 of the Education Con-*
9 *solidation and Improvement Act.*

10 (7) *The term "elementary school" means a day or*
11 *residential school which provides elementary education,*
12 *as determined under State law, and the term "second-*
13 *ary school" means a day or residential school which*
14 *provides secondary education, as determined under*
15 *State law, except that it does not include any educa-*
16 *tion provided beyond grade 12.*

17 (8) *The term "equipment" includes machinery,*
18 *utilities, and building equipment and any necessary*
19 *enclosures or structures to house them, and includes all*
20 *other items necessary for the functioning of a particu-*
21 *lar facility as a facility for the provision of educational*
22 *services, including items such as instructional equip-*
23 *ment and necessary furniture, printed, published, and*
24 *audio-visual instructional materials, and books, peri-*
25 *odicals, documents, and other related materials.*

1 (9) *The term "free public education" means edu-*
2 *cation which is provided at public expense, under*
3 *public supervision and direction, and without tuition*
4 *charge, and which is provided as elementary or second-*
5 *ary school education in the applicable State, except*
6 *that such term does not include any education provided*
7 *beyond grade 12.*

8 (10) *The term "local educational agency" means*
9 *a public board of education or other public authority*
10 *legally constituted within a State for either adminis-*
11 *trative control or direction of, or to perform a service*
12 *function for, public elementary or secondary schools in*
13 *a city, county, township, school district, or other politi-*
14 *cal subdivision of a State, or such combination of*
15 *school districts or counties as are recognized in a State*
16 *as an administrative agency for its public elementary*
17 *or secondary schools. Such term includes any other*
18 *public institution or agency having administrative con-*
19 *trol and direction of a public elementary or secondary*
20 *school.*

21 (11) *The term "parent" includes a legal guardian*
22 *or other person standing in loco parentis.*

23 (12) *The term "project area" means a school at-*
24 *tendance area having a high concentration of children*
25 *from low-income families which, without regard to the*

1 *locality of the project itself, is designated as an area*
2 *from which children are to be selected to participate in*
3 *a program or project assisted under this chapter.*

4 (13) *The term "school attendance area" means in*
5 *relation to a particular school, the geographical area in*
6 *which the children who are normally served by that*
7 *school reside.*

8 (14) *The term "school facilities" means class-*
9 *rooms and related facilities (including initial equip-*
10 *ment) for free public education and interests in land*
11 *(including site, grading, and improvements) on which*
12 *such facilities are constructed, except that such term*
13 *does not include those gymnasiums and similar facili-*
14 *ties intended primarily for exhibitions for which ad-*
15 *mission is to be charged to the general public.*

16 (15) *The term "State" means a State, Puerto*
17 *Rico, Guam, the District of Columbia, American*
18 *Samoa, the Virgin Islands, the Northern Mariana Is-*
19 *lands, or the Trust Territory of the Pacific Islands.*

20 (16) *The term "State educational agency" means*
21 *the officer or agency primarily responsible for the*
22 *State supervision of public elementary and secondary*
23 *schools.*

24 (17) *The terms "pupil services personnel" and*
25 *"pupil services" mean school counselors, school social*

1 *workers, school psychologists, and other qualified pro-*
 2 *fessional personnel involved in providing assessment,*
 3 *diagnosis, counseling, educational, therapeutic, and*
 4 *other necessary services as part of a comprehensive*
 5 *program to meet student needs, and the services provid-*
 6 *ed by such individuals.*

7 *(18) The term "secondary school" means a day or*
 8 *residential school which provides secondary education,*
 9 *as determined under State law, except that it does not*
 10 *include any education provided beyond grade 12.*

11 *(19) The term "parent advisory council" means a*
 12 *body composed primarily of members who are parents*
 13 *of children served by the programs or projects assisted*
 14 *under this chapter and who are elected by such par-*
 15 *ents, in order to advise the State or local educational*
 16 *agency in the planning, implementation, and evalua-*
 17 *tion of programs under this chapter.*

18 *(20) The term "more advanced skills" means*
 19 *skills including reasoning, analysis, interpretation,*
 20 *problem-solving, and decisionmaking as they relate to*
 21 *the particular subjects in which instruction is provided*
 22 *under programs supported by this chapter.*

23 *(21) The term "community-based organization"*
 24 *means a private nonprofit organization which is repre-*
 25 *sentative of a community or significant segments of a*

1 *community and which provides educational or related*
 2 *services to individuals in the community.*

3 **Subpart 5—Miscellaneous Provisions**

4 **SEC. 1491. REPEAL OF OTHER ACTS.**

5 (a) **EDUCATION CONSOLIDATION AND IMPROVEMENT**
 6 **ACT OF 1981.**—*Chapter 1 of the Education Consolidation*
 7 *and Improvement Act of 1981 is repealed.*

8 (b) **ELEMENTARY AND SECONDARY EDUCATION ACT**
 9 **OF 1965.**—*Title I of the Elementary and Secondary Educa-*
 10 *tion Act of 1965 is repealed.*

11 **SEC. 1492. TRANSITION PROVISIONS.**

12 (a) **REGULATIONS.**—*All orders, determinations, rules,*
 13 *regulations, permits, grants, and contracts, which have been*
 14 *issued under chapter 1 of the Education Consolidation and*
 15 *Improvement Act of 1981 and title I of the Elementary and*
 16 *Secondary Education Act of 1965 (as in effect on the date*
 17 *before the effective date of this Act), or which are issued*
 18 *under such Acts on or before the effective date of this Act*
 19 *shall continue in effect until modified or revoked by the Sec-*
 20 *retary, by a court of competent jurisdiction, or by operation*
 21 *of law other than this Act.*

22 (b) **EFFECT ON PENDING PROCEEDINGS.**—*The provi-*
 23 *sions of this chapter shall not affect administrative or judicial*
 24 *proceedings pending on the effective date of this Act under*
 25 *chapter 1 of the Education Consolidation and Improvement*

1 *Act of 1981 or title I of the Elementary and Secondary*
 2 *Education Act of 1965.*

3 (c) *TRANSITION.*—*With respect to the period beginning*
 4 *on October 1, 1988, and ending June 30, 1989, no recipient*
 5 *of funds under chapter 1 or under chapter 2 of title I of this*
 6 *Act, or the Education Consolidation and Improvement Act of*
 7 *1981 shall be held to have expended such funds in violation*
 8 *of the requirements of this Act or of such Act if such funds*
 9 *are expended either in accordance with this Act or such Act.*

10 **CHAPTER 2—PROGRAMS FOR ELEMENTARY**
 11 **AND SECONDARY EDUCATION IMPROVE-**
 12 **MENT**

13 **SEC. 1501. STATEMENT OF PURPOSE.**

14 (a) *GENERAL PURPOSE.*—*It is the purpose of this*
 15 *chapter to provide a single authorization of grants to States to*
 16 *be used in accordance with the educational needs and prior-*
 17 *ities of State and local educational agencies in the critical*
 18 *areas of—*

19 (1) *programs to meet the special educational needs*
 20 *of at risk and high cost students, including programs*
 21 *for—*

22 (A) *potential student dropouts,*

23 (B) *economically and educationally disad-*
 24 *vantaged students,*

- 1 (C) bringing students together from different
 2 social, economic, ethnic, and racial backgrounds,
 3 (D) students with limited English proficien-
 4 cy,
 5 (E) students with handicaps, and
 6 (F) early childhood education for children,
 7 especially for children who are from economically
 8 disadvantaged backgrounds, including children
 9 with handicaps;
- 10 (2) basic skills instruction for economically and
 11 educationally disadvantaged secondary school students,
 12 and literacy instruction;
- 13 (3) instructional programs for gifted and talented
 14 students;
- 15 (4) acquisition of library materials and resources;
- 16 (5) programs for school reforms, innovations and
 17 improvement, and training and professional develop-
 18 ment programs for educational personnel; and
- 19 (6) programs in personal excellence and student
 20 achievement.
- 21 (b) **STATE AND LOCAL RESPONSIBILITY.**—The basic
 22 responsibility for the administration of funds made available
 23 under this chapter is in the State educational agencies, but it
 24 is the intent of Congress that this responsibility be carried
 25 out with a minimum of paperwork and that the responsibility

1 *for the design and implementation of programs assisted under*
 2 *the chapter will be mainly that of local educational agencies,*
 3 *school superintendents and principals, and classroom teach-*
 4 *ers and supporting personnel, because they have the most*
 5 *direct contact with students and are most directly responsible*
 6 *to parents and because they are the most likely to be able to*
 7 *design programs to meet the educational needs of students in*
 8 *their own districts.*

9 **SEC. 1502. AUTHORIZATION OF APPROPRIATIONS; DURATION OF**
 10 **ASSISTANCE.**

11 (a) **AUTHORIZATION.**—*There are authorized to be ap-*
 12 *propriated \$580,000,000 for fiscal year 1989, \$610,000,000*
 13 *for fiscal year 1990, \$640,000,000 for fiscal year 1991,*
 14 *\$672,000,000 for fiscal year 1992, and \$706,000,000 for*
 15 *fiscal year 1993, to carry out the provisions of this chapter.*

16 (b) **DURATION OF ASSISTANCE.**—*During the period*
 17 *beginning October 1, 1989, and ending September 30, 1993,*
 18 *the Secretary shall, in accordance with the provisions of this*
 19 *chapter, make payments to State educational agencies for the*
 20 *purpose of this chapter.*

21 **PART A—STATE AND LOCAL PROGRAMS**

22 **SEC. 1511. ALLOTMENT TO STATES.**

23 (a) **RESERVATIONS.**—(1) *From the sums appropriated*
 24 *to carry out this chapter in any fiscal year, the Secretary*
 25 *shall reserve not to exceed 1 per centum for payments to*

1 *Guam, American Samoa, the Virgin Islands, the Trust Ter-*
 2 *ritory of the Pacific Islands, and the Northern Mariana Is-*
 3 *lands, to be allotted in accordance with their respective needs.*

4 (2) *The Secretary shall reserve an additional amount,*
 5 *not to exceed 6 per centum of the sums appropriated in each*
 6 *fiscal year, to carry out the provisions of part C.*

7 (b) *ALLOTMENT.—From the remainder of such sums*
 8 *the Secretary shall allot to each State an amount which bears*
 9 *the same ratio to the amount of such remainder as the school-*
 10 *age population of the State bears to the school-age population*
 11 *of all States, except that no State shall receive less than an*
 12 *amount equal to 0.5 per centum of such remainder.*

13 (c) *DEFINITIONS.—For purposes of this section—*

14 (1) *The term “school-age population” means the*
 15 *population aged 5 through 17.*

16 (2) *The term “States” includes the 50 States, the*
 17 *District of Columbia, and Puerto Rico.*

18 **SEC. 1512. STATE APPLICATIONS.**

19 (a) *CONTENTS OF APPLICATION.—Any State which*
 20 *desires to receive grants under this chapter shall file an ap-*
 21 *plication with the Secretary which—*

22 (1) *designates the State educational agency as the*
 23 *State agency responsible for the administration and*
 24 *supervision of programs assisted under this chapter;*

(2) provides for a process of active and continuing consultation with the State educational agency of an advisory committee, appointed by the Governor and determined by the Governor to be broadly representative of the educational interests and the general public in the State, including individuals representative of—

(A) public and private elementary and secondary school children;

(B) classroom teachers;

(C) parents of elementary and secondary school children;

(D) local boards of education;

(E) local and regional school administrators (including principals, superintendents, and administrators of intermediate regional units);

(F) institutions of higher education;

(G) the State legislature; and

(H) elementary and secondary school librarians;

to advise the State educational agency on the allocation among targeted programs (not to exceed 20 per centum of the amount of the State's allotment) reserved for State use under section 1513(a), on the formula for the allocation of funds to local educational agencies, and on the planning, development, support, implementation,

1 *and evaluation of State programs assisted under this*
2 *chapter;*

3 *(3)(A) sets forth the planned allocation of funds*
4 *reserved for State use under section 1513(a) among the*
5 *targeted assistance programs described in section 1531*
6 *and describe programs, projects, and activities which*
7 *are designed to carry out such targeted assistance, to-*
8 *gether with the reasons for the selection of such pro-*
9 *grams, projects, and activities; and*

10 *(B) sets forth the allocation of such funds re-*
11 *quired to implement section 1572, including adminis-*
12 *trative costs of carrying out the responsibilities of the*
13 *State educational agency under this chapter;*

14 *(4) provides for timely public notice and public*
15 *dissemination of the information provided pursuant to*
16 *paragraphs (2) and (3);*

17 *(5) in fiscal year 1992, provides for an evaluation*
18 *of the effectiveness of programs assisted under this*
19 *chapter, which shall include comments of the advisory*
20 *committee, and shall be made available to the public;*

21 *(6) provides that the State educational agency*
22 *will keep such records and provide such information to*
23 *the Secretary as may be required for fiscal audit and*
24 *program evaluation (consistent with the responsibilities*
25 *of the Secretary under this chapter);*

1 (7) provides assurance that, apart from technical
2 and advisory assistance and monitoring compliance
3 with this chapter, the State educational agency has ex-
4 ercised and will exercise no influence in the decision-
5 making processes of local educational agencies as to the
6 expenditures made pursuant to its application under
7 section 1514; and

8 (8) contains assurances that there is compliance
9 with the specific requirements of this chapter.

10 (b) *PERIOD OF APPLICATION.*—An application filed
11 by the State under subsection (a) shall be for a period not to
12 exceed 3 fiscal years, and may be amended annually as may
13 be necessary to reflect changes without filing a new
14 application.

15 (c) *AUDIT RULE.*—Notwithstanding section 1745 of the
16 Omnibus Budget Reconciliation Act of 1981, local educa-
17 tional agencies receiving less than an average \$5,000 each
18 year under this chapter need not be audited more frequently
19 than once every 5 years.

20 **SEC. 1513. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.**

21 (a) *DISTRIBUTION RULE.*—From the sum made avail-
22 able each year under section 1511, the State educational
23 agency shall distribute not less than 80 per centum to local
24 educational agencies within such State according to the rela-
25 tive enrollments in public and private, nonprofit schools

1 *within the school districts of such agencies, adjusted, in ac-*
 2 *cordance with criteria approved by the Secretary, to provide*
 3 *higher per pupil allocations to local educational agencies*
 4 *which have the greatest numbers or percentages of children*
 5 *whose education imposes a higher than average cost per child,*
 6 *such as—*

7 (1) *children from low-income families,*

8 (2) *children living in economically depressed*
 9 *urban and rural areas, and*

10 (3) *children living in sparsely populated areas.*

11 (b) *CALCULATION OF ENROLLMENTS.—The calcula-*
 12 *tion of relative enrollments under subsection (a) shall be on*
 13 *the basis of the total number of (A) the number of children*
 14 *enrolled in public elementary and secondary schools, and (B)*
 15 *the number of children enrolled in private nonprofit elemen-*
 16 *tary and secondary schools that desire their children to par-*
 17 *ticipate in the programs and projects assisted under this*
 18 *chapter.*

19 (c) *ADJUSTMENT CRITERIA.—The Secretary shall ap-*
 20 *prove criteria suggested by the State educational agency for*
 21 *adjusting allocations under subsection (a) if such criteria are*
 22 *reasonably calculated to produce an equitable distribution of*
 23 *funds with reference to the factors set forth in subsection (a).*

24 (d) *AMOUNT OF DISTRIBUTION.—From the funds paid*
 25 *to it pursuant to section 1511 during each fiscal year, the*

1 *State educational agency shall distribute to each local educa-*
 2 *tional agency which has submitted an application as required*
 3 *in section 1514 the amount of its allocation as determined*
 4 *under subsection (a).*

5 **SEC. 1514. LOCAL APPLICATIONS.**

6 (a) *CONTENTS OF APPLICATION.*—*A local educational*
 7 *agency, or consortia of local educational agencies, may re-*
 8 *ceive its allocation of funds under this chapter for any year*
 9 *for which its application to the State educational agency has*
 10 *been certified to meet the requirements of this subsection. The*
 11 *State educational agency shall certify any such application if*
 12 *such application—*

13 (1)(A) *sets forth the planned allocation of funds*
 14 *among targeted assistance programs described in sec-*
 15 *tion 1531 of this chapter and describes the programs,*
 16 *projects, and activities designed to carry out such tar-*
 17 *geted assistance which it intends to support, together*
 18 *with the reasons for the selection of such programs,*
 19 *projects, and activities; and*

20 (B) *sets forth the allocation of such funds re-*
 21 *quired to implement section 1572;*

22 (2) *describe how assistance under this chapter*
 23 *will contribute to the goals of the program of improving*
 24 *student achievement or improving the quality of educa-*
 25 *tion for students;*

1 (3) *provides assurances of compliance with provi-*
2 *sions of this chapter relating to the assistance fur-*
3 *nished under this chapter, including the participation*
4 *of children enrolled in private, nonprofit schools in ac-*
5 *cordance with section 1572;*

6 (4) *agrees to keep such records, and provide such*
7 *information to the State educational agency as reason-*
8 *ably may be required for fiscal audit and program*
9 *evaluation, consistent with the responsibilities of the*
10 *State agency under this chapter; and*

11 (5) *provides, in the allocation of funds for the as-*
12 *sistance authorized by this chapter, and in the design,*
13 *planning, and implementation of such programs, for*
14 *systematic consultation with parents of children attend-*
15 *ing elementary and secondary schools in the area*
16 *served by the local agency, with teachers and adminis-*
17 *trative personnel in such schools, and with other*
18 *groups as may be deemed appropriate by the local edu-*
19 *cational agency.*

20 (b) *PERIOD OF APPLICATION.*—*An application filed*
21 *by a local educational agency under subsection (a) shall be*
22 *for a period not to exceed 3 fiscal years, may provide for the*
23 *allocation of funds among programs and purposes authorized*
24 *by this chapter for a period of 3 years, and may be amended*

1 annually as may be necessary to reflect changes without
2 filing a new application.

3 (c) *LOCAL EDUCATIONAL AGENCY DISCRETION.*—

4 Each local educational agency shall have complete discretion,
5 subject only to the provisions of this chapter, in determining
6 how funds the agency receives under this section shall be di-
7 vided among the targeted assistance set forth in part B of this
8 chapter in accordance with the application submitted under
9 this section. In exercising such discretion, it shall be the re-
10 sponsibility of each local educational agency to ensure that
11 each expenditure of funds under this chapter is for the pur-
12 pose of meeting the educational needs within the schools of
13 that local educational agency.

14 **PART B—TARGETED ASSISTANCE FOR EDUCATIONAL**
15 **IMPROVEMENT**

16 **SEC. 1531. TARGETED USE OF FUNDS.**

17 (a) *GENERAL RULE.*—Funds allocated for use under
18 this chapter shall be used by State and local educational
19 agencies only for targeted assistance described in subsection
20 (b).

21 (b) *TARGETED ASSISTANCE.*—The targeted assistance
22 programs referred to in subsection (a) are—

23 (1) programs designed to meet the special educa-
24 tional needs of students at risk and high cost students,

1 (2) *programs designed to improve the basic skills*
2 *instruction for economically and educationally disad-*
3 *vantaged secondary school students and programs de-*
4 *signed to reduce the number of students and adults who*
5 *are illiterate;*

6 (3) *programs which expand and improve pro-*
7 *grams to identify and educate gifted and talented stu-*
8 *dents, particularly students who may not be identified*
9 *through traditional assessment methods (including eco-*
10 *nomically disadvantaged individuals, individuals with*
11 *limited English proficiency, and individuals with*
12 *handicaps);*

13 (4) *programs designed to expand and improve stu-*
14 *dent dropout prevention programs, particularly early*
15 *intervention projects designed to prevent students from*
16 *dropping out and to facilitate the reentry of students*
17 *who have dropped out of school;*

18 (5) *programs which increase the parental involve-*
19 *ment in the education of children who receive assist-*
20 *ance under chapter 1 of this Act, as well as other eco-*
21 *nomically disadvantaged students, and which enhance*
22 *the literacy of such parents by integrating early child-*
23 *hood education and adult education into unified pro-*
24 *grams;*

1 (6) *programs which increase the availability and*
 2 *quality of early childhood education programs, espe-*
 3 *cially for children who are from economically and edu-*
 4 *cationally disadvantaged backgrounds, including chil-*
 5 *dren with handicaps;*

6 (7) *programs which provide for the enrichment of*
 7 *secondary school curricula, including junior high and*
 8 *middle schools, particularly new methods and ap-*
 9 *proaches to teaching, the use of stated achievement*
 10 *goals for students, and the continuous monitoring of*
 11 *the progress of students, the strengthening of course*
 12 *work and requirements in mathematics, the physical*
 13 *sciences, and foreign languages;*

14 (8) *the acquisition and use of school library*
 15 *books, textbooks, and other printed materials and re-*
 16 *sources, including—*

17 (A) *school library books and textbooks for*
 18 *use of children and teachers in public and private*
 19 *elementary and secondary schools which are used*
 20 *for instructional purposes only;*

21 (B) *instructional materials and equipment*
 22 *and other printed materials suitable for use in*
 23 *providing elementary and secondary education in*
 24 *academic subjects for use by students and teachers*
 25 *in public and private elementary and secondary*

1 *schools which shall be used for instructional pur-*
 2 *poses only; and*

3 *(C) educational materials accessible through*
 4 *video technology, including videotape and laser*
 5 *disc resources;*

6 *(9) innovative programs designed to carry out*
 7 *schoolwide reforms, innovations, and improvements*
 8 *and innovative programs for training and professional*
 9 *development for educational personnel in elementary*
 10 *and secondary schools of the agency;*

11 *(10) programs designed to enhance personal excel-*
 12 *lence of students and student achievement, including*
 13 *instruction in ethics, performing and creative arts, and*
 14 *humanities, activities in physical fitness and health,*
 15 *and participation in community service projects; and*

16 *(11) programs which implement educational re-*
 17 *forms adopted by the State.*

18 **SEC. 1532. AUTHORIZED ACTIVITIES.**

19 *(a) IN GENERAL.—Activities authorized under this*
 20 *part may include the planning, development, or operation*
 21 *and expansion of programs, projects, and activities which are*
 22 *designed to carry out the targeted assistance described in sec-*
 23 *tion 1531. Such activities may also include—*

24 *(1) training of educational personnel in any of the*
 25 *targeted assistance programs described;*

1 (2) *guidance and counseling services; and*

2 (3) *any other education or related activities which*
3 *the State or local educational agency determines will*
4 *contribute to expanding educational opportunities of the*
5 *students or improving the programs described in sec-*
6 *tion 1531.*

7 (b) *ADMINISTRATIVE AUTHORITY.*—*In order to con-*
8 *duct the activities authorized by this part, each State or local*
9 *educational agency may use funds reserved for this part to*
10 *make grants to and to enter into contracts with local educa-*
11 *tional agencies, institutions of higher education, libraries,*
12 *museums, and other public and private agencies, organiza-*
13 *tions, and institutions.*

14 **PART C—NATIONAL PROGRAMS AND ACTIVITIES**

15 **SEC. 1561. GENERAL AUTHORITY.**

16 (a) *AUTHORIZATION.*—*From funds reserved under sec-*
17 *tion 1511(a)(2), the Secretary is authorized to carry out the*
18 *programs and activities under this part.*

19 (b) *PRIORITY FUNDING.*—*Subject to the availability of*
20 *funds for any fiscal year for this part, the Secretary shall*
21 *make available—*

22 (1) *not less than \$11,200,000 for National Diffu-*
23 *sion Network Activities under section 1562;*

24 (2) *not less than \$8,200,000 for the Inexpensive*
25 *Book Distribution program under section 1563;*

(3) not less than \$3,500,000 for the Arts in Education program under section 1564;

(4) not less than \$3,200,000 for the Law-related Education program under section 1565; and

(5) not less than \$1,500,000 for the Blue Ribbon Schools program under section 1566.

SEC. 1562. NATIONAL DIFFUSION NETWORK ACTIVITIES.

(a) **PURPOSES.**—The National Diffusion Network shall be a national program that recognizes and furthers excellence in education by—

(1) promoting the awareness and implementation of exemplary educational programs, products, and practices to interested elementary, secondary, and post-secondary institutions throughout the Nation; and

(2) promoting the utilization of the knowledge, talents, and services of local staff associated with various educational excellence recognition efforts.

The National Diffusion Network shall be designed to improve the quality of education through the implementation of promising and validated innovations and improvements in educational programs, products, and practices, and through the provision of training, consultation, and related assistance services.

(b) **RESPONSIBILITIES OF SECRETARY.**—In carrying out the activities under this section, which shall be limited to

1 *activities directly related to the National Diffusion Network,*
 2 *the Secretary shall—*

3 (1) *acquaint persons responsible for the operation*
 4 *of elementary, secondary, and postsecondary schools*
 5 *with information about exemplary educational pro-*
 6 *grams, products, practices, and services;*

7 (2) *assist such persons in implementing programs,*
 8 *products, and practices, which such persons determine*
 9 *may improve the quality of education in the schools for*
 10 *which they are responsible by providing materials, ini-*
 11 *tial training, and ongoing implementation assistance;*

12 (3) *ensure that all such activities, programs, prod-*
 13 *ucts, and practices are subjected to rigorous evaluation*
 14 *with respect to their effectiveness and their capacity for*
 15 *implementation;*

16 (4) *provide program development assistance*
 17 *toward the recognition, dissemination, and implementa-*
 18 *tion of promising practices that hold the potential for*
 19 *answering critical needs and that have achieved credi-*
 20 *bility because of their effective use in schools; and*

21 (5) *ensure that a substantial percentage of the in-*
 22 *novations disseminated represent significant changes in*
 23 *practice for schools and teachers.*

24 (c) *ELIGIBLE RECIPIENTS OF GRANTS AND CON-*
 25 *TRACTS.—For the purpose of carrying out the activities*

1 *under this section, the Secretary is authorized to make grants*
 2 *to, and contracts with, local educational agencies, State edu-*
 3 *cational agencies, institutions of higher education, and other*
 4 *public and private educational institutions and*
 5 *organizations.*

6 **SEC. 1563. INEXPENSIVE BOOK DISTRIBUTION PROGRAM FOR**
 7 **READING MOTIVATION.**

8 (a) *AUTHORIZATION.*—*The Secretary is authorized (1)*
 9 *to enter into a contract with Reading is Fundamental (RIF)*
 10 *(hereinafter in this section referred to as the “contractor”), a*
 11 *private nonprofit organization which has as its primary pur-*
 12 *pose the motivation of children to learn to read, to support*
 13 *and promote the establishment of reading motivation pro-*
 14 *grams which include the distribution of inexpensive books to*
 15 *students, and (2) to pay the Federal share of the cost of such*
 16 *programs.*

17 (b) *REQUIREMENTS OF CONTRACT.*—*The contract*
 18 *shall provide that—*

19 (1) *the contractor will enter into subcontracts with*
 20 *local private nonprofit groups or organizations or with*
 21 *public agencies (hereinafter referred to as “subcontrac-*
 22 *tors”) under which the subcontractors will agree to es-*
 23 *tablish, operate, and provide the non-Federal share of*
 24 *the cost of reading motivational programs which in-*

1 *clude the distribution of books by gift or loan, to pre-*
 2 *school and elementary and secondary school children;*

3 *(2) funds made available by the Secretary to a*
 4 *contractor pursuant to any contract entered into under*
 5 *this section will be used to pay the Federal share of the*
 6 *cost of establishing and operating reading motivational*
 7 *programs as provided in paragraph (1); and*

8 *(3) the contractor will meet such other conditions*
 9 *and standards as the Secretary determines to be neces-*
 10 *sary to assure the effectiveness of the programs author-*
 11 *ized by this section and will provide such technical as-*
 12 *sistance as may be necessary to carry out the purposes*
 13 *of this section.*

14 *(c) RESTRICTION ON PAYMENTS.—The Secretary*
 15 *shall make no payment of the Federal share of the cost of*
 16 *acquiring and distributing books pursuant to a contract au-*
 17 *thorized by this section unless the Secretary determines that*
 18 *the contractor or subcontractor, as the case may be, has made*
 19 *arrangements with book publishers or distributors to obtain*
 20 *books at discounts at least as favorable as discounts that are*
 21 *customarily given by such publisher or distributor for book*
 22 *purchases made under similar circumstances in the absence*
 23 *of Federal assistance.*

24 *(d) DEFINITIONS.—For purposes of this section the*
 25 *term "Federal share" means—*

(1) *with respect to the cost of books purchased by a subcontractor for a program in a locality for distribution of such books to children in that locality, 75 percent of the cost to such subcontractor; or*

(2) *with respect to the cost of books purchased by a subcontractor for a program of distribution of books to children of migrant or seasonal farmworkers, 100 percent of the cost to such subcontractor for such books.*

SEC. 1564. ARTS IN EDUCATION PROGRAM.

The Secretary shall carry out a program of grants and contracts to encourage and assist State and local educational agencies and other public and private agencies, organizations, and institutions to establish and conduct programs in which the arts are an integral part of elementary and secondary school curricula such as—

(1) *programs with public and private cultural organizations, agencies, and institutions, including museums, libraries, and theaters;*

(2) *a program to develop and implement model projects and programs in the performing arts for children and youth, through arrangements made with the John F. Kennedy Center for the Performing Arts; and*

(3) *a program for the identification, development and implementation of model programs and projects in*

1 *the arts for individuals with handicaps through ar-*
 2 *rangements with the organization, Very Special Arts.*

3 **SEC. 1565. LAW-RELATED EDUCATION PROGRAM.**

4 (a) *AUTHORIZATION.—The Secretary shall carry out a*
 5 *program of grants and contracts to encourage State and local*
 6 *educational agencies and other public and private nonprofit*
 7 *agencies, organizations, and institutions to provide law-*
 8 *related education programs.*

9 (b) *DEFINITION.—For the purpose of this section, the*
 10 *term “law-related education” means education to equip*
 11 *nonlawyers with knowledge and skills pertaining to the law,*
 12 *the legal process, the legal system, and the fundamental prin-*
 13 *ciples and values on which they are based.*

14 (c) *AUTHORIZED ACTIVITIES.—Funds made available*
 15 *for the purposes of this section may be available for activities*
 16 *such as—*

17 (1) *awareness activities, to provide educators, law-*
 18 *related personnel, and the public with an understand-*
 19 *ing of what law-related education is;*

20 (2) *support for new and ongoing programs in ele-*
 21 *mentary and secondary schools, adult education, com-*
 22 *munity organizations, and institutions of higher educo-*
 23 *tion, to provide law-related education, to develop mate-*
 24 *rials and methods, to conduct pilot and demonstration*

1 *projects, and to disseminate the products of such*
2 *activities;*

3 *(3) clearinghouse and technical assistance, to col-*
4 *lect and provide information and assistance to institu-*
5 *tions, groups, agencies, organizations, and individuals*
6 *to aid in establishing, improving, and expanding law-*
7 *related education activities;*

8 *(4) training for law-related personnel in the sub-*
9 *stance and practice of law-related education, including*
10 *preservice and inservice seminars, workshops, insti-*
11 *tutes, and courses;*

12 *(5) research and evaluation to study and improve*
13 *the effectiveness of materials and methods in law-*
14 *related education;*

15 *(6) involvement of law-related organizations,*
16 *agencies, and personnel, such as lawyers, law schools,*
17 *law students, and law enforcement personnel in the*
18 *provision of law-related education activities; and*

19 *(7) youth internships for outside-the-classroom ex-*
20 *periences with the law and the legal system.*

21 **SEC. 1566. BLUE RIBBON SCHOOLS PROGRAM.**

22 *(a) GENERAL AUTHORITY.—The Secretary is author-*
23 *ized to carry out programs to recognize elementary and sec-*
24 *ondary schools or programs which have established standards*
25 *of excellence and which have demonstrated a high level of*

1 *quality. Such programs shall be designated as "Blue Ribbon*
 2 *Schools". In selecting schools and programs to be recognized,*
 3 *the Secretary shall competitively select public and private*
 4 *schools or programs within local educational agencies in the*
 5 *States.*

6 **(b) SELECTION PROCESS.**—(1) *The Secretary shall*
 7 *designate, each fiscal year, a category for a Blue Ribbon*
 8 *Schools program. Such categories may include, but shall not*
 9 *be limited to, outstanding elementary schools, outstanding*
 10 *secondary schools, outstanding mathematics and science pro-*
 11 *grams, or outstanding reading programs.*

12 (2) *Within each category, the Secretary shall determine*
 13 *the criteria and procedures for selection. Selection for such*
 14 *awards shall be based solely on merit. Schools or programs*
 15 *selected for awards under this section shall not be required to*
 16 *be representative of the States.*

17 **(c) ADMINISTRATIVE PROVISIONS.**—(1) *The Secre-*
 18 *tary shall carry out the provisions of this section including*
 19 *the establishment of the selection procedures, after consulta-*
 20 *tion with appropriate outside parties.*

21 (2) *No award may be made under this section unless the*
 22 *local educational agency submits an application to the Secre-*
 23 *tary at such time, in such manner, and conforming such in-*
 24 *formation as the Secretary may reasonably require.*

1 (3) *For the purposes of this section, the term "State"*
 2 *means each of the several States, the District of Columbia,*
 3 *and the Commonwealth of Puerto Rico.*

4 **SEC. 1567. SECRETARY'S DISCRETIONARY FUND.**

5 (a) *GENERAL AUTHORITY.—From funds available for*
 6 *this part, the Secretary is authorized to carry out programs*
 7 *and projects which contribute to carrying out the purposes*
 8 *specified in section 1532 and shall give priority consider-*
 9 *ation to projects of technology education. Any such projects or*
 10 *programs shall have the goals of identifying and disseminat-*
 11 *ing innovative educational approaches, facilitating program*
 12 *improvement from a national perspective, or meeting urgent*
 13 *national needs within the categories identified in section*
 14 *1532.*

15 (b) *ADMINISTRATIVE AUTHORITY.—The Secretary is*
 16 *authorized to carry out programs and projects under this sec-*
 17 *tion directly, or through grants to or contracts with State and*
 18 *local educational agencies, institutions of higher education,*
 19 *and other public and private agencies, organizations, and*
 20 *institutions.*

21 **PART D—GENERAL PROVISIONS**

22 **SEC. 1571. MAINTENANCE OF EFFORT; FEDERAL FUNDS SUPPLE-**
 23 **MENTARY.**

24 (a) *MAINTENANCE OF EFFORT.—(1) Except as provid-*
 25 *ed in paragraph (2), a State is entitled to receive its full*

1 allocation of funds under this chapter for any fiscal year if
 2 the Secretary finds that either the combined fiscal effort per
 3 student or the aggregate expenditures within the State with
 4 respect to the provision of free public education for the preced-
 5 ing fiscal year was not less than 90 per centum of such com-
 6 bined fiscal effort or aggregate expenditures for the second
 7 preceding fiscal year.

8 (2) The Secretary shall reduce the amount of the alloca-
 9 tion of funds under this chapter in any fiscal year in the
 10 exact proportion to which the State fails to meet the require-
 11 ments of paragraph (1) by falling below 90 per centum of
 12 both the fiscal effort per student and aggregate expenditures
 13 (using the measure most favorable to the State), and no such
 14 lesser amount shall be used for computing the effort required
 15 under paragraph (1) for subsequent years.

16 (3) The Secretary may waive, for one fiscal year only,
 17 the requirements of this subsection if he determines that such
 18 a waiver would be equitable due to exceptional or uncontrol-
 19 lable circumstances such as a natural disaster or a precipi-
 20 tous and unforeseen decline in the financial resources of the
 21 State.

22 (b) *FEDERAL FUNDS SUPPLEMENTARY*.—A State or
 23 local educational agency may use and allocate funds received
 24 under this chapter only so as to supplement and, to the extent
 25 practical, increase the level of funds that would, in the ab-

1 *sence of Federal funds made available under this chapter, be*
 2 *made available from non-Federal sources, and in no case*
 3 *may such funds be used so as to supplant funds from non-*
 4 *Federal sources.*

5 **SEC. 1572. PARTICIPATION OF CHILDREN ENROLLED IN PRI-**
 6 **VATE SCHOOLS.**

7 *(a) PARTICIPATION ON EQUITABLE BASIS.—(1) To*
 8 *the extent consistent with the number of children in the school*
 9 *district of a local educational agency which is eligible to re-*
 10 *ceive funds under this chapter or which serves the area in*
 11 *which a program or project assisted under this chapter is*
 12 *located who are enrolled in private nonprofit elementary and*
 13 *secondary schools, or with respect to instructional or person-*
 14 *nel training programs funded by the State educational*
 15 *agency from funds reserved for State use, such agency after*
 16 *consultation with appropriate private school officials, shall*
 17 *provide for the benefit of such children in such schools secu-*
 18 *lar, neutral, and nonideological services, materials, and*
 19 *equipment including the participation of the teachers of such*
 20 *children (and other educational personnel serving such chil-*
 21 *dren) in training programs, and the repair, minor remodel-*
 22 *ing, or construction of public facilities as may be necessary*
 23 *for their provision (consistent with subsection (c) of this sec-*
 24 *tion), or, if such services, materials, and equipment are not*
 25 *feasible or necessary in one or more such private schools as*

1 *determined by the local educational agency after consultation*
 2 *with the appropriate private school officials, shall provide*
 3 *such other arrangements as will assure equitable participa-*
 4 *tion of such children in the purposes and benefits of this*
 5 *chapter.*

6 (2) *If no program or project is carried out under subsec-*
 7 *tion (a)(1) of this section in the school district of a local*
 8 *educational agency, the State educational agency shall make*
 9 *arrangements, such as through contracts with nonprofit agen-*
 10 *cies or organizations, under which children in private schools*
 11 *in that district are provided with services and materials to the*
 12 *extent that would have occurred if the local educational*
 13 *agency had received funds under this chapter.*

14 (3) *The requirements of this section relating to the par-*
 15 *ticipation of children, teachers, and other personnel serving*
 16 *such children shall apply to programs and projects carried*
 17 *out under this chapter by a State or local educational agency,*
 18 *whether directly or through grants to or contracts with other*
 19 *public or private agencies, institutions, or organizations.*

20 (b) *EQUAL EXPENDITURES.—Expenditures for pro-*
 21 *grams pursuant to subsection (a) shall be equal (consistent*
 22 *with the number of children to be served) to expenditures for*
 23 *programs under this chapter for children enrolled in the*
 24 *public schools of the local educational agency, taking into*
 25 *account the needs of the individual children and other factors*

1 *which relate to such expenditures, and when funds available*
 2 *to a local educational agency under this chapter are used to*
 3 *concentrate programs or projects on a particular group, at-*
 4 *tendance area, or grade or age level, children enrolled in pri-*
 5 *vate schools who are included within the group, attendance*
 6 *area, or grade or age level selected for such concentration*
 7 *shall, after consultation with the appropriate private school*
 8 *officials, be assured equitable participation in the purposes*
 9 *and benefits of such programs or projects.*

10 (c) FUNDS.—(1) *The control of funds provided under*
 11 *this chapter, and title to materials, equipment, and property*
 12 *repaired, remodeled, or constructed therewith, shall be in a*
 13 *public agency for the uses and purposes provided in this*
 14 *chapter, and a public agency shall administer such funds and*
 15 *property.*

16 (2) *The provision of services pursuant to this section*
 17 *shall be provided by employees of a public agency or through*
 18 *contract by such public agency with a person, an association,*
 19 *agency, or corporation who or which, in the provision of such*
 20 *services, is independent of such private school and of any*
 21 *religious organizations, and such employment or contract*
 22 *shall be under the control and supervision of such public*
 23 *agency, and the funds provided under this chapter shall not*
 24 *be commingled with State or local funds.*

1 (d) *STATE PROHIBITION WAIVER.*—If by reason of
 2 any provision of law a State or local educational agency is
 3 prohibited from providing for the participation in programs of
 4 children enrolled in private elementary and secondary
 5 schools, as required by this section, the Secretary shall waive
 6 such requirements and shall arrange for the provision of serv-
 7 ices to such children through arrangements which shall be
 8 subject to the requirements of this section.

9 (e) *WAIVER AND PROVISION OF SERVICES.*—(1) If
 10 the Secretary determines that a State or a local educational
 11 agency has substantially failed or is unwilling to provide for
 12 the participation on an equitable basis of children enrolled in
 13 private elementary and secondary schools as required by this
 14 section, the Secretary may waive such requirements and
 15 shall arrange for the provision of services to such children
 16 through arrangements which shall be subject to the require-
 17 ments of this section.

18 (2) Pending final resolution of any investigation or
 19 complaint that could result in a determination under this
 20 subsection or subsection (d), the Secretary may withhold
 21 from the allocation of the affected State or local educational
 22 agency the amount he estimated would be necessary to pay
 23 the cost of those services.

24 (f) *DETERMINATION.*—Any determination by the Sec-
 25 retary under this section shall continue in effect until the

1 *Secretary determines that there will no longer be any failure*
 2 *or inability on the part of the State or local educational*
 3 *agency to meet the requirements of subsections (a) and (b).*

4 (g) *PAYMENT FROM STATE ALLOTMENT.—When the*
 5 *Secretary arranges for services pursuant to this section, the*
 6 *Secretary shall, after consultation with the appropriate*
 7 *public and private school officials, pay the cost of such serv-*
 8 *ices, including the administrative costs of arranging for those*
 9 *services, from the appropriate allotment of the State under*
 10 *this chapter.*

11 (h) *REVIEW.—(1) The Secretary shall not take any*
 12 *final action under this section until the State educational*
 13 *agency and the local educational agency affected by such*
 14 *action have had an opportunity, for at least 45 days after*
 15 *receiving written notice thereof, to submit written objections*
 16 *and to appear before the Secretary or the Secretary's desig-*
 17 *nee to show cause why that action should not be taken.*

18 (2) *If a State or local educational agency is dissatisfied*
 19 *with the Secretary's final action after a proceeding under*
 20 *paragraph (1) of this subsection, it may within 60 days after*
 21 *notice of such action, file with the United States court of*
 22 *appeals for the circuit in which such State is located a peti-*
 23 *tion for review of that action. A copy of the petition shall be*
 24 *forthwith transmitted by the clerk of the court to the Secre-*
 25 *tary. The Secretary thereupon shall file in the court the*

1 *record of the proceedings on which he based this action, as*
 2 *provided in section 2112 of title 28, United States Code.*

3 (3) *The findings of fact by the Secretary, if supported*
 4 *by substantial evidence, shall be conclusive; but the court, for*
 5 *good cause shown, may remand the case to the Secretary to*
 6 *take further evidence and the Secretary may thereupon make*
 7 *new or modified findings of fact and may modify the Secre-*
 8 *tary's previous action, and shall file in the court the record of*
 9 *the further proceedings. Such new or modified findings of*
 10 *fact shall likewise be conclusive if supported by substantial*
 11 *evidence.*

12 (4) *Upon the filing of such petition, the court shall have*
 13 *jurisdiction to affirm the action of the Secretary or to set it*
 14 *aside, in whole or in part. The judgment of the court shall be*
 15 *subject to review by the Supreme Court of the United States*
 16 *upon certiorari or certification as provided in section 1254 of*
 17 *title 28, United States Code.*

18 (i) **PRIOR DETERMINATION.**—*Any bypass determina-*
 19 *tion by the Secretary under chapter 2 of the Education Con-*
 20 *solidation and Improvement Act of 1981 shall to the extent*
 21 *consistent with the purposes of this chapter apply to programs*
 22 *under this chapter.*

23 **SEC. 1573. EVALUATIONS AND REPORTING.**

24 (a) **LOCAL EDUCATIONAL AGENCIES.**—*A local educa-*
 25 *tional agency which receives financial assistance under this*

1 *chapter shall report annually to the State educational agency*
2 *on the use of funds under section 1532. Such reporting shall*
3 *be carried out in a manner which minimizes the amount of*
4 *paperwork required while providing the State educational*
5 *agency with the necessary information under the preceding*
6 *sentence. Such report shall be made available to the public.*

7 **(b) STATE EDUCATIONAL AGENCIES.**—*A State edu-*
8 *cational agency which receives financial assistance under*
9 *this chapter shall annually evaluate the effectiveness of State*
10 *and local programs under this chapter. Such evaluations*
11 *shall be submitted for review and comment by the State advi-*
12 *sory committee and shall be made available to the public. The*
13 *State educational agency shall submit to the Secretary a*
14 *copy of such evaluations and a summary of the reports under*
15 *subsection (a).*

16 **(c) REPORTS.**—*(1) The Secretary, in consultation with*
17 *State and local educational agency representatives, shall de-*
18 *velop a model system which State educational agencies may*
19 *use for data collection and reporting under this chapter.*

20 **(2)** *The Secretary shall not later than October 1992*
21 *submit a report to the Congress summarizing evaluations*
22 *under subsection (b) in order to provide a national overview*
23 *of the uses of funds and effectiveness of programs under this*
24 *chapter.*

1 **SEC. 1574. FEDERAL ADMINISTRATION.**

2 (a) *TECHNICAL ASSISTANCE.*—*The Secretary, upon*
3 *request, shall provide technical assistance to State and local*
4 *educational agencies under this chapter.*

5 (b) *RULEMAKING.*—*The Secretary shall issue regula-*
6 *tions under this chapter only to the extent that such regula-*
7 *tions are necessary to ensure that there is compliance with*
8 *the specific requirements and assurances required by this*
9 *chapter.*

10 **SEC. 1575. REPEAL OF CHAPTERS 2 AND 3 OF THE EDUCATION**
11 **CONSOLIDATION AND IMPROVEMENT ACT OF**
12 **1981.**

13 *Chapters 2 and 3 of the Education Consolidation and*
14 *Improvement Act of 1981 are repealed.*

15 **SEC. 1576. TRANSITION PROVISIONS.**

16 (a) *REGULATIONS.*—*All orders, determinations, rules,*
17 *regulations, permits, grants, and contracts, which have been*
18 *issued under chapters 2 and 3 of the Education Consolida-*
19 *tion and Improvement Act of 1981 (as in effect on the date*
20 *before the effective date of this Act), or which are issued*
21 *under such Act on or before the effective date of this Act shall*
22 *continue in effect until modified or revoked by the Secretary,*
23 *by a court of competent jurisdiction, or by operation of law*
24 *other than this Act.*

25 (b) *EFFECT ON PENDING PROCEEDINGS.*—*The provi-*
26 *sions of this chapter shall not affect administrative or judicial*

1 *proceedings pending on the effective date of this Act under*
 2 *chapters 2 and 3 of the Education Consolidation and Im-*
 3 *provement Act of 1981.*

4 (c) *TRANSITION.—With respect to the period beginning*
 5 *October 1, 1988, and ending June 30, 1989, no recipient of*
 6 *funds under this Act or chapter 2 of the Education Consoli-*
 7 *dation and Improvement Act of 1981 shall be held to have*
 8 *expended such funds in violation of the requirements of this*
 9 *Act or of such Act if such funds are expended in accordance*
 10 *with this Act or such Act.*

11 **TITLE II—SPECIAL PROGRAMS FOR** 12 **INNOVATION IN EDUCATION**

13 **PART A—EVEN START**

14 **SEC. 2001. SHORT TITLE.**

15 *This part may be cited as the “Even Start Act”.*

16 **SEC. 2002. STATEMENT OF PURPOSE.**

17 *It is the purpose of this part to improve the educational*
 18 *opportunities of the Nation’s children and adults by integrat-*
 19 *ing early childhood education and adult education for parents*
 20 *into a unified program to be referred to as “Even Start”, to*
 21 *be implemented through cooperative projects that build on ex-*
 22 *isting community resources.*

23 **SEC. 2003. PROGRAM AUTHORIZED.**

24 *The Secretary is authorized, in accordance with the po-*
 25 *sitions of this part, to make grants to local educational agen-*

1 *cies, or consortia of such agencies, to carry out even start*
 2 *programs.*

3 **SEC. 2004. USES OF FUNDS.**

4 (a) *IN GENERAL.*—Funds made available to local edu-
 5 *cational agencies under this part, in collaboration with insti-*
 6 *tutions of higher education, community-based organizations,*
 7 *the appropriate State educational agency, or other appropri-*
 8 *ate nonprofit organizations in carrying out the program*
 9 *under this part, shall be used to pay the Federal share of the*
 10 *cost of providing family-centered education programs which*
 11 *involve parents and children in a cooperative effort to help*
 12 *parents become full partners in the education of their children*
 13 *and to assist children in reaching their full potential as*
 14 *learners.*

15 (b) *PROGRAM ELEMENTS.*—Each program assisted
 16 *under this part shall include—*

17 (1) *the identification and recruitment of eligible*
 18 *children;*

19 (2) *screening and preparation of parents and chil-*
 20 *dren for participation, including testing, referral to*
 21 *necessary counseling, and related services;*

22 (3) *design of programs and provision of support*
 23 *services (when unavailable from other sources) appro-*
 24 *priate to the participants' work and other responsibil-*
 25 *ities, including—*

1 (A) scheduling and location of services to
2 allow joint participation by parents and children;

3 (B) child care for the period that parents are
4 involved in the program provided for under this
5 part; and

6 (C) transportation for the purpose of ena-
7 bling parents and their children to participate in
8 the program authorized by this part;

9 (4) the establishment of instructional programs
10 that promote adult literacy, training parents to support
11 the educational growth of their children, and prepara-
12 tion of children for success in regular school programs;

13 (5) provision of special training to enable staff to
14 develop the skills necessary to work with parents and
15 young children in the full range of instructional serv-
16 ices offered through this part (including child care staff
17 in programs enrolling children of participants under
18 this part on a space available basis);

19 (6) provision of and monitoring of integrated in-
20 structional services to participating parents and chil-
21 dren through home-based programs; and

22 (7) coordination of programs assisted under this
23 part with programs assisted under chapter 1 of title I,
24 the Adult Education Act, the Education of the Handi-
25 capped Act, the Job Training Partnership Act, and

1 *with the Head Start program, volunteer literacy pro-*
 2 *grams, and other relevant programs.*

3 (c) *FEDERAL SHARE LIMITATION.*—*The Federal*
 4 *share under this part may be—*

5 (1) *not more than 90 percent of the total cost of*
 6 *the program in the first year the local educational*
 7 *agency receives assistance under this part,*

8 (2) *80 percent in the second such year,*

9 (3) *70 percent in the third such year, and*

10 (4) *60 percent in the fourth and any subsequent*
 11 *such year.*

12 *The non-Federal share may be obtained from any available*
 13 *non-Federal source.*

14 **SEC. 2005. ELIGIBLE PARTICIPANTS.**

15 *Eligible participants in a program assisted by a local*
 16 *educational agency under this part may be a parent and*
 17 *child from a family that includes—*

18 (1) *a parent who is eligible for participation in an*
 19 *adult basic education program under the Adult Educa-*
 20 *tion Act; and*

21 (2) *a child aged 1 to 7, inclusive, who resides in*
 22 *a school attendance area designated for participation in*
 23 *programs under chapter 1 of title I.*

1 **SEC. 2006. APPLICATIONS.**

2 (a) **APPLICATION REQUIRED.**—*To be eligible to re-*
3 *ceive a grant a local educational agency shall submit an ap-*
4 *plication to the Secretary in such form and containing or*
5 *accompanied by such information as the Secretary may re-*
6 *quire.*

7 (b) **CONTENTS OF APPLICATION.**—*Each such applica-*
8 *tion shall include documentation that the local educational*
9 *agency has the qualified personnel required—*

10 (1) *to develop, administer, and implement the pro-*
11 *gram required by this part, and*

12 (2) *to provide special training necessary to pre-*
13 *pare staff for the program.*

14 (c) **PLAN.**—*Each such application shall also include a*
15 *plan of operation for the program which includes—*

16 (1) *a description of the program goals;*

17 (2) *a description of the activities and services*
18 *which will be provided under the program (including*
19 *training and preparation of staff);*

20 (3) *a description of the population to be served*
21 *and an estimate of the number of participants;*

22 (4) *a description of the collaborative efforts of the*
23 *institutions of higher education, community-based orga-*
24 *nizations, the appropriate State educational agency,*
25 *private elementary schools, or other appropriate non-*

1 *profit organizations in carrying out the program for*
 2 *which assistance is sought;*

3 *(5) a statement of the methods which will be*
 4 *used—*

5 *(A) to ensure that the programs will serve*
 6 *those eligible participants most in need of the ac-*
 7 *tivities and services provided by this part;*

8 *(B) to provide services under this part to*
 9 *special populations, such as individuals with lim-*
 10 *ited English proficiency and individuals with*
 11 *handicaps; and*

12 *(C) to encourage participants to remain in*
 13 *the programs for a time sufficient to meet program*
 14 *goals; and*

15 *(6) a description of the methods by which the ap-*
 16 *plicant will coordinate programs under this chapter*
 17 *with programs under part A of this chapter, the Adult*
 18 *Education Act, the Job Training Partnership Act, and*
 19 *with Head Start programs, volunteer literacy pro-*
 20 *grams, and other relevant programs.*

21 **SEC. 2007. APPROVAL OF APPLICATIONS; DURATION.**

22 *(a) APPROVAL OF APPLICATIONS.—In approving ap-*
 23 *plications under this part, the Secretary shall give special*
 24 *consideration to proposals which—*

1 (1) are most likely to be successful in meeting the
2 purpose of this part;

3 (2) serve the greatest percentage of eligible chil-
4 dren and parents as described in section 2005;

5 (3) demonstrate the greatest degree of cooperation
6 and coordination in collaborative efforts among educa-
7 tional institutions and organizations as described in
8 section 2006(b)(4);

9 (4) demonstrate the local educational agency's
10 ability to provide the non-Federal share of the cost of
11 the program as required by section 2004C(c); and

12 (5) show the greatest promise for providing models
13 which may be transferred to other local educational
14 agencies.

15 (b) *EQUITABLE DISTRIBUTION OF ASSISTANCE.*—In
16 approving grants under this part the Secretary shall assure
17 an equitable distribution of assistance between the States and
18 among urban and rural areas of the United States.

19 (c) *DURATION.*—Grants may be awarded for a period
20 not to exceed 4 years. In any application from a local educa-
21 tional agency for a grant to continue a project for the second,
22 third, or fourth fiscal year following the first fiscal year in
23 which a grant was awarded to such local educational agency,
24 the Secretary shall review the progress being made toward
25 meeting the objectives of the project. The Secretary may

1 *refuse to award a grant if the Secretary finds that sufficient*
2 *progress has not been made toward meeting such objectives,*
3 *but only after affording the applicant notice and an opportu-*
4 *nity for a hearing.*

5 **SEC. 2008. EVALUATION.**

6 (a) **INDEPENDENT EVALUATION.**—*The Secretary*
7 *shall provide for an independent evaluation of a representa-*
8 *tive sample of programs under this part to determine their*
9 *effectiveness in providing—*

10 (1) *services to special populations;*

11 (2) *adult education services;*

12 (3) *parent training;*

13 (4) *home-based programs involving parents and*
14 *children;*

15 (5) *coordination with related services programs;*
16 *and*

17 (6) *training of related personnel in appropriate*
18 *skill areas.*

19 (b) **REPORT TO CONGRESS AND DISSEMINATION.**—
20 *The Secretary shall prepare and submit to the Congress not*
21 *later than October 1, 1992, a review and summary of the*
22 *results of such evaluation. The evaluation shall be available*
23 *for possible dissemination.*

1 **SEC. 2009. AUTHORIZATION OF APPROPRIATIONS.**

2 *There are authorized to be appropriated \$25,000,000 for*
 3 *fiscal year 1989, \$26,500,000 for the fiscal year 1990,*
 4 *\$27,500,000 for the fiscal year 1991, \$29,000,000 for the*
 5 *fiscal year 1992, and \$30,500,000 for the fiscal year 1993 to*
 6 *carry out the provisions of this part.*

7 **PART B—EFFECTIVE SCHOOLS**

8 **SEC. 2051. PROGRAM AUTHORIZED.**

9 (a) *GENERAL AUTHORITY.—The Secretary is author-*
 10 *ized to make grants to State and local educational agencies*
 11 *for the conduct of effective schools programs.*

12 (b) *APPLICATION REQUIRED.—(1) No grant may be*
 13 *made under this part unless the State or local educational*
 14 *agency submits an application to the Secretary at such time,*
 15 *in such manner, and containing such information as the Sec-*
 16 *retary may reasonably require.*

17 (2) *Whenever a State educational agency submits an*
 18 *application to the Secretary under paragraph (1), the State*
 19 *shall specify the local educational agencies within the State*
 20 *which the applicant intends to serve with assistance under*
 21 *this part.*

22 **SEC. 2052. USES OF FUNDS.**

23 *Funds paid under this part shall be available to—*

24 (1) *plan, implement, support, evaluate, and*
 25 *strengthen effective schools programs;*

1 (2) *plan and conduct training and other profes-*
 2 *sional development activities for teachers, administra-*
 3 *tors and other education personnel on the implementa-*
 4 *tion of effective schools programs;*

5 (3) *provide technical assistance and promote State*
 6 *and local educational agency awareness of effective*
 7 *schools research, model programs, and implementation;*

8 (4) *develop and implement systems to evaluate*
 9 *and analyze effective schools programs;*

10 (5) *improve parent and community involvement*
 11 *and participation as part of an ongoing effective*
 12 *schools program;*

13 (6) *support model and demonstration programs re-*
 14 *lated to effective schools programs; and*

15 (7) *develop where such materials are commercial-*
 16 *ly unavailable and disseminate educational materials*
 17 *related to effective schools programs.*

18 **SEC. 2053. EFFECTIVE SCHOOLS.**

19 *For the purposes of this part the term "effective schools*
 20 *programs" means school-based programs that may encompass*
 21 *preschool through secondary school levels and that have the*
 22 *objective of (1) promoting school-level planning, instructional*
 23 *improvement, and staff development, (2) increasing the aca-*
 24 *demic achievement levels of all children and particularly edu-*
 25 *cationally deprived children, and (3) achieving as ongoing*

1 conditions in the school the following factors identified
2 through effective schools research as distinguishing effective
3 from ineffective schools:

4 (A) strong and effective administrative and in-
5 structional leadership that creates consensus on in-
6 structional goals and organizational capacity for in-
7 structional problem solving;

8 (B) emphasis on the acquisition of basic and
9 higher order skills;

10 (C) a safe and orderly school environment that
11 allows teachers and pupils to focus their energies on
12 academic achievement;

13 (D) a climate of expectation that virtually all
14 children can learn under appropriate conditions; and

15 (E) continuous assessment of students and pro-
16 grams to evaluate the effects of instruction.

17 **SEC. 2054. AUTHORIZATION OF APPROPRIATIONS.**

18 There are authorized to be appropriated \$25,000,000 for
19 the fiscal year 1989, \$26,500,000 for the fiscal year 1990,
20 \$27,500,000 for the fiscal year 1991, \$29,000,000 for the
21 fiscal year 1992, and \$30,500,000 for the fiscal year 1993,
22 to carry out the provisions of this part.

1 PART C—WOMEN'S EDUCATIONAL EQUITY

2 **SEC. 2101. SHORT TITLE; FINDINGS AND STATEMENT OF**
3 **PURPOSE.**

4 (a) *SHORT TITLE*.—This part may be cited as the
5 “*Women’s Educational Equity Act*”.

6 (b) FINDINGS AND STATEMENT OF PURPOSE.—(1)
7 The Congress finds and declares that educational programs
8 in the United States, as presently conducted, are frequently
9 inequitable as such programs relate to women and frequently
10 limit the full participation of all individuals in American
11 society. The Congress finds and declares that excellence in
12 education cannot be achieved without equity for women and
13 girls.

(2) *It is the purpose of this part to provide educational equity for women in the United States and to provide financial assistance to enable educational agencies and institutions to meet the requirements of title IX of the Education Amendments of 1972. It is also the purpose of this part to provide educational equity for women and girls who suffer multiple discrimination, bias, or stereotyping based on sex and on race, ethnic origin, disability, or age.*

22 SEC. 2102. PROGRAM AUTHORIZED.

23 (a) *AUTHORIZATION.*—*The Secretary is authorized to*
24 *make grants to, and enter into contracts with, public agen-*
25 *cies, private nonprofit agencies, organizations, and institu-*
26 *tions, including student and community groups, and individ-*

1 uals, for activities designed to achieve the purpose of this part
2 at all levels of education, including preschool, elementary and
3 secondary education, higher education, and adult education.
4 The activities may include—

5 (1) demonstration, developmental, and dissemina-
6 tion activities of national, statewide, or general signifi-
7 cance, including—

8 (A) the development where such materials
9 are commercially unavailable and evaluation of
10 curricula, textbooks, and other educational materi-
11 als related to educational equity;

12 (B) model preservice and inservice training
13 programs for educational personnel with special
14 emphasis on programs and activities designed to
15 provide educational equity;

16 (C) research and development activities de-
17 signed to advance educational equity;

18 (D) guidance and counseling activities, in-
19 cluding the development of nondiscriminatory
20 tests, designed to ensure educational equity;

21 (E) educational activities to increase oppor-
22 tunities for adult women, including continuing
23 educational activities and programs for underem-
24 ployed and unemployed women; and

1 (F) the expansion and improvement of edu-
 2 cational programs and activities for women in vo-
 3 cational education, career education, physical edu-
 4 cation, and educational administration; and

5 (2) assistance to eligible entities to pay a portion
 6 of the costs of the establishment and operation, for a
 7 period of not to exceed 2 years, of special programs
 8 and projects of local significance to provide equal op-
 9 portunities for both sexes, including activities listed in
 10 paragraph (1), activities incident to achieving compli-
 11 ance with title IX of the Education Amendments of
 12 1972 and other special activities designed to achieve
 13 the purposes of this part.

14 Not less than 75 percent of funds used to support activities
 15 described by paragraph (2) shall be used for awards to local
 16 educational agencies. The Secretary shall ensure that at least
 17 1 grant or contract is available during each fiscal year for the
 18 performance of each of the activities described in paragraph
 19 (1) of this subsection.

20 (b) *LIMITATION.*—For each fiscal year, the Secretary
 21 shall use \$3,000,000 from the funds available under this part
 22 to support activities described in paragraph (1) of subsection
 23 (a). Any funds in excess of \$3,000,000 available under this
 24 part may be used to support new activities described in para-

1 *graph (1) or to support activities described in paragraph (2),*
 2 *or both.*

3 **SEC. 2103. APPLICATION; PARTICIPATION.**

4 (a) *APPLICATION.*—A grant may be made, and a con-
 5 tract may be entered into, under this part only upon applica-
 6 tion to the Secretary, at such time, in such form, and con-
 7 taining or accompanied by such information as the Secretary
 8 may prescribe. Each such application shall—

9 (1) *provide that the program or activity for which*
 10 *assistance is sought will be administered by or under*
 11 *the supervision of the applicant;*

12 (2) *describe a program for carrying out one or*
 13 *more of the purposes set forth in section 2101(b) which*
 14 *holds promise of making a substantial contribution*
 15 *toward attaining such purposes; and*

16 (3) *set forth policies and procedures which insure*
 17 *adequate evaluation of the activities intended to be car-*
 18 *ried out under the application, including where appro-*
 19 *priate an evaluation or estimate of the potential for*
 20 *continued significance following completion of the*
 21 *grant period.*

22 (b) *SPECIAL RULE.*—In approving applications under
 23 *this part, the Secretary shall—*

24 (1) *give special consideration to applications sub-*
 25 *mitted by applicants that have not received assistance*

1 under this part or under part C of title IX of the Ele-
 2 mentary and Secondary Education Act of 1965; and

3 (2) proposals from applicants on the basis of in-
 4 equitable geographic distribution throughout the United
 5 States.

6 (c) *LIMITATION.*—Nothing in this part shall be con-
 7 strued as prohibiting men and boys from participating in any
 8 programs or activities assisted under this part.

9 **SEC. 2104. CHALLENGE GRANTS.**

10 (a) *PURPOSE.*—In addition to the authority of the Sec-
 11 retary under section 2102, the Secretary shall carry out a
 12 program of challenge grants (as part of the grant program
 13 administered under section 2102(a)(1)), not to exceed
 14 \$40,000 each, in order to support projects to develop—

15 (1) comprehensive plans for implementation of
 16 equity programs at every educational level;

17 (2) innovative approaches to school-community
 18 partnerships;

19 (3) new dissemination and replication strategies;
 20 and

21 (4) other innovative approaches to achieving the
 22 purposes of this part.

23 (b) *GRANT RECIPIENTS.*—For the purpose described
 24 in paragraphs (1) through (4) of subsection (a), the Secretary
 25 is authorized to make grants to public agencies and private

1 *nonprofit organizations and consortia of these groups and to*
 2 *individuals.*

3 **SEC. 2105. CRITERIA AND PRIORITIES.**

4 *The Secretary shall establish separate criteria and pri-*
 5 *orities for awards under sections 2102(a)(1) and 2102(a)(2)*
 6 *under this part to insure that available funds are used for*
 7 *programs that most effectively will achieve the purposes of*
 8 *this part. The criteria and priorities shall be promulgated in*
 9 *accordance with section 431 of the General Education Provi-*
 10 *sions Act.*

11 **SEC. 2106. REPORTS, EVALUATION, AND DISSEMINATION.**

12 (a) *REPORTS.—The Secretary shall, from funds au-*
 13 *thorized under this part, not later than September 30 of*
 14 *1992, submit to the President and the Congress, a report*
 15 *setting forth the programs and activities assisted under this*
 16 *part, and provide for the distribution of this report.*

17 (b) *EVALUATION AND DISSEMINATION.—The Secre-*
 18 *tary, through the Office of Educational Research and Im-*
 19 *provement, shall evaluate and disseminate materials and pro-*
 20 *grams developed under this part.*

21 **SEC. 2107. AUTHORIZATION OF APPROPRIATIONS.**

22 *There are authorized to be appropriated \$5,300,000 for*
 23 *the fiscal year 1989, \$5,600,000 for fiscal year 1990,*
 24 *\$5,900,000 for fiscal year 1991, \$6,200,000 for fiscal year*

1 1992, and \$6,500,000 for fiscal year 1993 to carry out the
2 provisions of this part.

3 **SEC. 2108. REPEAL.**

4 *Part C of title IX of the Elementary and Secondary*
5 *Education Act of 1965 (20 U.S.C. 3341) is repealed.*

6 **PART D—GIFTED AND TALENTED CHILDREN**

7 **SEC. 2151. SHORT TITLE.**

8 *This part may be referred to as the “Jacob K. Javits*
9 *Gifted and Talented Students Education Act of 1987”.*

10 **SEC. 2152. FINDINGS AND PURPOSES.**

11 (a) *FINDINGS.—The Congress finds and declares*
12 *that—*

13 (1) *gifted and talented students are a national re-*
14 *source vital to the future of the Nation and its security*
15 *and well-being;*

16 (2) *unless the special abilities of gifted and talent-*
17 *ed students are recognized and developed during their*
18 *elementary and secondary school years, much of their*
19 *special potential for contributing to the national inter-*
20 *est is likely to be lost;*

21 (3) *gifted and talented students from economically*
22 *disadvantaged families and areas, and students of lim-*
23 *ited English proficiency are at greatest risk of being*
24 *unrecognized and of not being provided adequate or ap-*
25 *propriate educational services;*

1 (4) *State and local educational agencies and pri-*
 2 *vate nonprofit schools often lack the necessary special-*
 3 *ized resources to plan and implement effective pro-*
 4 *grams for the early identification of gifted and talented*
 5 *students for the provision of educational services and*
 6 *programs appropriate to their special needs; and*

7 (5) *the Federal Government can best carry out*
 8 *the limited but essential role of stimulating research*
 9 *and development and personnel training, and providing*
 10 *a national focal point of information and technical as-*
 11 *sistance, that is necessary to ensure that our Nation's*
 12 *schools are able to meet the special educational needs of*
 13 *gifted and talented students, and thereby serve a pro-*
 14 *found national interest.*

15 (b) *STATEMENT OF PURPOSE.—It is the purpose of*
 16 *this part to provide financial assistance to State and local*
 17 *educational agencies, institutions of higher education, and*
 18 *other public and private agencies and organizations, to initi-*
 19 *ate a coordinated program of research, demonstration*
 20 *projects, personnel training, and similar activities designed*
 21 *to build a nationwide capability in elementary and secondary*
 22 *schools to identify and meet the special educational needs of*
 23 *gifted and talented students. It is also the purpose of this part*
 24 *to supplement and make more effective the expenditure of*
 25 *State and local funds, and of Federal funds made available*

1 *under chapter 2 of title I of this Act and the Education for*
2 *Economic Security Act, for the education of gifted and tal-*
3 *ented students.*

4 **SEC. 2153. DEFINITIONS.**

5 *For the purposes of this part:*

6 (1) *The term "gifted and talented students"*
7 *means children and youth who give evidence of high*
8 *performance capability in areas such as intellectual,*
9 *creative, artistic, or leadership capacity, or in specific*
10 *academic fields, and who require services or activities*
11 *not ordinarily provided by the school in order to fully*
12 *develop such capabilities.*

13 (2) *The term "institution of higher education" has*
14 *the same meaning given such term in section 435(b) of*
15 *the Higher Education Act of 1965.*

16 (3) *The term "Hawaiian native" means any indi-*
17 *vidual any of whose ancestors were natives prior to*
18 *1778 in the area which now comprises the State of*
19 *Hawaii.*

20 (4) *The term "Hawaiian native organization"*
21 *means any organization recognized by the Governor of*
22 *the State of Hawaii primarily serving and represent-*
23 *ing Hawaiian natives.*

1 **SEC. 2154. AUTHORIZED PROGRAMS.**

2 (a) *ESTABLISHMENT OF PROGRAM.*—From the sums
3 appropriated under section 2158 in any fiscal year the Sec-
4 retary shall make grants to or enter into contracts with State
5 educational agencies, local educational agencies, institutions
6 of higher education, or other public agencies and private
7 agencies and organizations (including Indian tribes and or-
8 ganizations as defined by the Indian Self-Determination and
9 Education Assistance Act and Hawaiian native organiza-
10 tions) to assist such agencies, institutions, and organizations
11 in carrying out programs or projects authorized by this Act
12 that are designed to meet the educational needs of gifted and
13 talented students, including the training of personnel in the
14 education of gifted and talented students or in supervising
15 such personnel.

16 (b) *APPLICATION REQUIRED.*—No grant may be made
17 and no contract may be entered into under this part unless
18 the applicant submits an application to the Secretary at such
19 time, in such manner, and containing such information as
20 the Secretary may reasonably require.

21 (c) *USES OF FUNDS.*—Programs and projects assisted
22 under this section may include—

23 (1) *preservice and inservice training (including*
24 *fellowships) for personnel (including leadership person-*
25 *nel) involved in the education of gifted and talented*
26 *students;*

1 (2) establishment and operation of model projects
 2 and exemplary programs for the identification and edu-
 3 cation of gifted and talented students, including
 4 summer programs and cooperative programs involving
 5 business, industry, and education;

6 (3) strengthening the capability of State educa-
 7 tional agencies and institutions of higher education to
 8 provide leadership and assistance to local educational
 9 agencies and nonprofit private schools in the planning,
 10 operation, and improvement of programs for the identi-
 11 fication and education of gifted and talented students;

12 (4) programs of technical assistance and informa-
 13 tion dissemination; and

14 (5) carrying out (through the National Center for
 15 Research and Development in the Education of Gifted
 16 and Talented Children and Youth established pursuant
 17 to subsection (d))—

18 (A) research on methods and techniques for
 19 identifying and teaching gifted and talented stu-
 20 dents, and

21 (B) program evaluations, surveys, and the
 22 collection, analysis, and development of informa-
 23 tion needed to accomplish the purposes of this Act.

24 (d) ESTABLISHMENT OF NATIONAL CENTER.—The
 25 Secretary shall establish a National Center for Research and

1 *Development in the Education of Gifted and Talented Chil-*
 2 *dren and Youth through grants to or contracts with one or*
 3 *more institutions of higher education or State educational*
 4 *agencies, or a combination or consortium of such institutions*
 5 *and agencies, for the purpose of carrying out clause (5) of*
 6 *subsection (c). Such National Center shall have a Director.*
 7 *The Secretary may authorize the Director to carry out such*
 8 *functions of the National Center as may be agreed upon*
 9 *through arrangements with other institutions of higher educa-*
 10 *tion, State or local educational agencies, or other public or*
 11 *private agencies and organizations.*

12 (e) *LIMITATION.*—*Not more than 30 percent of the*
 13 *funds available in any fiscal year to carry out the programs*
 14 *and projects authorized by this section may be used for the*
 15 *conduct of activities pursuant to subsections (c)(5) or (d).*

16 **SEC. 2155. PROGRAM PRIORITIES.**

17 (a) *GENERAL PRIORITY.*—*In the administration of*
 18 *this part the Secretary shall give highest priority—*

19 (1) *to the identification of gifted and talented stu-*
 20 *dents who may not be identified through traditional as-*
 21 *essment methods (including economically disadvan-*
 22 *tagged individuals, individuals of limited English profi-*
 23 *ciency, and individuals with handicaps) and to educa-*
 24 *tion programs designed to include gifted and talented*
 25 *students from such groups; and*

1 (2) to programs and projects designed to develop
2 or improve the capability of schools in an entire State
3 or region of the Nation through cooperative efforts and
4 participation of State and local educational agencies,
5 institutions of higher education, and other public and
6 private agencies and organizations (including business,
7 industry, and labor), to plan, conduct, and improve
8 programs for the identification and education of gifted
9 and talented students.

10 (b) **SERVICE PRIORITY.**—In approving applications
11 under section 2154(a) of this part, the Secretary shall assure
12 that in each fiscal year one-half of the applications approved
13 contain a component designed to serve gifted and talented
14 students who are economically disadvantaged individuals.

15 **SEC. 2156. PARTICIPATION OF PRIVATE SCHOOL CHILDREN AND**
16 **TEACHERS.**

17 In making grants and entering into contracts under this
18 Act, the Secretary shall ensure, where appropriate, that pro-
19 vision is made for the equitable participation of students and
20 teachers in private nonprofit elementary and secondary
21 schools, including the participation of teachers and other per-
22 sonnel in preservice and inservice training programs serving
23 such children.

1 **SEC. 2157. ADMINISTRATION.**

2 *The Secretary shall establish or designate an adminis-*
 3 *trative unit within the Department of Education—*

4 *(1) to administer the programs authorized by this*
 5 *part,*

6 *(2) to coordinate all programs for gifted and tal-*
 7 *ented students administered by the Department, and*

8 *(3) to serve as a focal point of national leadership*
 9 *and information on the educational needs of gifted and*
 10 *talented students and the availability of educational*
 11 *services and programs designed to meet those needs.*

12 *The administrative unit established or designated pursuant to*
 13 *this section shall be headed by a person of recognized profes-*
 14 *sional qualifications and experience in the field of the educa-*
 15 *tion of gifted and talented students.*

16 **SEC. 2158. AUTHORIZATION OF APPROPRIATIONS.**

17 *There are authorized to be appropriated \$15,000,000 for*
 18 *fiscal year 1989, \$15,800,000 for the fiscal year 1990,*
 19 *\$16,600,000 for the fiscal year 1991, \$17,400,000 for the*
 20 *fiscal year 1992, and \$18,300,000 for the fiscal year 1993,*
 21 *to carry out the provisions of this part.*

22 **PART E—FAMILY-SCHOOL PARTNERSHIP**23 **SEC. 2251. SHORT TITLE.**

24 *This part may be cited as the “Family-School Partner-*
 25 *ship Act”.*

1 **SEC. 2252. FINDINGS AND PURPOSE.**

2 (a) *FINDINGS.*—*The Congress finds that—*

3 (1) *it has been clearly demonstrated that parent*
4 *involvement is directly related to better student achieve-*
5 *ment, attitudes, and performance in school;*

6 (2) *demographics of the American family are*
7 *changing to the degree that significant numbers of chil-*
8 *dren attending school come from families with single*
9 *parents, families in which both parents are employed*
10 *outside the home, or where the primary caregiver is not*
11 *the biological parent;*

12 (3) *the demographics mean that current approach-*
13 *es to developing and maintaining partnerships with*
14 *educators in compensatory education programs require*
15 *review and modification to make them more responsive*
16 *to the needs of both families and schools; and*

17 (4) *effective approaches to more fully involving*
18 *families as partners in their children's education*
19 *should be encouraged as a matter of Federal policy.*

20 (b) *PURPOSE.*—*The purpose of this part is to encourage*
21 *eligible local educational agencies to increase the involvement*
22 *of families in the improvement of the educational achieve-*
23 *ment of their children in the preschool, elementary, and sec-*
24 *ondary schools of such agency.*

1 **SEC. 2253. ELIGIBLE AGENCY.**

2 *In order to be eligible to receive a grant under this part,*
 3 *a local educational agency must be eligible to receive a grant*
 4 *under section 1005 of this Act.*

5 **SEC. 2254. DEMONSTRATION PROGRAM AUTHORIZED.**

6 (a) **GENERAL AUTHORITY.**--*The Secretary is author-*
 7 *ized to make demonstration grants to eligible local education-*
 8 *al agencies for the development of innovative, promising*
 9 *family-school educational partnership activities designed to—*

10 (1) *support the efforts of families, including train-*
 11 *ing, to the maximum extent practicable, to work with*
 12 *children in the home to both attain the instructional ob-*
 13 *jectives of the schools of eligible local educational agen-*
 14 *cies and instill positive attitudes about the importance*
 15 *of education;*

16 (2) *train teachers and other staff personnel in-*
 17 *volved in the program supported under chapter 1 of the*
 18 *Education Consolidation and Improvement Act of*
 19 *1981 to work effectively as educational partners with*
 20 *the families of participating students;*

21 (3) *train families, teachers and other staff person-*
 22 *nel in the schools of such agency to build an education-*
 23 *al partnership between home and school; and*

24 (4) *evaluate how well family involvement activi-*
 25 *ties of the schools of such agency are working, what*
 26 *barriers exist to greater participation, and what steps*

1 *need to be taken to expand participation in such family*
2 *involvement activities.*

3 *(b) USES OF FUNDS.—The activities and procedures*
4 *for which grants may be made under this part may include—*

5 *(1) training programs for the family on the fami-*
6 *ly's educational responsibilities and reasonable and*
7 *necessary expenditures associated with the attendance*
8 *of parents or guardians at training sessions;*

9 *(2) planning and development of new school pro-*
10 *cedures and practices to meet the changing demograph-*
11 *ic characteristics of the families of school-age children;*

12 *(3) planning and development of modifications of*
13 *school procedures and practices necessary for the in-*
14 *volvement of parents of special groups, including mi-*
15 *norities, disadvantaged, gifted and talented, and stu-*
16 *dents with handicaps;*

17 *(4) hiring, training, and use of educational per-*
18 *sonnel at eligible local educational agencies to coordi-*
19 *nate family involvement activities and to foster commu-*
20 *nications among families, educators, and students;*

21 *(5) development and purchase by a local educa-*
22 *tional agency of educational materials where such ma-*
23 *terials are commercially unavailable to reinforce school*
24 *learning at home and assistance in implementing other*
25 *home-based education activities that reinforce and*

1 *extend classroom instruction and student motivation;*
 2 *and*

3 *(6) securing technical assistance, including train-*
 4 *ing, to design and carry out family involvement*
 5 *programs.*

6 **SEC. 2255. APPLICATION.**

7 *(a) APPLICATION REQUIRED.—No grant may be made*
 8 *under this part unless an application is submitted to the Sec-*
 9 *retary at such time, in such manner, and containing or ac-*
 10 *companied by such information as the Secretary deems rea-*
 11 *sonably necessary to carry out the provisions of this part.*

12 *(b) SPECIAL CONSIDERATION.—In approving applica-*
 13 *tions under this part, the Secretary shall give special consid-*
 14 *eration to applicants which have already shown a commit-*
 15 *ment to parental involvement or which give a reasonable ex-*
 16 *planation why the commitment to parental involvement has*
 17 *not been a high priority for the local educational agency con-*
 18 *cerned.*

19 **SEC. 2256. ADMINISTRATIVE PROVISION.**

20 *(a) ESTABLISHMENT.—The Secretary shall establish*
 21 *in the Department of Education an administrative unit for*
 22 *family-school partnerships in education.*

23 *(b) FUNCTIONS.—The Secretary, through the unit es-*
 24 *tablished by subsection (a), shall collect and disseminate in-*

1 *formation on, and serve as a clearinghouse for, successful*
 2 *programs on family-school educational partnerships.*

3 **SEC. 2257. AUTHORIZATION OF APPROPRIATIONS.**

4 *There are authorized to be appropriated \$10,000,000 for*
 5 *the fiscal year 1989, \$10,500,000 for the fiscal year 1990,*
 6 *\$11,000,000 for the fiscal year 1991, \$12,500,000 for the*
 7 *fiscal year 1992, and \$14,000,000 for the fiscal year 1993,*
 8 *to carry out the provisions of this part.*

9 **PART F—ALLEN J. ELLENDER FELLOWSHIP**
 10 **PROGRAM**

11 **SEC. 2301. FINDINGS.**

12 *The Congress makes the following findings:*

13 *(1) Allen J. Ellender, a Senator from Louisiana*
 14 *and President pro tempore of the United States*
 15 *Senate, had a distinguished career in public service*
 16 *characterized by extraordinary energy and real concern*
 17 *for young people and the development of greater oppor-*
 18 *tunities for active and responsible citizenship by young*
 19 *people.*

20 *(2) Senator Ellender provided valuable support*
 21 *and encouragement to the Close Up Foundation, a*
 22 *nonpartisan, nonprofit foundation promoting knowledge*
 23 *and understanding of the Federal Government among*
 24 *young people and their educators.*

1 (3) *It is a fitting and appropriate tribute to the*
2 *beloved Senator Ellender to provide in his name an*
3 *opportunity for participation, by students of limited*
4 *economic means and by their teachers, in the program*
5 *supported by the Close Up Foundation.*

6 ***Subpart 1—Program for Secondary School Students and***
7 ***Teachers***

8 SEC. 2311. ESTABLISHMENT.

9 (a) *GENERAL AUTHORITY.*—The Secretary is author-
10 ized to make grants in accordance with the provisions of this
11 subpart to the Close Up Foundation of Washington, District
12 of Columbia, a nonpartisan, nonprofit foundation, for the
13 purpose of assisting the Close Up Foundation in carrying
14 out its program of increasing understanding of the Federal
15 Government among secondary school students, their teachers,
16 and the communities they represent.

(b) *USE OF FUNDS.*—Grants under this subpart shall be used only for financial assistance to economically disadvantaged students and their teachers who participate in the program described in subsection (a) of this section. Financial assistance received pursuant to this subpart by such students and teachers shall be known as Allen J. Ellender fellowships.

23 SEC. 2312. APPLICATIONS.

24 (a) *APPLICATION REQUIRED.*—No grant under this
25 subpart may be made except upon an application at such

1 *time, in such manner, and accompanied by such information*
2 *as the Secretary may reasonably require.*

3 (b) *CONTENTS OF APPLICATION.—Each such applica-*
4 *tion shall contain provisions to assure—*

5 (1) *that fellowship grants are made to economical-*
6 *ly disadvantaged secondary school students, and to sec-*
7 *ondary school teachers;*

8 (2) *that not more than one secondary school teach-*
9 *er in each such school participating in the program*
10 *may receive a fellowship grant in any fiscal year;*

11 (3) *that every effort will be made to ensure the*
12 *participation of students and teachers from rural and*
13 *small town areas, as well as from urban areas, and*
14 *that in awarding fellowships to economically disadvan-*
15 *tagged students, special consideration will be given to*
16 *the participation of students with special educational*
17 *needs, including handicapped students, students from*
18 *recent immigrant families, ethnic minority students,*
19 *gifted and talented students, and students of migrant*
20 *parents; and*

21 (4) *the proper disbursement of the funds of the*
22 *United States received under this part.*

1 **Subpart 2—Programs for Older Americans and Recent**
 2 **Immigrants**

3 **SEC. 2314. ESTABLISHMENT.**

4 (a) **GENERAL AUTHORITY.**—(1) *The Secretary is au-*
 5 *thorized to make grants in accordance with the provisions of*
 6 *this subpart to the Close Up Foundation of Washington,*
 7 *District of Columbia, a nonpartisan, nonprofit foundation,*
 8 *for the purpose of assisting the Close Up Foundation in car-*
 9 *rying out its programs of increasing understanding of the*
 10 *Federal Government among economically disadvantaged*
 11 *older Americans and recent immigrants.*

12 (2) *For the purpose of this subpart, the term “older*
 13 *American” means an individual who has attained 55 years*
 14 *of age.*

15 (b) **USE OF FUNDS.**—*Grants under this subpart shall*
 16 *be used only for financial assistance to economically disad-*
 17 *vantaged older Americans and recent immigrants who par-*
 18 *ticipate in the program described in subsection (a) of this*
 19 *section. Financial assistance received pursuant to this sub-*
 20 *part by such individuals shall be known as Allen J. Ellender*
 21 *fellowships.*

22 **SEC. 2315. APPLICATIONS.**

23 (a) **APPLICATION REQUIRED.**—*No grant under this*
 24 *subpart may be made except upon application at such time,*
 25 *in such manner, and accompanied by such information as the*
 26 *Secretary may reasonably require.*

1 (b) *CONTENTS OF APPLICATION.*—*Each such applica-*
 2 *tion shall contain provisions to assure—*

3 (1) *that fellowship grants are made to economical-*
 4 *ly disadvantaged older Americans and recent immi-*
 5 *grants;*

6 (2) *that every effort will be made to ensure the*
 7 *participation of older Americans and recent immi-*
 8 *grants from rural and small town areas, as well as*
 9 *from urban areas, and that in awarding fellowships,*
 10 *special consideration will be given to the participation*
 11 *of older Americans and recent immigrants with special*
 12 *needs, including handicapped individuals and ethnic*
 13 *minorities;*

14 (3) *that activities permitted by section 2314 are*
 15 *fully described; and*

16 (4) *the proper disbursement of the funds of the*
 17 *United States received under this part.*

18 **Subpart 3—General Provisions**

19 **SEC. 2331. ADMINISTRATIVE PROVISIONS.**

20 (a) *GENERAL RULE.*—*Payments under this part may*
 21 *be made in installments, in advance, or by way of reimburse-*
 22 *ment, with necessary adjustments on account of underpay-*
 23 *ment or overpayment.*

24 (b) *AUDIT RULE.*—*The Comptroller General of the*
 25 *United States or any of his duly authorized representatives*

1 *shall have access for the purpose of audit and examination to*
 2 *any books, documents, papers, and records that are pertinent*
 3 *to any grant under this part.*

4 **SEC. 2332. AUTHORIZATION OF APPROPRIATIONS.**

5 (a) **AUTHORIZATION FOR SUBPART 1.**—*There are au-*
 6 *thorized to be appropriated to carry out the provisions of this*
 7 *subpart 1 of this part \$3,000,000 for fiscal year 1989,*
 8 *\$3,500,000 for fiscal year 1990, \$4,000,000 for fiscal year*
 9 *1991, \$4,500,000 for fiscal year 1992, and \$5,000,000 for*
 10 *fiscal year 1993.*

11 (b) **AUTHORIZATION FOR SUBPART 2.**—(1) *There are*
 12 *authorized to be appropriated to carry out the provisions of*
 13 *this subpart 2 of this part \$3,000,000 for fiscal year 1989,*
 14 *\$3,500,000 for fiscal year 1990, \$4,000,000 for fiscal year*
 15 *1991, \$4,500,000 for fiscal year 1992, and \$5,000,000 for*
 16 *fiscal year 1993.*

17 (2) *No funds may be appropriated to carry out the pro-*
 18 *visions of this subpart in any fiscal year unless funds are*
 19 *appropriated for that fiscal year in the amount authorized in*
 20 *subsection (a) of this section.*

21 **SEC. 2333. REPEAL.**

22 *The joint resolution of October 19, 1972 (Public Law*
 23 *92-506) is repealed.*

1 **PART G—TERRITORIAL ASSISTANCE**

2 **SEC. 2351. GENERAL ASSISTANCE FOR THE VIRGIN ISLANDS.**

3 *There are authorized to be appropriated \$5,000,000 for*
4 *fiscal year 1989, \$5,500,000 for fiscal year 1990,*
5 *\$6,000,000 for fiscal year 1991, \$6,500,000 for fiscal year*
6 *1992, and \$7,000,000 for fiscal year 1993, for the purpose of*
7 *providing general assistance to improve public education in*
8 *the Virgin Islands.*

9 **SEC. 2352. TERRITORIAL TEACHER TRAINING ASSISTANCE.**

10 *There are authorized to be appropriated \$2,000,000 for*
11 *fiscal year 1989, \$2,100,000 for fiscal year 1990,*
12 *\$2,200,000 for fiscal year 1991, \$2,400,000 for fiscal year*
13 *1992, and \$2,600,000 for fiscal year 1993 for the purpose of*
14 *assisting teacher training programs in Guam, American*
15 *Samoa, the Virgin Islands, the Northern Mariana Islands,*
16 *and the Trust Territory of the Pacific Islands. From the*
17 *sums appropriated pursuant to this section the Secretary*
18 *shall make grants and enter into contracts for the purpose of*
19 *providing training to teachers in schools in Guam, American*
20 *Samoa, the Virgin Islands, the Northern Mariana Islands,*
21 *and the Trust Territory of the Pacific Islands. The Secretary*
22 *may make grants to or contracts with any organization con-*
23 *sidered qualified to provide training for teachers in such*
24 *schools and shall allot such sums among such territories on*
25 *the basis of the need for such training.*

1 **SEC. 2353. REPEAL.**

2 *Sections 1524 and 1525 of the Education Amendments*
 3 *of 1978 are repealed.*

4 **PART H—PARENTAL CHOICE OPEN ENROLLMENT**
 5 **DEMONSTRATION PROGRAM IN PUBLIC SCHOOLS**

6 **SEC. 2401. FINDINGS AND STATEMENT OF PURPOSE.**

7 (a) *FINDINGS.*—*The Congress finds that—*

8 (1) *parental choice programs offer a successful ap-*
 9 *proach to improve the academic achievement of elemen-*
 10 *tary and secondary school students; and*

11 (2) *there has been an increased awareness of the*
 12 *success of the parental choice programs.*

13 (b) *PURPOSE.*—*It is the purpose of this part to provide*
 14 *demonstration grants to local educational agencies to deter-*
 15 *mine the success of parental choice open enrollment programs*
 16 *in public schools.*

17 **SEC. 2402. DEMONSTRATION PROGRAM AUTHORIZED.**

18 (a) *GENERAL AUTHORITY.*—*The Secretary is author-*
 19 *ized, in accordance with the provisions of this part, to make*
 20 *demonstration grants to local educational agencies to demon-*
 21 *strate the effectiveness of parental choice programs.*

22 (b) *ELIGIBILITY.*—*No local educational agency may*
 23 *participate in the demonstration program authorized by this*
 24 *part unless the local educational agency agrees to permit ele-*
 25 *mentary and secondary school students to enroll in public*
 26 *schools in the school district without regard to attendance*

1 zones, and to permit elementary and secondary school stu-
2 dents and their families to decide which school in the school
3 district of the local educational agency the student will
4 attend.

5 **SEC. 2403. USE OF FUNDS.**

6 (a) **GENERAL RULE.**—*Demonstration grants under*
7 *this part may be used—*

8 (1) *for projects designed to increase elementary*
9 *and secondary school attendance and student achieve-*
10 *ment;*

11 (2) *to increase accountability for the success of the*
12 *educational program in elementary and secondary*
13 *schools;*

14 (3) *to increase parental involvement and public*
15 *interest in local elementary and secondary schools;*

16 (4) *to establish and operate distinctive schools*
17 *with new and innovative approaches to elementary and*
18 *secondary education; and*

19 (5) *to provide a wider range of educational*
20 *courses of instruction to educationally and economical-*
21 *ly disadvantaged children.*

22 (b) **ADMINISTRATIVE RULE.**—*Grants may be used*
23 *under this part to design, implement, carry out, and evaluate*
24 *the parental choice programs for which assistance is sought.*

1 **SEC. 2404. APPLICATION.**

2 (a) *APPLICATION REQUIRED.*—Any local educational
3 agency desiring to participate in the demonstration program
4 authorized by this part shall apply to the Secretary at such
5 time, in such manner, and containing or accompanied by
6 such information as the Secretary may reasonably require.

7 (b) *CONSORTIA APPLICATIONS PERMITTED.*—A con-
8 sortia of local educational agencies may apply for a demon-
9 stration grant under this part for the development and con-
10 duct of interdistrict, regional, or Statewide parental choice
11 programs.

12 **SEC. 2405. AMOUNT AND DURATION OF GRANTS.**

13 (a) *AMOUNT.*—(1) No grant made under this part may
14 exceed \$1,000,000 in any fiscal year.

15 the Secretary, pursuant to uniform criteria estab-
16 lished by the Secretary, may waive the provision of para-
17 graph (1)—

18 (A) in the case of a local educational agency serv-
19 ing a very large number of elementary and secondary
20 school students,

21 (B) in the case of a consortium of local education-
22 al agencies serving large school districts, or

23 (C) for such other special circumstances as the
24 Secretary may specify.

25 (b) *DURATION.*—Grants made under this part may be
26 made for a period not to exceed 5 years.

1 **SEC. 2406. CONDITIONS AND LIMITATIONS.**

2 (a) **GRANTS FOR AGENCIES HAVING PARENTAL**
 3 **CHOICE PROGRAMS.**—Any local education agency with a
 4 parental choice program in operation during the year for
 5 which assistance is sought may apply for a grant to expand
 6 the parental choice program of the school district of such
 7 agency.

8 (b) **MAGNET SCHOOLS PROGRAM RULE.**—Any local
 9 educational agency receiving a grant under the magnet
 10 schools program authorized by title II of this Act or by title
 11 VII of the Education for Economic Security Act, as the case
 12 may be, may apply for a grant under this part if the local
 13 educational agency, in the application required by this part,
 14 provides assurances that the funds for which assistance is
 15 sought will be used for additional activities designed to
 16 strengthen the educational program of the schools of such
 17 agency.

18 **SEC. 2407. EVALUATION.**

19 (a) **INDEPENDENT EVALUATION.**—The Secretary
 20 shall provide not later than October 1, 1992, for an inde-
 21 pendent evaluation of demonstration programs under this
 22 part to determine the effectiveness of parental choice
 23 programs.

24 (b) **REPORT TO THE CONGRESS AND DISSEMINA-**
 25 **TION.**—The Secretary shall prepare and submit to the Con-
 26 gress, not later than October 1, 1992, the results of such an

1 *evaluation. The evaluation shall be made available for all*
 2 *possible dissemination.*

3 **SEC. 2408. AUTHORIZATION OF APPROPRIATIONS.**

4 *There are authorized to be appropriated \$15,000,000 for*
 5 *fiscal year 1989, \$16,000,000 for fiscal year 1990,*
 6 *\$17,000,000 for fiscal year 1991, \$18,000,000 for fiscal*
 7 *year 1992, and \$19,000,000 for fiscal year 1993, to carry*
 8 *out the provisions of this part.*

9 **PART I—RURAL EDUCATIONAL OPPORTUNITIES**

10 **SEC. 2451. PROGRAM AUTHORIZED.**

11 *(a) GENERAL AUTHORITY.—The Secretary shall make*
 12 *grants to, or enter into contracts with, institutions of higher*
 13 *education, private nonprofit agencies and organizations (in-*
 14 *cluding regional educational laboratories), public agencies,*
 15 *State educational agencies, or combinations of such agencies*
 16 *or institutions within particular regions of the United States,*
 17 *to pay all or part of the cost of the establishment and oper-*
 18 *ation of 10 regional rural assistance centers. Nonpublic*
 19 *agencies competing for such grants or contracts shall have*
 20 *extensive experience providing educational assistance to*
 21 *State and local educational agencies.*

22 *(b) FUNCTIONS OF REGIONAL RURAL ASSISTANCE*
 23 *CENTERS.—Each regional rural assistance center estab-*
 24 *lished under subsection (a) shall provide technical assistance,*
 25 *consultation, training, and such other assistance that will*

1 *assist the State educational agencies and local educational*
 2 *agencies in the region improve the quality of the education*
 3 *provided to educationally disadvantaged children participat-*
 4 *ing in programs under chapter 1 of title I of this Act who*
 5 *reside in rural areas or attend small schools.*

6 **SEC. 2452. PRIORITY REQUIREMENTS.**

7 *In carrying out this part, the Secretary shall give prior-*
 8 *ity to applications which describe assistance to school dis-*
 9 *tricts in local educational agencies in rural areas—*

10 *(1) with the highest concentrations of children*
 11 *from low-income families;*

12 *(2) that have a significant number or percentage*
 13 *of schools serving children from low-income families;*
 14 *and*

15 *(3) in which there are a significant number of*
 16 *schools in which evaluations indicate no improvement*
 17 *or a decline in aggregate achievement by the children*
 18 *participating in programs under such chapter.*

19 **SEC. 2453. COORDINATION AND DISSEMINATION.**

20 *(a) COORDINATION.—Each center established under*
 21 *this part shall—*

22 *(1) coordinate its activities with technical assist-*
 23 *ance centers established under section 1021(e),*

1 (2) coordinate its activities with local educational
2 agencies and State educational agencies under sections
3 1021 and 1022, and

4 (3) assist in identifying successful programs and
5 practices for dissemination through the National Diffu-
6 sion Network.

7 (b) *DISSEMINATION.*—Each such center shall be acces-
8 sible through electronic means.

9 SEC. 2454. AUTHORIZATION OF APPROPRIATIONS.

10 *There are authorized to be appropriated \$10,000,000 for*
11 *fiscal year 1989, \$10,500,000 for fiscal year 1990,*
12 *\$11,000,000 for fiscal year 1991, \$12,000,000 for fiscal*
13 *year 1992, and \$13,000,000 for fiscal year 1993, to carry*
14 *out this part.*

15 **PART J—SECRETARY’S FUND FOR INNOVATION IN**
16 **EDUCATION**

17 SEC. 2501. PROGRAM AUTHORIZED.

18 (a) *GENERAL AUTHORITY.*—From amounts appropri-
19 ated pursuant to section 2509 the Secretary is authorized to
20 carry out, directly or by way of grants, contract or other ar-
21 rangements, programs and projects which will strengthen ele-
22 mentary and secondary education in the United States—

23 (1) *by demonstrating an innovative approach to*
24 *strengthening subject matter instruction in elementary*
25 *or secondary education; or*

1 (2) *by showing promise of strengthening elemen-*
 2 *tary and secondary education in a manner which can*
 3 *be replicated in other States.*

4 (b) *SPECIAL PROGRAMS.—Programs for the innova-*
 5 *tion of elementary and secondary education may include, but*
 6 *shall not be limited to, programs described in sections 2502*
 7 *through 2506 of this part.*

8 (c) *ADMINISTRATIVE AUTHORITY.—In carrying out*
 9 *the provisions of this part the Secretary is authorized to make*
 10 *grants to or enter into contracts with State and local educa-*
 11 *tion agencies, institutions of higher education and other*
 12 *public agencies and private nonprofit organizations.*

13 **SEC. 2502. MATERIALS FOR USE IN EDUCATIONAL TELEVISION**
 14 **AND RADIO PROGRAMMING.**

15 (a) *GENERAL AUTHORITY.—The Secretary is author-*
 16 *ized to make grants or enter into contracts, as authorized by*
 17 *section 2501(c), for the development of materials for educa-*
 18 *tional television and radio programming for use in elemen-*
 19 *tary and secondary education.*

20 (b) *USES OF FUNDS.—Funds available to carry out*
 21 *this section may be used for—*

22 (1) *the planning, development and operation of*
 23 *educational television and radio materials and pro-*
 24 *grams designed specifically to address educational*
 25 *needs in critical subject matter areas;*

1 (2) *programs and projects to assist in the training*
 2 *of public and private elementary and secondary school*
 3 *teachers, administrator and other educational personnel*
 4 *in the use of such television or radio programming in*
 5 *the schools or coordination with the school curriculum;*
 6 *or*

7 (3) *educational television and radio programs and*
 8 *projects which promote a partnership between elemen-*
 9 *tary and secondary schools, and the parents of elemen-*
 10 *tary and secondary students, State educational agen-*
 11 *cies, and institutions of higher education, and the*
 12 *commu- nity in which such schools are located.*

13 **SEC. 2503. PROGRAMS FOR COMPUTER-BASED INSTRUCTION.**

14 (a) **GENERAL AUTHORITY.**—*The Secretary is author-*
 15 *ized to make grants and enter into contracts, as authorized by*
 16 *section 2501(c), for the purpose of strengthening and expand-*
 17 *ing computer education resources available in public and pri-*
 18 *vate elementary and secondary schools.*

19 (b) **USES OF FUNDS.**—*Projects assisted under this sec-*
 20 *tion may include—*

21 (1) *the acquisition and leasing of computer hard-*
 22 *ware for use in the education program in the elementa-*
 23 *ry and secondary schools in the State, including serv-*
 24 *ices necessary for the operation, installation, and*
 25 *maintenance of computer hardware;*

1 (2) *the acquisition of computer software and com-*
 2 *plimentary instructional materials; or*

3 (3) *teacher training programs designed to improve*
 4 *the quality of instruction in computer education and to*
 5 *expand the use of computers in the educational pro-*
 6 *gram in elementary and secondary schools.*

7 (c) *PLANNING REQUIREMENT.—No grant may be*
 8 *made under this section unless the applicant carries out plan-*
 9 *ning activities designed to facilitate the use of Federal finan-*
 10 *cial assistance under this section for the expansion of com-*
 11 *puter resources in the elementary or secondary schools. The*
 12 *planning may be conducted in conjunction with the local edu-*
 13 *cation assessment required under title II of the Education for*
 14 *Economic Security Act. The planning activities shall in-*
 15 *clude—*

16 (1) *the goals for computer education in the schools*
 17 *receiving grants under this section and how the goals*
 18 *relating to computer education in each subject relate to*
 19 *the education objectives of the local educational agency,*

20 (2) *planned revisions in the basic curricula of the*
 21 *elementary and secondary schools designed to integrate*
 22 *the use of computers,*

23 (3) *instructional priorities for the use of comput-*
 24 *ers,*

1 (4) *schedules for placing computers in the elemen-*
 2 *tary and secondary schools of such agency,*

3 (5) *criteria for selecting computer hardware and*
 4 *software to be acquired which are designed to contrib-*
 5 *ute to the curriculum goals,*

6 (6) *provisions for the security of the computers,*

7 (7) *after school and vacation availability of the*
 8 *computers for use by parents and students and teachers*
 9 *for instructional or educational purposes, and*

10 (8) *standards for the evaluation of the computer*
 11 *education program assisted under this section, includ-*
 12 *ing student achievement and progress in meeting the*
 13 *goals set forth under paragraph (1).*

14 (d) **SPECIAL RULES FOR TEACHER TRAINING PRO-**
 15 **GRAMS.**—(1) *In making grants or contracts under this sec-*
 16 *tion for teacher training programs described in subsection*
 17 *(b)(3), the Secretary shall give special consideration to appli-*
 18 *cants who will train teachers, or supervisors, or trainers of*
 19 *teachers, serving or preparing to serve in elementary and sec-*
 20 *ondary schools that enroll substantial numbers of culturally,*
 21 *economically, socially, and educationally disadvantaged*
 22 *youth or in programs for children with limited English profi-*
 23 *ciency.*

24 (2) *Each individual who participates in a program de-*
 25 *scribed in paragraph (1) may be eligible (after application*

1 therefor) to receive a stipend at the rate of \$275 per week for
 2 the period of attendance in such program.

3 (3) In carrying out the provisions of this subsection, the
 4 Secretary may enter into cooperative agreements with the
 5 National Science Foundation and with professional scientif-
 6 ic or engineering organizations, science museums, regional
 7 education centers, consortia of local educational agencies,
 8 intrastate resource and service centers, institutions of higher
 9 education (including community colleges), and private non-
 10 profit educational organizations for the development and op-
 11 eration by such entities of short-term or regular session pro-
 12 grams for study to improve the qualifications of individuals
 13 who are engaged in or preparing to engage in the teaching, or
 14 supervising or training of teachers, in the use of computers
 15 for education programs in elementary and secondary schools.

16 **SEC. 2504. PROGRAMS FOR THE IMPROVEMENT OF COMPREHEN-**
 17 **SIVE SCHOOL HEALTH EDUCATION.**

18 (a) **GENERAL AUTHORITY.**—(1) The Secretary is au-
 19 thorized to make grants and contracts, as authorized by sec-
 20 tion 2501(c), to State and local educational agencies to estab-
 21 lish or strengthen comprehensive school health education
 22 programs.

23 (2) The Secretary shall carry out the program author-
 24 ized by the section through an office of comprehensive school

1 *health education established within the Department of*
 2 *Education.*

3 (3) *The Secretary, through the Office established under*
 4 *subsection (a) of this section, shall—*

5 (A) *encourage State and local educational agen-*
 6 *cies to provide comprehensive school health education to*
 7 *the elementary and secondary school students in the*
 8 *schools of such agencies;*

9 (B) *provide technical support to State and local*
 10 *educational agencies on health education programs and*
 11 *curricula;*

12 (C) *make grants to State and local educational*
 13 *agencies in accordance with this section;*

14 (D) *provide an annual report on the progress of*
 15 *the Office and the status of school health education in*
 16 *the United States;*

17 (E) *cooperate with other Federal agencies carry-*
 18 *ing out school health education programs to ensure co-*
 19 *ordination of such programs; and*

20 (F) *advise the Secretary on school health educa-*
 21 *tion policy.*

22 (b) *USES OF FUNDS.—Grants under this section may*
 23 *be used for—*

24 (1) *personal health and fitness;*

25 (2) *nutrition;*

- 1 (3) *mental and emotional health;*
- 2 (4) *prevention of chronic diseases;*
- 3 (5) *substance use and abuse;*
- 4 (6) *acciden. prevention and safety;*
- 5 (7) *community and environmental health;*
- 6 (8) *prevention and control of communicable*
- 7 *diseases;*
- 8 (9) *effective use of the health services delivery*
- 9 *system; and*
- 10 (10) *development and aging.*

11 **SEC. 2505. TELECOMMUNICATION AND VIDEO INSTRUCTION**
 12 **PROGRAM.**

13 (a) *GENERAL AUTHORITY.*—*The Secretary is author-*
 14 *ized to make grants and enter into contracts in accordance*
 15 *with the provision of section 2501(c) to State and local edu-*
 16 *cational agencies for programs which use telecommunications*
 17 *and video resources for the instruction of public and private*
 18 *elementary and secondary school students and for teacher*
 19 *training programs for public and private elementary and sec-*
 20 *ondary school teachers.*

21 (b) *DEFINITION.*—*For the purpose of this section t. e*
 22 *term “telecommunications” means the full range of technol-*
 23 *ogies that can be used for educational instruction, including*
 24 *closed circuit television systems, educational television and*

1 radio broadcasting, cable television, satellite transmission,
 2 computer laser discs, and video and audio discs and tapes.

3 **SEC. 2506. YOUTH SUICIDE PREVENTION PROGRAMS.**

4 (a) **GENERAL AUTHORITY.**—*The Secretary is author-*
 5 *ized, in accordance with this section, to make grants to local*
 6 *educational agencies and private nonprofit organizations to*
 7 *establish and operate programs of youth suicide prevention*
 8 *upon completion by the Alcohol, Drug Abuse, and Mental*
 9 *Health Administration of guidelines for the Secretary for a*
 10 *youth suicide prevention program. The program authorized*
 11 *by this section shall be administered by the Department of*
 12 *Education, using peer review procedures, where a majority of*
 13 *review members are mental health professionals. Grants*
 14 *under this subsection shall be evaluated by the Alcohol, Drug*
 15 *Abuse, and Mental Health Administration of the Health and*
 16 *Human Services using information provided by the grantee,*
 17 *the Department of Education, and other affiliated mental*
 18 *health organizations.*

19 (b) **APPLICATIONS.**—(1) *An agency or organization*
 20 *which desires to receive a grant from the Secretary under this*
 21 *Act shall submit an application to the Secretary in such form*
 22 *and at such times as the Secretary may require.*

23 (2) *In the case of an applicant which is a local educa-*
 24 *tional agency, the application shall provide assurances that*
 25 *Federal funds made available under this Act will be so used*

1 *as to supplement and, to the extent practicable, increase the*
 2 *amount of State and local funds that would in the absence of*
 3 *such Federal funds be made available for the uses specified*
 4 *in this section, and in no case supplant such State or local*
 5 *funds.*

6 (c) *GRANT LIMITATION.*—No grant made by the Secre-
 7 tary under this section may exceed \$100,000 in any fiscal
 8 year.

9 **SEC. 2507. AUTHORIZATION OF APPROPRIATIONS.**

10 *There are authorized to be appropriated \$20,000,000 for*
 11 *the fiscal year 1989, \$21,000,000 for the fiscal year 1990,*
 12 *\$22,000,000 for the fiscal year 1991, \$23,000,000 for the*
 13 *fiscal year 1992, and \$25,000,000 for the fiscal year 1993,*
 14 *to carry out the provisions of this part.*

15 **TITLE III—MAGNET SCHOOLS**
 16 **ASSISTANCE**

17 **PART A—MAGNET SCHOOLS TO OVERCOME RACIAL**
 18 **ISOLATION**

19 **SEC. 3001. AUTHORIZATION OF APPROPRIATIONS; RESERVA-**
 20 **TION.**

21 (a) *AUTHORIZATION.*—There are authorized to be ap-
 22 propriated \$115,000,000 for the fiscal year 1989,
 23 \$121,000,000 for the fiscal year 1990, \$127,000,000 for the
 24 fiscal year 1991, \$133,000,000 for the fiscal year 1992, and

1 *\$140,000,000 for the fiscal year 1993, to carry out the provi-*
 2 *sions of this part.*

3 *(b) AVAILABILITY OF FUNDS FOR GRANTS TO AGEN-*
 4 *CIES NOT PREVIOUSLY ASSISTED.—(1) Any fiscal year in*
 5 *which the amount appropriated exceeds \$75,000,000, the*
 6 *Secretary shall, with respect to such excess amount, give pri-*
 7 *ority to grants to local educational agencies which—*

8 *(A) meet the requirements of section 3002; and*

9 *(B) have not received a grant under title VII of*
 10 *the Education for Economic Security Act, or under*
 11 *this part, in the fiscal year prior to the fiscal year for*
 12 *which the determination is made.*

13 *(2) In awarding grants with the first \$75,000,000, the*
 14 *Secretary shall not take into account, in whole or in part,*
 15 *whether a local educational agency has received an award in*
 16 *the prior funding cycle.*

17 **SEC. 3002. ELIGIBILITY.**

18 *A local educational agency is eligible to receive assist-*
 19 *ance under this part if the local educational agency—*

20 *(1) is implementing a plan undertaken pursuant*
 21 *to a final order issued by a court of the United States,*
 22 *or a court of any State, or any other State agency or*
 23 *official of competent jurisdiction, and which requires*
 24 *the desegregation of minority group segregated children*

1 *or faculty in the elementary and secondary schools of*
 2 *such agency; or*

3 *(2) without having been required to do so, has*
 4 *adopted and is implementing, or will, if assistance is*
 5 *made available to it under this part, adopt and imple-*
 6 *ment, a plan which has been approved by the Secre-*
 7 *tary as adequate under title VI of the Civil Rights Act*
 8 *of 1964 for the desegregation of minority group segre-*
 9 *gated children or faculty in such schools.*

10 **SEC. 3003. STATEMENT OF PURPOSE.**

11 *It is the purpose of this part to support, through finan-*
 12 *cial assistance to eligible local educational agencies—*

13 *(1) the elimination, reduction, or prevention of*
 14 *minority group isolation in elementary and secondary*
 15 *schools with substantial portions of minority students;*
 16 *and*

17 *(2) courses of instruction within magnet schools*
 18 *that will substantially strengthen the knowledge of aca-*
 19 *ademic subjects and the grasp of tangible and market-*
 20 *able vocational skills of students attending such*
 21 *schools.*

22 **SEC. 3004. PROGRAM AUTHORIZED.**

23 *The Secretary is authorized, in accordance with the pro-*
 24 *visions of this part, to make grants to eligible local education-*
 25 *al agencies for use in magnet schools which are part of an*

1 *approved desegregation plan and which are designed to bring*
2 *students from different social, economic, ethnic, and racial*
3 *backgrounds together.*

4 **SEC. 3005. DEFINITION.**

5 *For the purpose of this part, the term "magnet schools"*
6 *means a school or education center that offers a special cur-*
7 *riculum capable of attracting substantial numbers of students*
8 *of different racial backgrounds.*

9 **SEC. 3006. USES OF FUNDS.**

10 *Grants made under this part may be used by eligible*
11 *local educational agencies for—*

12 *(1) planning and promotional activities directly*
13 *related to expansion, continuation, or enhancement of*
14 *academic programs and services offered at magnet*
15 *schools;*

16 *(2) the acquisition of books, materials, and equip-*
17 *ment including computers and the maintenance and*
18 *operation thereof, necessary for the conduct of programs*
19 *in magnet schools; and*

20 *(3) the payment of or subsidization of the compen-*
21 *sation of elementary and secondary school teachers who*
22 *are certified or licensed by the State and who are nec-*
23 *essary for the conduct of programs in magnet schools;*
24 *where with respect to clauses (2) and (3), such assistance is*
25 *directly related to improving the knowledge of mathematics,*

1 science, history, English, foreign languages, art, or music, or
2 to improving vocational skills.

3 **SEC. 3007. APPLICATIONS AND REQUIREMENTS.**

4 (a) **APPLICATION.**—Each eligible local educational
5 agency which desires to receive assistance under this part
6 shall submit an application to the Secretary. Each such ap-
7 plication shall be in such form as the Secretary may reason-
8 ably require. Each such application shall contain assurances
9 that the local educational agency will meet the conditions
10 enumerated in subsection (b).

11 (b) **REQUIREMENTS CERTIFIED.**—As part of the
12 annual application required by subsection (a), each eligible
13 local educational agency shall certify that the agency
14 agrees—

15 (1) to use funds made available under this part
16 for the purposes specified in section 3003;

17 (2) to employ teachers in the courses of instruc-
18 tion assisted under this part who are certified or li-
19 censed by the State to teach the subject matter of the
20 courses of instruction;

21 (3) to provide assurances that the local education-
22 al agency will not engage in discrimination based upon
23 race, religion, color, national origin, sex, or handicap
24 in the hiring, promotion, or assignment of employees of

1 *the agency or other personnel for whom the agency has*
2 *any administrative responsibility;*

3 *(4) to provide assurances that the local education-*
4 *al agency will not engage in discrimination based upon*
5 *race, religion, color, national origin, sex, or handicap*
6 *in the mandatory assignment of students to schools or*
7 *to courses of instruction within schools of such agency*
8 *except to carry out the approved plan;*

9 *(5) to provide assurances that the local education-*
10 *al agency will not engage in discrimination based upon*
11 *race, religion, color, national origin, sex, or handicap*
12 *in designing or operating extracurricular activities for*
13 *students;*

14 *(6) to describe how assistance made available*
15 *under this part will be used to promote desegregation;*

16 *(7) to provide assurances that the agency will*
17 *carry out a high quality education program that will*
18 *encourage greater parental choice and involvement;*

19 *(8) to provide a description of the manner in*
20 *which the local educational agency will continue the*
21 *magnet schools program after assistance under this*
22 *part is no longer available; and*

23 *(9) to provide such other assurances as the Secre-*
24 *tary determines necessary to carry out the provisions of*
25 *this part.*

1 (c) *SPECIAL RULE.*—No application may be approved
 2 under this section unless the Assistant Secretary of Educa-
 3 tion for Civil Rights determines that the assurances con-
 4 tained in clauses (3), (4), and (5) of subsection (b) will be
 5 met.

6 *SEC. 3008. SPECIAL CONSIDERATION.*

7 (a) *PRIORITY.*—In approving applications under this
 8 part the Secretary shall give priority to—

9 (1) the recentness of the implementation of the ap-
 10 proved plan or modification thereof;

11 (2) the proportion of minority group children in-
 12 volved in the approved plan;

13 (3) the need for assistance based on the expense or
 14 difficulty of effectively carrying out an approved plan
 15 and the program or projects for which assistance is
 16 sought; and

17 (4) the degree to which the program or project for
 18 which assistance is sought affords promise of achieving
 19 the purposes of this part.

20 (b) *SPECIAL CONSIDERATION.*—In approving applica-
 21 tions under this part, the Secretary shall give special consid-
 22 eration to the degree to which the program for which assist-
 23 ance is sought involves the collaborative efforts of institutions
 24 of higher education, community-based organizations, the ap-

1 *propriate State educational agency, or any other private or-*
 2 *ganization.*

3 **SEC. 3009. PROHIBITIONS.**

4 *Grants under this part may not be used for consultants,*
 5 *for transportation, or for any activity which does not aug-*
 6 *ment academic improvement.*

7 **SEC. 3010. LIMITATION ON PAYMENTS.**

8 (a) **LIMITATION ON DURATION AND PROGRESS.**—No
 9 *local educational agency may receive a grant under this part*
 10 *for more than one fiscal year unless the Secretary determines*
 11 *that the program for which assistance was provided in the*
 12 *first fiscal year is making satisfactory progress in achieving*
 13 *the purposes of this part.*

14 (b) **LIMITATION ON PLANNING FUNDS.**—No local edu-
 15 *cational agency may expend more than 10 percent of the*
 16 *amount that the agency receives in any fiscal year for plan-*
 17 *ning.*

18 (c) **SPECIAL RULE ON CHAPTER 2 FUNDS.**—No
 19 *State shall reduce the amount of State aid with respect to the*
 20 *provision of free public education or the amount of assistance*
 21 *received under chapter 2 of title I of this Act in any school*
 22 *district of any local educational agency within such State*
 23 *because of assistance made or to be made available to such*
 24 *agency under this part.*

1 **PART B—MAGNET SCHOOLS FOR EDUCATIONAL**
2 **IMPROVEMENT**

3 **SEC. 3101. STATEMENT OF PURPOSE.**

4 *It is the purpose of this part to assist—*

5 (1) *local educational agencies,*

6 (2) *consortiums of such agencies, and*

7 (3) *intermediate educational agencies,*

8 *which have significant percentages of minority students in*
9 *establishing and conducting magnet schools programs, with-*
10 *out regard to the presence of desegregation plans, in the*
11 *school districts of such agencies designed to promote open en-*
12 *rollment through parental choice and to strengthen the knowl-*
13 *edge of elementary and secondary school students in aca-*
14 *demic subjects.*

15 **SEC. 3102. AUTHORIZATION OF APPROPRIATIONS.**

16 (a) *GENERAL RULE.*—Subject to subsection (b), there
17 *are authorized to be appropriated \$35,000,000 for fiscal year*
18 *1989, \$37,000,000 for fiscal year 1990, \$39,000,000 for*
19 *fiscal year 1991, \$41,000,000 for fiscal year 1992, and*
20 *\$43,000,000 for fiscal year 1993 to carry out the provisions*
21 *of this part.*

22 (b) *SPECIAL RULE.*—No appropriation may be made
23 *for this part for any fiscal year unless the amount appropri-*
24 *ated for part A for that fiscal year is equal to or exceeds*
25 *\$100,000,000.*

1 **SEC. 3103. ELIGIBILITY.**

2 *Any local educational agency, consortium of such agen-*
 3 *cies, and intermediate educational agency, is eligible to re-*
 4 *ceive grants under this part if such agency submits an appli-*
 5 *cation which contains evidence of collaborative arrangements*
 6 *between the agency and an institution of higher education,*
 7 *community-based organization, another local educational*
 8 *agency, the appropriate State educational agency, or any*
 9 *combination of such institutions, organizations, or agencies.*

10 **SEC. 3104. USES OF FUNDS.**

11 *Grants under this part may be used for—*

12 *(1) planning and outreach activities directly relat-*
 13 *ed to expansion and enhancement of academic pro-*
 14 *grams and services offered at magnet schools;*

15 *(2) the acquisition of books, materials, and equip-*
 16 *ment, including computers and the maintenance and*
 17 *operation thereof, necessary for the conduct of educa-*
 18 *tional programs in magnet schools; and*

19 *(3) the payment of or subsidization of the compen-*
 20 *sation of elementary and secondary school teachers who*
 21 *are certified or licensed by the State and who are nec-*
 22 *essary for the conduct of educational programs in*
 23 *magnet schools;*

24 *whenever such assistance is directly related to improving the*
 25 *knowledge of mathematics, science, history, English, foreign*
 26 *languages, art, or music, or to improving the vocational skills*

1 of the elementary and secondary school students enrolled in
2 the magnet schools.

3 **SEC. 3105. APPLICATIONS.**

4 (a) **APPLICATION REQUIRED.**—Each applicant desir-
5 ing to receive a grant under this part shall submit an appli-
6 cation in such form, in such manner, and containing or ac-
7 companied by such information as the Secretary may reason-
8 ably require.

9 (b) **CONTENTS OF APPLICATION.**—Each such applica-
10 tion shall—

11 (1) provide assurances that the assistance will be
12 used for the purposes described in section 3104;

13 (2) describe the collaborative efforts required by
14 section 3103;

15 (3) provide assurances that teachers will be em-
16 ployed in the courses of instruction assisted under this
17 part who are certified or licensed by the State to teach
18 the subject matter of the courses of instruction;

19 (4) provide assurances that the applicant will not
20 engage in discrimination based upon race, religion,
21 color, or national origin in—

22 (A) hiring, promotion, or assignment of em-
23 ployees of the agency or other personnel for whom
24 the agency has any administrative responsibility;

1 (B) the mandatory assignment of students to
2 schools or to courses of instruction within schools
3 of such agency, except as is necessary to carry out
4 an approved desegregation plan; and

5 (C) designing or operating extracurricular
6 activities for students;

7 (5) describe how funds made available under this
8 part will be used to promote integration, provide a high
9 quality education program for local educational agen-
10 cies with significant concentrations of minority stu-
11 dents, and increase parental choice;

12 (6) describe how such agency will devote its re-
13 sources to continuing the magnet school program when
14 funds made available to it under this part may no
15 longer be made available; and

16 (7) provide such other assurances as the Secretary
17 determines necessary.

18 (c) APPROVAL; SPECIAL CONSIDERATION.—In ap-
19 proving applications under this part, the Secretary shall give
20 special consideration to—

21 (1) applications which describe projects which will
22 serve local educational agencies with minority enroll-
23 ments of at least 60 percent, or consortia of such agen-
24 cies, who are from low-income families or from
25 minority families; and

1 (2) *applicants which have not previously received*
 2 *funds under par' A of this title or under title VII of*
 3 *the Education for Economic Security Act.*

4 **PART C—GENERAL PROVISIONS**

5 **SEC. 3211. PAYMENTS.**

6 (a) *GENERAL RULE.*—*The Secretary shall pay to each*
 7 *local educational agency having an application approved by*
 8 *the Secretary the amount set forth in the application. Pay-*
 9 *ments under this part for a fiscal year shall remain available*
 10 *for obligation and expenditure by the recipient until the end*
 11 *of the succeeding fiscal year, except that no such agency shall*
 12 *receive more than \$4,000,000 under this title in any one*
 13 *fiscal year.*

14 (b) *AWARD REQUIREMENT.* —*To the extent practicable,*
 15 *for any fiscal year, the Secretary shall award grants to local*
 16 *educational agencies under this title no later than July 1 of*
 17 *the applicable fiscal year.*

18 **SEC. 3212. WITHHOLDING.**

19 *The provisions of sections 453 and 454 of the General*
 20 *Education Provisions Act, relating to withholding and cease*
 21 *and desist orders, shall apply to the program authorized by*
 22 *this part.*

23 **SEC. 3213. REPEAL.**

24 *Title VII of the Education for Economic Security Act*
 25 *is repealed.*

1 **TITLE IV—IMPACT AID PROGRAM**

2 **SEC. 4001. SHORT TITLE.**

3 *This title may be cited as the "Impact Aid Reauthoriza-*
4 *tion Act of 1987".*

5 **PART A—PUBLIC LAW 874**

6 **SEC. 4002. ADMINISTRATIVE AMENDMENTS.**

7 (a) **GENERAL RULE.**—(1) *The Act of September 30,*
8 *1950 (Public Law 874, Eighty-first Congress) (hereafter re-*
9 *ferred to in this part as the "Act") is amended by striking out*
10 *"the Commissioner" each time it appears and inserting in*
11 *lieu thereof "the Secretary".*

12 (2) *Section 5(b)(3)(C)(vii) of the Act is amended by*
13 *striking out "Commissioner's" and inserting in lieu thereof*
14 *"Secretary's".*

15 (3) *Section 403(9) of the Act is amended to read as*
16 *follows:*

17 *"(9) The term 'Secretary' means the Secretary of*
18 *Education."*

19 (b) **SPECIAL RULES.**—(1) *Section 7(c)(1) of the Act is*
20 *amended by striking out "Labor and Public Welfare" and*
21 *inserting in lieu thereof "Labor and Human Resources".*

22 (2) *The last sentence of section 7(d) of the Act is*
23 *amended to read as follows: "The Secretary shall complete*
24 *action of approval or disapproval of an application within 90*
25 *days of the filing of an application."*

1 **SEC. 4003. REAUTHORIZATION.**

2 (a) *EXTENSION OF PROGRAM.*—*The Act is amended*
 3 *by striking out “October 1, 1988” each place it appears in*
 4 *sections 2(a), 3(b), 4(a), and 7(a)(1) and inserting in lieu*
 5 *thereof “October 1, 1993”.*

6 (b) *AUTHORIZATION OF APPROPRIATIONS.*—*There are*
 7 *authorized to be appropriated \$800,000,000 for fiscal year*
 8 *1989, \$840,000,000 for fiscal year 1990, \$880,000,000 for*
 9 *fiscal year 1991, \$925,000,000 for fiscal year 1992, and*
 10 *\$970,000,000 for fiscal year 1993, to carry out the provi-*
 11 *sions of the Act of September 30, 1950 (Public Law 874,*
 12 *Eighty-first Congress).*

13 **SEC. 4004. FEDERAL ACQUISITION OF REAL PROPERTY.**

14 Section 2(a) of the Act is amended by adding at the end
 15 of such subsection the following: “In making the determina-
 16 tion of the amount that would have been derived in such year,
 17 the Secretary shall apply the current levied real property tax
 18 rate for current expenditures levied by independent local edu-
 19 cational agencies or imputed for dependent local educational
 20 agencies to the current annually determined aggregate as-
 21 sessed value of such acquired Federal property.”.

22 **SEC. 4005. ENTITLEMENTS AND PAYMENTS.**

23 (a) *AMOUNT FOR SECTION 3(a) CHILDREN.*—*Section*
 24 *3(d)(1)(A) of the Act is amended to read as follows:*

25 “(A) in the case of any local educational agency
 26 with respect to which the number of children is deter-

1 *mined under subsection (a) an amount equal to 100*
 2 *per centum of the local contribution rate multiplied by*
 3 *the number of children determined under such subsec-*
 4 *tion plus the product obtained with respect to such*
 5 *agency under subparagraph (B); and”.*

6 **(b) AMOUNT FOR OTHER CHILDREN.**—Section
 7 3(d)(1)(B) of the Act is amended to read as follows:

8 *“(B) in any other case, an amount equal to 25*
 9 *per centum of the local contribution rate multiplied by*
 10 *the number of children determined with respect to such*
 11 *agency for such fiscal year under subsection (b).”.*

12 **(c) SPECIAL RULES.**—(1) Section 3(d)(2)(B)(i) of the
 13 Act is amended to read as follows:

14 *“(i) the amount of payment resulting from para-*
 15 *graph (1), as is otherwise provided in this subsection*
 16 *with respect to any local educational agency for any*
 17 *fiscal year, together with the funds available to such*
 18 *agency from State and local sources and from other*
 19 *sections of this title, determined in accordance with*
 20 *subparagraph (E), is less than the amount necessary to*
 21 *enable such agency to provide a level of education*
 22 *equivalent to the State average during the preceding*
 23 *fiscal year or to the average of that maintained during*
 24 *the preceding fiscal year in three or more of the school*
 25 *districts of the State which are generally comparable to*

1 *the school district of such agency, whichever is higher,*
 2 *increased or decreased, as the case may be, in the same*
 3 *percentage as the cost of such level of education in-*
 4 *creased or decreased from the second preceding fiscal*
 5 *year to the prior fiscal year;”.*

6 (2) Section 3(d)(2)(B) of the Act is amended by insert-
 7 *ing after the first sentence the following new sentences: “The*
 8 *increase computed under this subparagraph shall be suffi-*
 9 *cient to allow the school district of the local educational*
 10 *agency to provide a level of education (calculated in accord-*
 11 *ance with this subparagraph) no greater than the average of*
 12 *comparable school districts in the State or, if there are no*
 13 *comparable school districts, the State average. For the pur-*
 14 *pose of clause (ii), the Secretary shall determine that a rea-*
 15 *sonable tax effort has been made if the tax rate of the agency*
 16 *in the year for which the determination is made is an amount*
 17 *that is at least equal to 80 percent of the average tax rate for*
 18 *operational purposes of comparable school districts for such*
 19 *fiscal year. Coterminous military districts shall be deemed to*
 20 *meet the requirement of the previous sentence. Payments*
 21 *made to any agency under this subparagraph in any fiscal*
 22 *year shall be reduced by the percentage that the average tax*
 23 *rate for operational purposes of the comparable school dis-*
 24 *tricts or, if none, the State average tax rate, exceeds the tax*
 25 *rate of such agency.”.*

1 (3) Section 3(d)(2)(E) of the Act is amended to read as
2 follows:

3 “(E) For the purpose of subparagraph (B)(i) of this
4 paragraph, available funds may not include any cash balance
5 at the end of a year allowed under State law, or, whenever no
6 State law governing cash balance exists, may not include 30
7 percent of the local educational agency’s operating costs.”.

8 (d) DISTRICTS WITH UNUSUAL GEOGRAPHIC FAC-
9 TORS.—(1) Section 3(d)(3)(B)(ii) of the Act is amended by
10 striking out “is authorized to” and inserting in lieu thereof
11 “shall”.

12 (2) Section 3(d)(3)(B)(ii) of the Act is amended by
13 adding at the end thereof the following new sentence: “The
14 amount of any such supplementary payment may not exceed
15 the per pupil share (computed with regard to all children in
16 average daily attendance), as determined by the Secretary, of
17 the increased current expenditures necessitated by such un-
18 usual geographical factors.”.

19 (e) COTERMINOUS AGENCY RULE.—Section 3(h) of
20 the Act is amended by adding at the end the following sen-
21 tence: “For the fiscal year beginning October 1, 1987, and
22 for each year thereafter, the local contribution rate for such
23 coterminous agencies shall be not less than 70 per centum of
24 the average per pupil expenditure in all States during the

1 *second preceding year prior to the fiscal year for which the*
 2 *determination is made.”.*

3 **SEC. 4006. METHOD OF PAYMENT.**

4 (a) **ROUNDING OF PAYMENTS.**—*The first sentence of*
 5 *section 5(b) of the Act is amended by inserting after*
 6 *“agency” o comma and the following: “rounded to the nearest*
 7 *whole dollar,”.*

8 (b) **DISPOSITION OF RECOVERED FUNDS.**—*Section*
 9 *5(b) of the Act is amended—*

10 (1) *by inserting “(1)” after the subsection desig-*
 11 *nation; and*

12 (2) *by adding at the end thereof the following sen-*
 13 *tence: “The Secretary shall return to the United States*
 14 *Treasury any funds appropriated for payments under*
 15 *this title for fiscal years 1988 and thereafter that, as*
 16 *the result of overpayments or unallowable expenditures,*
 17 *are recovered by the Department of Education after the*
 18 *end of the fifth fiscal year following the end of the*
 19 *fiscal year for which the sums were appropriated, or*
 20 *that remain in Department of Education accounts after*
 21 *that time.”.*

22 (c) **PRELIMINARY PAYMENTS.**—*Section 5(b)(2) of the*
 23 *Act is amended to read as follows:*

24 “(2) *As soon as possible after the beginning of any*
 25 *fiscal year, the Secretary shall, on the basis of a written*

1 request for a preliminary payment from any local education-
 2 al agency that was eligible for a payment for the preceding
 3 fiscal year on the basis of entitlements established under sec-
 4 tion 2 or 3, make such a preliminary payment—

5 “(A) to any agency for whom the number of chil-
 6 dren determined under section 3(a) amounts to at least
 7 20 per centum of such agency’s total average daily at-
 8 tendance, of 75 per centum of the amount that such
 9 agency received for such preceding fiscal year on the
 10 basis of such entitlements; and

11 “(B) to any other agency, of 50 per centum of the
 12 amount that such agency received for such preceding
 13 fiscal year on the basis of such entitlements.”.

14 (d) *GENERAL RULE ON PAYMENTS.*—Section 5(c)(1)
 15 of the Act is amended to read as follows:

16 “(1)(A) The Secretary shall first allocate to each
 17 local educational agency which is entitled to a payment
 18 under section 2 an amount equal to 100 per centum of
 19 the amount to which it is entitled as computed under
 20 that section for such fiscal year and to each local edu-
 21 cational agency an amount equal to 100 per centum of
 22 the entitlement for each child eligible under section
 23 3(d)(2)(C) served by such agency.

24 “(B) The Secretary shall then allocate to any
 25 local educational agency which is eligible under section

1 3(d)(2)(B) an amount equal to 100 per centum of the
 2 amount to which such agency is entitled under sections
 3 3(a) and 3(b).

4 “(C) The Secretary shall reserve from the re-
 5 mainder of the sums appropriated for this Act (other
 6 than amounts needed for section 7) for such fiscal
 7 year—

8 “(i) 80 per centum for the purpose of allocat-
 9 ing sums under paragraph (2) for entitlements de-
 10 termined under section 3(a); and

11 “(ii) 20 per centum for the purpose of allo-
 12 cating sums under paragraph (3) for entitlements
 13 determined under section 3(b).”.

14 (e) ALLOCATION OF PAYMENTS RULE.—(1) Section
 15 5(c)(2) of the Act is amended to read as follows:

16 “(2)(A) For the purpose of allocating sums avail-
 17 able for section 3(a) for any fiscal year which remain
 18 after the allocation required by paragraph (1) and any
 19 allocation required by sections 5(e) and 3(h) for such
 20 fiscal year, the Secretary shall determine the category
 21 to which a local educational agency belongs as follows:

22 “(i) Each local educational agency in which
 23 the number of children determined under section
 24 3(a) amounts to at least 20 per centum of the
 25 total number of children who were in average

1 *daily attendance in the schools of such agency is*
 2 *in category (i).*

3 *“(ii) Each local educational agency in which*
 4 *the number of children determined under section*
 5 *3(a) amounts to at least 15 per centum, but less*
 6 *than 20 per centum of the total number of chil-*
 7 *dren who were in average daily attendance in the*
 8 *schools of such agency is in category (ii).*

9 *“(iii) Each local educational agency in*
 10 *which the number of children determined under*
 11 *section 3(a) amounts to less than 15 per centum*
 12 *of the total number of children who were in aver-*
 13 *age daily attendance in the schools of such agency*
 14 *is in category (iii).*

15 *“(B) The Secretary shall allocate the amounts de-*
 16 *scribed in subparagraph (A) according to the following*
 17 *schedule:*

18 *“(i) A first allocation shall be made as fol-*
 19 *lows:*

20 *“(I) 80 per centum of entitlement to*
 21 *local educational agencies described in cate-*
 22 *gory (i);*

23 *“(II) 60 per centum of entitlement to*
 24 *local educational agencies described in cate-*
 25 *gory (ii); and*

1 “(III) 40 per centum of entitlement to
2 local educational agencies described in cate-
3 gory (iii).

4 “(ii) Any sums remaining after the alloca-
5 tion pursuant to clause (i) shall be allocated as
6 follows:

7 “(I) 20 per centum of entitlement to
8 local educational agencies described in cate-
9 gory (i);

10 “(II) 15 per centum of entitlement to
11 local educational agencies described in cate-
12 gory (ii); and

13 “(III) 10 per centum of entitlement to
14 local educational agencies described in cate-
15 gory (iii).

16 “(iii) Any sums remaining after the alloca-
17 tion pursuant to clause (ii) shall be allocated as
18 follows:

19 “(I) 25 per centum of entitlement to
20 local educational agencies described in cate-
21 gory (i); and

22 “(II) 50 per centum of entitlement to
23 local educational agencies described in cate-
24 gory (ii).

1 “(3)(A) For the purpose of allocating sums avail-
2 able for section 3(b) for any fiscal year which remain
3 after the allocation required by paragraph (1) and any
4 allocation required by sections 5(e) and 3(h) for such
5 fiscal year, the Secretary shall determine the category
6 to which a local educational agency belongs as follows:

7 “(i) Each local educational agency in which
8 the number of children determined under section
9 3(b) amounts to at least 20 per centum of the total
10 number of children who were in average daily at-
11 tendance in the schools of such agency is in cate-
12 gory (i).

13 “(ii) Each local educational agency in which
14 the number of children determined under section
15 3(b) amounts to less than 20 per centum of the
16 total number of children who were in average
17 daily attendance in the schools of such agency is
18 in category (ii).

19 “(B) The Secretary shall allocate the amounts de-
20 scribed in subparagraph (A) according to the following
21 schedule:

22 “(i) A first allocation shall be made as fol-
23 lows:

1 “(I) 20 per centum of entitlement to
2 local educational agencies described in cate-
3 gory (i); and

4 “(II) 10 per centum of entitlement to
5 local educational agencies described in cate-
6 gory (ii).

7 “(ii) Any sums remaining after the alloca-
8 tion pursuant to clause (i) shall be allocated as
9 follows:

10 “(I) 30 per centum of entitlement to
11 local educational agencies described in cate-
12 gory (i); and

13 “(II) 5 per centum of entitlement to
14 local educational agencies described in cate-
15 gory (ii).

16 “(iii) Any sums remaining after the alloca-
17 tion pursuant to clause (ii) shall be allocated as
18 follows:

19 “(I) 50 per centum of entitlement to
20 local educational agencies described in cate-
21 gory (i); and

22 “(II) 85 per centum of entitlement to
23 local educational agencies described in cate-
24 gory (ii).

1 “(4)(A) Whenever the additional amounts de-
 2 scribed in paragraphs (2)(A) and (3)(A) in each fiscal
 3 year are insufficient to provide the required percent of
 4 entitlement under clause (ii) or (iii) of paragraph
 5 (2)(B), or clause (ii) or (iii) of paragraph (3)(B), re-
 6 spectively, the Secretary shall allocate such additional
 7 amounts according to the following schedule for each
 8 such clause:

9 “(i) 72 per centum under clause (ii)(I) of
 10 paragraph (2)(B), 3 per centum under clause
 11 (ii)(II) of paragraph (2)(B), and 25 per centum
 12 under clause (ii)(III) of paragraph (2)(B), of the
 13 amount which the Secretary determines is avail-
 14 able for clause (ii) of paragraph (2)(B);

15 “(ii) 75 per centum under clause (iii)(I) of
 16 paragraph (2)(B), and 25 per centum under
 17 clause (iii)(II) of paragraph (2)(B) of the amount
 18 which the Secretary determines is available for
 19 clause (iii) of paragraph (2)(B);

20 “(iii) 75 per centum under clause (ii)(I) of
 21 paragraph (3)(B), and 25 per centum under
 22 clause (ii)(II) of paragraph (3)(B) of the amount
 23 which the Secretary determines is available for
 24 clause (ii) of paragraph (3)(B); and

1 “(iv) 75 per centum under clause (iii)(I) of
2 paragraph (3)(B), and 25 per centum under
3 clause (iii)(II) of paragraph (3)(B) of the amount
4 which the Secretary determines is available for
5 clause (iii) of paragraph (3)(B).

6 “(B) For the purpose of subparagraph (A), the
7 amount available in each fiscal year for each clause is
8 the amount which bears the same ratio to the amount
9 available in that fiscal year for subparagraph (A) for
10 paragraph (2)(B) or paragraph (3)(B), as the case
11 may be, as the full entitlement for each such clause
12 bears to the full entitlement under paragraph (2) or
13 (3), as the case may be.”.

14 (2)(A) Section 5(c)(2) of the Act is repealed.

15 (B) The last sentence of section 5(c) of the Act is re-
16 pealed.

17 (f) STATE AID RULE.—(1) Section 5(d)(2)(A)(ii) of
18 the Act is amended by inserting before the period at the end a
19 comma and the following: “and only if the formula used by
20 the State ensures that the local educational agency will have
21 sufficient funds available to that agency to equal or exceed
22 the average per pupil expenditure for the State or the average
23 per pupil expenditure for comparable districts, whichever is
24 greater.”.

1 (2) Section 5(d)(2)(A) of the Act is amended by insert-
 2 ing after the first sentence the following flush sentence: "The
 3 increase in payments described in sections 3(d)(2)(B),
 4 3(d)(2)(C), 3(d)(2)(D), and 3(d)(3)(B)(ii) shall not be taken
 5 into consideration by the State for the purpose of this sub-
 6 paragraph."

7 (g) *HOLD HARMLESS RULES*.—Section 5(e) of the Act
 8 is amended to read as follows:

9 “(e)(1)(A) For any fiscal year after September 30,
 10 1987, the Secretary shall allocate to any local educational
 11 agency which received a payment under section 3(a) in fiscal
 12 year 1987, an amount which is not less than the product of
 13 100 per centum of the per pupil amount paid to such agency
 14 in fiscal year 1987 and the number of such children in aver-
 15 age daily attendance for the fiscal year for which the determi-
 16 nation is made under such subsection.

17 “(B) For any fiscal year beginning after September 30,
 18 1987, the Secretary shall allocate to any local educational
 19 agency which received a payment under section 3(b) in fiscal
 20 year 1987 for children described in section 5(c)(3)(A)(i), an
 21 amount which is not less than the product of 100 per centum
 22 of the per pupil amount paid to such agency in fiscal year
 23 1987 and the number of such children in average daily at-
 24 tendance in the fiscal year for which such determination is
 25 made.

1 “(C) The provisions of subparagraphs (A) and (B) of
 2 this paragraph shall not apply to any local educational for
 3 which the factor in the determination of the local contribution
 4 rate described in section 3(d)(3)(A)(i) in the year for which
 5 the determination is made is less than the amount for such
 6 factor for fiscal year 1987.

7 “(D) The Secretary is authorized to modify the per
 8 pupil amount described in subparagraph (A) of this para-
 9 graph, in any case in which, in the fiscal year for which the
 10 determination is made a local educational agency is no longer
 11 an agency described in section 5(c)(2)(A)(i), or section
 12 5(c)(2)(A)(ii), but is an agency described in section
 13 5(c)(2)(A)(ii) or section 5(c)(2)(A)(iii), as the case may be.

14 “(E) The provisions of subparagraph (B) of this para-
 15 graph shall not apply to any local educational agency which,
 16 in the fiscal year for which the determination is made, is not
 17 a local educational agency described in section 5(c)(3)(A)(i).

18 “(2) If sums appropriated for any fiscal year for
 19 making payments under this section are not sufficient to pay
 20 in full the amount to which each local educational agency is
 21 entitled under the previous paragraph, such amounts shall be
 22 ratably reduced.”.

1 **SEC. 4007. CHILDREN FOR WHOM LOCAL AGENCIES UNABLE TO**
 2 **PROVIDE EDUCATION.**

3 *Section 6 of the Act is amended by adding at the end*
 4 *thereof the following new subsection:*

5 *“(i) Notwithstanding any other provision of law, a local*
 6 *educational agency receiving funds under section 3 may also*
 7 *receive funds under section 6.”.*

8 **SEC. 4008. DISASTER ASSISTANCE.**

9 *(a) GENERAL RULE.—Section 7(a)(1) of the Act is*
 10 *amended—*

11 *(1) by striking out subparagraph (B);*

12 *(2) by striking out “or” at the end of subpara-*
 13 *graph (A) and inserting in lieu thereof “and”; and*

14 *(3) by striking out the subparagraph designation*
 15 *“(A)”.*

16 *(b) ELIGIBILITY.—Section 7(a)(3) of the Act is*
 17 *amended by striking out “\$1,000 or one-half of 1 per*
 18 *centum” and inserting in lieu thereof “\$10,000 or 1 per*
 19 *centum”.*

20 *(c) AVAILABILITY OF FUNDS.—Section 7 of the Act is*
 21 *amended by adding at the end thereof the following new sub-*
 22 *section (f):*

23 *“(f) Funds available for this section for any fiscal year*
 24 *shall also be available for section 16 of the Act of September*
 25 *23, 1950 (Public Law 815, Eighty-first Congress).”.*

1 **SEC. 4009. REGULATION REQUIREMENTS.**

2 *No regulations may be established to carry out the pro-*
 3 *visions of this Act unless—*

4 *(1) such regulations will become final only after a*
 5 *period for comment which is not less than 90 days;*
 6 *and*

7 *(2) the regulations will take effect in the fiscal*
 8 *year succeeding the fiscal year in which final regula-*
 9 *tions are published unless otherwise required by law.*
 10 *No provision of the regulations may have a retroactive effect*
 11 *which results in the recovery of assistance by the United*
 12 *States (other than such recovery based on regulations in*
 13 *effect at the time the assistance was made). To the extent tha'*
 14 *the provisions of section 431 of the General Education Pro-*
 15 *visions Act are not inconsistent with the provisions of this*
 16 *section, the provisions of section 431 shall apply to regula-*
 17 *tions established under this Act.*

18 **SEC. 4010. DEFINITION.**

19 *Section 403(5) of the Act is amended by striking out*
 20 *“under title I, II, or III of the Elementary and Secondary*
 21 *Education Act of 1965” and inserting in lieu thereof “under*
 22 *chapter 1 or 2 of title I of the Robert T. Stafford Elementary*
 23 *and Secondary Education Improvement Act of 1987”.*

1 **SEC. 4011. SPECIAL ASSESSMENT RULE FOR FEDERAL ACQUISITION OF REAL PROPERTY.**

3 (a) *GENERAL RULE.*—Notwithstanding any other provision of law, the amount of any payment made to a local educational agency, for fiscal years prior to 1986, that is attributable to an incorrect determination under section 2(a)(1)(C) of the Act of September 30, 1950 (Public Law 874, 81st Congress, shall be deemed to have been made in accordance with such section.

10 (b) *TECHNICAL AMENDMENT.*—In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for the amount of payments made pursuant to this Act.

14 **PART B—PUBLIC LAW 815**

15 **SEC. 4101. REAUTHORIZATION.**

16 (a) *EXTENSION OF PROGRAM.*—The Act of September 23, 1950 (Public Law 815, Eighty-first Congress) is amended—

19 (1) by striking out “September 30, 1988” in section 20 tion 3 and inserting in lieu thereof “September 30, 21 1993”, and

22 (2) by striking out “October 1, 1988” in section 23 16(a)(1)(A) and inserting in lieu thereof “October 1, 24 1993”.

25 (b) *AUTHORIZATION OF APPROPRIATIONS.*—There are 26 authorized to be appropriated \$25,000,000 for fiscal year

1 1989, \$26,000,000 for fiscal year 1990, \$27,000,000 for
 2 fiscal year 1991, \$28,000,000 for fiscal year 1992, and
 3 \$29,000,000 for fiscal year 1993, to carry out the provisions
 4 of the Act of September 23, 1950 (Public Law 815, Eighty-
 5 first Congress).

6 **SEC. 4102. ADMINISTRATIVE AMENDMENTS.**

7 (a) **GENERAL RULE.**—(1) The Act of September 23,
 8 1950 (Public Law 815, Eighty-first Congress) is further
 9 amended by striking out “the Commissioner” each time it
 10 appears and inserting in lieu thereof “the Secretary”.

11 (2) Section 11(b) of such Act is amended by striking
 12 out “Commissioner’s” and inserting in lieu thereof “Secre-
 13 tary’s”.

14 (3) Section 15(14) of such Act is amended to read as
 15 follows:

16 “(14) The term ‘Secretary’ means the Secretary of
 17 Education.”.

18 (b) **SPECIAL RULE.**—The fifth sentence of section
 19 16(c) of such Act is amended to read as follows: “The Secre-
 20 tary shall complete action of approval or disapproval of an
 21 application within 90 days of the filing of an application.”.

22 **SEC. 4103. DISASTER ASSISTANCE.**

23 (a) **GENERAL RULE.**—Section 16(a)(1) of the Act of
 24 September 23, 1950 (Public Law 815, Eighty-first Con-
 25 gress) is amended—

1 (1) *by striking out subparagraph (B);*

2 (2) *by striking out "or" at the end of subpara-*
3 *graph (A) and inserting in lieu thereof "and"; and*

4 (3) *by striking out the subparagraph designation*
5 *"(A)".*

6 (b) *ELIGIBILITY.—Section 16(a)(5) of such Act is*
7 *amended by striking out "\$1,000 or one-half of 1 per*
8 *centum" and inserting in lieu thereof "\$10,000 or 5 per*
9 *centum".*

10 **TITLE V—ADULT AND VOCATIONAL** 11 **EDUCATION**

12 **PART A—ADULT EDUCATION**

13 **SEC. 5001. SHORT TITLE.**

14 *This title may be cited as the "Adult Education Reau-*
15 *thorization Act of 1987".*

16 **SEC. 5002. DEFINITIONS.**

17 *Section 303 of the Adult Education Act (hereafter in*
18 *this title referred to as "the Act") is amended—*

19 (1) *by striking out the comma immediately after*
20 *"State law" in subsection (a), and everything that fol-*
21 *lows through the end thereof and inserting in lieu*
22 *thereof a period; and*

23 (2) *by inserting "who are not enrolled in a sec-*
24 *ondary school and" immediately after "for adults" in*
25 *subsection (b).*

1 **SEC. 5003. STATE PLANS.**

2 (a) **LIMITED ENGLISH PROFICIENCY PROGRAM.**—

3 Section 306 of the Act is amended by adding at the end
4 thereof the following new subsection:

5 “(d) Programs conducted under subsection (b)(11) shall
6 be designed to teach English to limited English proficient
7 adults and, as appropriate, to allow such adults to progress
8 effectively through the adult education program or to prepare
9 them to enter the regular program of adult education as
10 quickly as possible. Such programs may provide instruction
11 in the native language, to the extent necessary, or may pro-
12 vide instruction exclusively in English, and shall be carried
13 out in coordination with programs assisted under the Bilin-
14 gual Education Act and with bilingual vocational education
15 programs under the Carl D. Perkins Vocational Education
16 Act.”.

17 (b) **CONFORMING AMENDMENT.**—Section 306(b)(11)
18 of the Act is amended by striking out “by providing a bilin-
19 gual adult education program” and everything that follows
20 through the end thereof and inserting in lieu thereof a
21 semicolon.

22 (c) **TRANSITION RULE.**—Upon a written request from
23 a State, the Secretary shall approve an extension of 1 year,
24 from June 30, 1988, to June 30, 1989, for the revision of
25 any plan already approved under this section for the period
26 July 1, 1985, through June 30, 1988.

1 **SEC. 5004. PAYMENTS.**

2 (a) **FEDERAL SHARE.**—Section 307(a) of the Act is
3 amended by striking out “90 per centum” and inserting in
4 lieu thereof “75 per centum”.

5 (b) **MAINTENANCE OF EFFORT.**—Section 307(b)(1) of
6 the Act is amended by inserting after “not less than” the
7 following: “90 per centum of”.

8 (c) **COST OF ADMINISTRATION.**—Section 307 of the
9 Act is further amended by adding at the end thereof the fol-
10 lowing new subsection:

11 “(c) Effective for fiscal years beginning after Septem-
12 ber 30, 1990, a State educational agency may use no more
13 than 5 per centum of the State’s grant or \$50,000, whichever
14 is greater, to pay the cost of its administration of the State’s
15 program.”.

16 **SEC. 5005. CORRECTIONS EDUCATION SET ASIDE.**

17 (a) **SET ASIDE REQUIRED.**—Section 304(b) of the Act
18 is amended to read as follows:

19 “(b) Not less than 10 per centum of the funds paid to a
20 State under subsection (a) shall be used for corrections edu-
21 cation and education for other institutionalized individuals
22 in accordance with section 316.”.

23 (b) **PROGRAMS FOR CORRECTIONS EDUCATION AND**
24 **OTHER INSTITUTIONALIZED PERSONS AUTHORIZED.**—
25 The Act is amended by inserting after section 315 the follow-
26 ing new section:

1 *"PROGRAMS FOR CORRECTIONS EDUCATION AND EDUCA-*
 2 *TION FOR OTHER INSTITUTIONALIZED INDIVIDUALS*

3 *"SEC. 316. Funds set aside under section 304(b) by a*
 4 *State shall be used for the cost of educational programs for*
 5 *criminal offenders in corrections institutions and for other*
 6 *institutionalized individuals, including—*

7 *"(1) academic programs for—*

8 *"(A) basic education with special emphasis*
 9 *on reading, writing, vocabulary, and arithmetic;*

10 *"(B) special education programs as defined*
 11 *by State law;*

12 *"(C) bilingual or English as a second lan-*
 13 *guage programs; and*

14 *"(D) secondary school credit programs;*

15 *"(2) vocational training programs;*

16 *"(3) library development and library service pro-*
 17 *grams;*

18 *"(4) for corrections education programs, training*
 19 *for teacher personnel specializing in corrections educa-*
 20 *tion, particularly courses in social education, basic*
 21 *skills instruction, and abnormal psychology;*

22 *"(5) guidance and counseling programs;*

23 *"(6) supportive services for criminal offenders,*
 24 *with special emphasis on the coordination of education-*

1 *al services with agencies furnishing services to crimi-*
 2 *nal offenders after their release; and*

3 *“(7) cooperative programs with educational insti-*
 4 *tutions, community-based organizations of demon-*
 5 *strated effectiveness, and the private sector, designed to*
 6 *provide education and training.*

7 *“(b) As used in this section, the term—*

8 *“(1) ‘criminal offender’ means any individual*
 9 *who is charged with or convicted of any criminal of-*
 10 *fense; and*

11 *“(2) ‘correctional institution’ means any—*

12 *“(A) prison,*

13 *“(B) jail,*

14 *“(C) reformatory,*

15 *“(D) work farm,*

16 *“(E) detention center, or*

17 *“(F) halfway house, community-based reha-*
 18 *bilitation center, or any other similar institution*
 19 *designed for the confinement or rehabilitation of*
 20 *criminal offenders.”.*

21 *(c) STATE PLAN PROVISION.—Section 306(b)(1) of*
 22 *the Act is amended by striking out “and instituti-nalized*
 23 *adults” and inserting in lieu thereof a comma and the follow-*
 24 *ing: “together with the program for the use of funds under*

1 section 316 for corrections education and education for other
2 institutionalized individuals”.

3 (d) *TECHNICAL AMENDMENT*.—Section 305(a) is
4 amended by striking out “section 304(b)” and inserting in
5 lieu thereof “section 304(a)”.

6 **SEC. 5006. WORKPLACE LITERACY PARTNERSHIPS GRANTS.**

7 (a) *ESTABLISHMENT OF GRANT PROGRAM*.—The
8 Adult Education Act is amended by inserting after section
9 316 the following new section:

10 “BUSINESS, INDUSTRY, LABOR, AND EDUCATION
11 PARTNERSHIPS FOR WORKPLACE LITERACY

12 “SEC. 317. (a) *GRANTS FOR EXEMPLARY DEMON-*
13 *STRATION PARTNERSHIPS FOR WORKPLACE LITERACY*.—
14 (1) Subject to subsection (b), the Secretary may make dem-
15 onstration grants to exemplary education partnerships for
16 workplace literacy to pay the Federal share of the cost of
17 adult education programs which h literacy skills needed
18 in the workplace through partnerships between—

19 “(A) business, industry, or labor organizations, or
20 private industry councils; and

21 “(B) State educational agencies, local educational
22 agencies, institutions of higher education, or schools
23 (including employment and training agencies or com-
24 munity-based organizations).

25 “(2) Grants under paragraph (1) may be used—

1 “(A) to fund 70 percent of the cost of programs
2 which meet the requirements of paragraph (3); and

3 “(B) for administrative costs incurred by State
4 educational agencies and local educational agencies in
5 establishing programs funded under subparagraph (A).

6 “(3) Programs funded under paragraph (2)(A) shall be
7 designed to improve the productivity of the workforce through
8 improvement of literacy skills needed in the workplace by—

9 “(A) providing adult literacy and other basic
10 skills services and activities;

11 “(B) providing adult secondary education services
12 and activities which may lead to the completion of a
13 high school diploma or its equivalent;

14 “(C) meeting the literacy needs of adults with
15 limited English proficiency;

16 “(D) upgrading or updating basic skills of adult
17 workers in accordance with changes in workplace re-
18 quirements, technology, products, or processes;

19 “(E) improving the competency of adult workers
20 in speaking, listening, reasoning, and problem solving;
21 or

22 “(F) providing education counseling, transporta-
23 tion, and nonworking hours child care services to adult
24 workers while they participate in a program funded
25 under paragraph (2)(A).

1 “(4) *An application to receive funding for a program out*
 2 *of a grant made to a partnership under this subsection*
 3 *shall—*

4 “(A) *be submitted jointly by—*

5 “(i) *a business, industry, or labor organiza-*
 6 *tion, or private industry council; and*

7 “(ii) *a State educational agency, local edu-*
 8 *cational agency, institution of higher education, or*
 9 *school (including an area vocational school, an*
 10 *employment and training agency, or community-*
 11 *based organization);*

12 “(B) *set forth the respective roles of each member*
 13 *of the partnership;*

14 “(C) *contain such additional information as the*
 15 *Secretary may require, including evidence of the appli-*
 16 *cant's experience in providing literacy services to work-*
 17 *ing adults;*

18 “(D) *describe the plan for carrying out the re-*
 19 *quirements of paragraph (3); and*

20 “(E) *provide assurances that the applicant will*
 21 *use the funds to supplement and not supplant funds*
 22 *otherwise available for the purpose of this section.*

23 “(b) *GRANTS TO STATES.—(1) Whenever in any fiscal*
 24 *year, appropriations under subsection (c) are equal to or*
 25 *exceed \$50,000,000, the Secretary may make grants to*

1 *States which have State plans approved by the Secretary*
 2 *under section 306 to pay the Federal share of the cost of*
 3 *adult education programs which teach literacy skills needed*
 4 *in the workplace through partnerships between—*

5 “(A) *business, industry, or labor organizations, or*
 6 *private industry councils; and*

7 “(B) *State educational agencies, local educational*
 8 *agencies, institutions of higher education, or schools*
 9 *(including employment and training agencies or com-*
 10 *munity-based organizations).*

11 “(2) *Grants under paragraph (1) may be used—*

12 “(A) *to fund 70 percent of the cost of programs*
 13 *which meet the requirements of paragraph (4);*

14 “(B) *for administrative costs incurred by State*
 15 *educational agencies and local educational agencies in*
 16 *establishing programs funded under subparagraph (A);*
 17 *and*

18 “(C) *for costs incurred by State educational agen-*
 19 *cies in obtaining evaluations described in paragraph*
 20 *(3)(A)(iii).*

21 “(3) *A State shall be eligible to receive its allotment*
 22 *under subsection (e) if it—*

23 “(A) *includes in a State plan submitted to the*
 24 *Secretary under section 306 a description of—*

1 “(i) the requirements for State approval of
2 funding of a program;

3 “(ii) the procedures under which applications
4 for such funding may be submitted; and

5 “(iii) the method by which the State shall
6 obtain annual third-party evaluation of student
7 achievement in, and overall effectiveness of serv-
8 ices provided by, all programs which receive fund-
9 ing out of a grant made to the State under this
10 section; and

11 “(B) satisfies the requirements of section 306(a).

12 “(4) The program requirements set forth in subsection
13 (a)(3), shall apply to the program authorized by this sub sec-
14 tion.

15 “(5) An application to receive funding for a program
16 from a grant made to a State under paragraph (1) shall con-
17 tain the same information required in subparagraphs (A)
18 through (E) of subsection (a)(4).

19 “(6) If a State is not eligible for a grant under para-
20 graph (1) of this subsection, the Secretary shall use the
21 State's allotment under paragraph (7) to make direct grants
22 to applicants in that State who are qualified to teach literacy
23 skills needed in the workplace.

1 “(7)(A) *The Federal share of expenditures for programs*
 2 *in a State funded under this subsection shall be paid from a*
 3 *State’s allotment under this paragraph.*

4 “(B) *From the sum appropriated for each fiscal year*
 5 *under subsection (c) for any fiscal year in which appropria-*
 6 *tions equal or exceed \$50,000,000, the Secretary shall*
 7 *allot—*

8 “(i) *\$25,000 to each of American Samoa, Guam,*
 9 *the Northern Mariana Islands, the Trust Territory of*
 10 *the Pacific Islands, and the Virgin Islands; and*

11 “(ii) *to each remaining State an amount which*
 12 *bears the same ratio to the remainder of such sum as—*

13 “(I) *the number of adults in the State who*
 14 *do not have a certificate of graduation from a*
 15 *school providing secondary education (or its*
 16 *equivalent) and who are not currently required to*
 17 *be enrolled in schools in the State, bears to*

18 “(II) *the number of such adults in all*
 19 *States;*

20 *except that no State shall receive less than \$125,000 in any*
 21 *fiscal year.*

22 “(C) *At the end of each fiscal year, the portion of any*
 23 *State’s allotment for that fiscal year which—*

24 “(i) *exceeds 10 percent of the total allotment for*
 25 *the State under paragraph (2) for the fiscal year; and*

1 “(ii) remains unobligated;
2 shall be reallocated among the other States in the same pro-
3 portion as each State’s allocation for such fiscal year under
4 paragraph (2).

5 “(c) *AUTHORIZATION OF APPROPRIATIONS.*—(1)
6 There are authorized to be appropriated \$30,000,000 for the
7 fiscal year 1988, \$31,500,000 for the fiscal year 1989, and
8 such sums as may be necessary for the fiscal year 1990 and
9 each succeeding fiscal year ending prior to October 1, 1993,
10 to carry out the provisions of this section.

11 “(2) No funds may be appropriated under paragraph
12 (1) of this subsection for any fiscal year unless the appro-
13 priation for the Adult Education Act (other than sections 316
14 and 317) for that year is equal to or greater than
15 \$110,000,000.

16 “(3) Amounts appropriated under this subsection shall
17 remain available until expended.”.

18 “(b) *DEFINITIONS.*—Section 303 of the Adult Educa-
19 tion Act is amended by adding at the end the following new
20 subsections:

21 “(k) The term ‘community-based organization’ has the
22 meaning given such term in section 4(5) of the Job Training
23 Partnership Act (21 U.S.C. 1501 et seq.).

1 “(1) The term ‘private industry council’ means the pri-
 2 vate industry council established under section 102 of the Job
 3 Training Partnership Act (21 U.S.C. 1501 et seq.).”.

4 **SEC. 5007. ENGLISH LITERACY GRANTS.**

5 (a) **ESTABLISHMENT OF GRANT PROGRAM.**—The
 6 Adult Education Act is amended by inserting after section
 7 317 (as added by section 5006) the following new section:

8 **“ENGLISH LITERACY PROGRAM GRANTS**

9 **“SEC. 318. (a) GRANTS TO STATES.**—(1) The Secre-
 10 tary may make grants to States which have State plans ap-
 11 proved by the Secretary under section 306 for the establish-
 12 ment, operation, and improvement of English literacy pro-
 13 grams for individuals of limited English proficiency. Such
 14 grants may provide for support services for program partici-
 15 pants, including child care and transportation costs.

16 “(2) A State shall be eligible to receive a grant under
 17 paragraph (1) if the State includes in a State plan submitted
 18 to the Secretary under section 306 a description of—

19 “(A) the number of individuals of limited English
 20 proficiency in the State who need or could benefit from
 21 programs assisted under this chapter;

22 “(B) the activities which would be undertaken
 23 under the grant and the manner in which such activi-
 24 ties will promote English literacy and enable individ-
 25 uals in the State to participate fully in national life;

1 “(C) how the activities described in subparagraph
2 (B) will serve individuals of limited English profi-
3 ciency, including the qualifications and training of
4 personnel who will participate in the proposed activi-
5 ties;

6 “(D) the resources necessary to develop and oper-
7 ate the proposed activities and the resources to be pro-
8 vided by the State; and

9 “(E) the specific goals of the proposed activities
10 and how achievement of these goals will be measured.

11 “(3) Grants under this section shall be available for not
12 more than 3 years. The Secretary may terminate a grant
13 only if the Secretary determines that—

14 “(A) the State has not made substantial progress
15 in achieving the specific educational goals set out in
16 the application; or

17 “(B) there is no longer a need in the State for the
18 activities funded by the grant.

19 “(b) SET-ASIDE FOR COMMUNITY-BASED ORGANIZA-
20 TIONS.—A State that is awarded a grant under subsection
21 (a) shall use not less than 50 percent of funds awarded under
22 the grant to fund programs operated by community-based or-
23 ganizations with the demonstrated capability to administer
24 English proficiency programs.

1 “(c) *REPORT.*—A State that is awarded a grant under
2 subsection (a) shall submit to the Secretary a report describ-
3 ing the activities funded under the grant for each fiscal year
4 covered by the grant.

5 “(d) *DEMONSTRATION PROGRAM.*—The Secretary,
6 subject to the availability of funds appropriated pursuant to
7 this section, shall directly, and through grants and contracts
8 with public and private nonprofit agencies, institutions, and
9 organizations, carry out a program—

10 “(1) through the Adult Education Division to de-
11 velop innovative approaches and methods of literacy
12 education for individuals of limited English profi-
13 ciency utilizing new instructional methods and tech-
14 nologies; and

15 “(2) to designate the Center for Applicable Lin-
16 guistics of the Office of Education Research and Im-
17 provement as a national clearinghouse on literacy edu-
18 cation for individuals of limited English proficiency to
19 collect and disseminate information concerning effective
20 approaches or methods, including coordination with
21 manpower training, and other education programs.

22 “(e) *EVALUATION AND AUDIT.*—The Secretary shall
23 evaluate the effectiveness of programs conducted under this
24 section. Programs funded under this section shall be audited

1 *in accordance with chapter 75 of title 31, United States*
 2 *Code.*

3 “(f) *AUTHORIZATION OF APPROPRIATIONS.—(1)*
 4 *There are authorized to be appropriated \$25,000,000 for the*
 5 *fiscal year 1988, \$26,300,000 for the fiscal year 1989,*
 6 *\$27,600,000 for the fiscal year 1990, \$29,000,000 for the*
 7 *fiscal year 1991, \$30,500,000 for the fiscal year 1992, and*
 8 *\$32,000,000 for the fiscal year 1993 to carry out this*
 9 *section.*

10 “(2) *Funds appropriated pursuant to this section shall*
 11 *remain available until expended.*

12 “(3) *Funds appropriated under this subsection may be*
 13 *combined with other funds made available for the State by*
 14 *the Federal Government for literacy training for individuals*
 15 *with limited English proficiency.*

16 “(4) *Not more than 10 percent of funds available under*
 17 *this section shall be used to carry out the purposes of subsec-*
 18 *tion (d).”.*

19 (b) *DEFINITIONS.—Section 303 of the Adult Educa-*
 20 *tion Act (20 U.S.C. 1201 et seq.) (as amended by section*
 21 *5006) is amended by adding at the end the following new*
 22 *subsections:*

23 “(m) *The term ‘individual of limited English proficien-*
 24 *cy’ means an adult or out-of-school youth who has limited*

1 *ability in speaking, reading, writing, or understanding the*
2 *English language and—*

3 “(1) *whose native language is a language other*
4 *than English; or*

5 “(2) *who lives in a family or community environ-*
6 *ment where a language other than English is the domi-*
7 *nant language.*

8 “(n) *The term ‘out-of-school youth’ means an individual*
9 *who is under 16 years of age and beyond the age of compul-*
10 *sory school attendance under State law who has not complet-*
11 *ed high school or the equivalent.*

12 “(o) *The term ‘English literacy program’ means a pro-*
13 *gram of instruction designed to help limited English profi-*
14 *cient adults, out-of-school youths, or both, achieve full compe-*
15 *tence in the English language.*

16 “(p) *The term ‘community-based organization’ means a*
17 *private organization which is representative of a community*
18 *or significant segments of a community and which provides*
19 *education, vocational education, job training, or internship*
20 *services and programs and includes neighborhood groups and*
21 *organizations, community action agencies, community devel-*
22 *opment corporations, union-related organizations, employer-*
23 *related organizations, tribal governments, and organizations*
24 *serving Native Alaskans and Indians.”.*

1 **SEC. 5008. REAUTHORIZATION.**

2 *Section 314 of the Act is amended to read as follows:*

3 **"APPROPRIATIONS AUTHORIZED**

4 *"SEC. 314. (a) For the purpose of carrying out this*
 5 *title, other than section 309, there are authorized to be appro-*
 6 *priated \$200,000,000 for the fiscal year 1989, \$210,000,000*
 7 *for the fiscal year 1990, \$225,000,000 for the fiscal year*
 8 *1991, \$235,000,000 for the fiscal year 1992, and*
 9 *\$245,000,000 for the fiscal year 1993.*

10 *"(b) For the purpose of carrying out section 309 there*
 11 *are authorized to be appropriated \$2,000,000 for fiscal year*
 12 *1989 and for each of the succeeding fiscal years ending prior*
 13 *to October 1, 1993."*

14 **SEC. 5009. ADULT EDUCATION FOR THE HOMELESS.**

15 *Section 702(c)(2) of the Stewart B. McKinney Home-*
 16 *less Assistance Act is repealed.*

17 **SEC. 5010. REPEAL.**

18 *Section 312 of the Act, relating to the National Adviso-*
 19 *ry Council on Adult Education, is repealed.*

20 **PART B—VOCATIONAL EDUCATION**

21 **SEC. 5101. TECHNICAL AMENDMENT.**

22 *Section 202 of the Carl D. Perkins Vocational Educa-*
 23 *tion Act is amended—*

24 *(1) by inserting (a) after the section designation,*
 25 *and*

1 (2) by adding at the end thereof the following new
2 subsection:

3 “(b) Funds described in clause (4) of subsection (a)
4 shall also be available for single pregnant women.”.

5 **TITLE VI—EDUCATION FOR**
6 **ECONOMIC SECURITY**

7 **PART A—REAUTHORIZATION OF EDUCATION FOR**
8 **ECONOMIC SECURITY ACT**

9 **SEC. 6001. SHORT TITLE.**

10 *This title may be cited as the “Education for Economic*
11 *Security Reauthorization Act”.*

12 **SEC. 6002. MATHEMATICS AND SCIENCE EDUCATION REAU-**
13 **THORIZED.**

14 *Title II of the Education for Economic Security Act is*
15 *amended to read as follows:*

16 **“TITLE II—EDUCATION FOR ECONOMIC**
17 **SECURITY**

18 **“STATEMENT OF PURPOSE**

19 **“SEC. 201.** *It is the purpose of this title to make finan-*
20 *cial assistance available to State and local educational agen-*
21 *cies, and to institutions of higher education, to improve the*
22 *skills of teachers and instruction in mathematics, science,*
23 *and computer learning, and to increase the access of all stu-*
24 *dents to such instruction, and thereby contribute to strength-*
25 *ening the economic security of the United States.*

1 "DEFINITION

2 "SEC. 202. *As used in this title, the term 'junior or*
 3 *college' means an institution of higher educa-*
 4 *tion—*

5 "(1) *that admits as regular students individuals*
 6 *who are beyond the age of compulsory school attend-*
 7 *ance in the State in which the institution is located*
 8 *and who have the ability to benefit from the training*
 9 *offered by the institution;*

10 "(2) *that does not provide an educational program*
 11 *for which it awards a bachelor's degree (or an equiva-*
 12 *lent degree); and*

13 "(3) *that—*

14 "(A) *provides an educational program of not*
 15 *less than 2 years that is acceptable for full credit*
 16 *toward such a degree; or*

17 "(B) *offers a 2-year program designed to*
 18 *prepare a student to work as a technician or at*
 19 *the semiprofessional level in engineering, scientific,*
 20 *or other technological fields requiring the un-*
 21 *derstanding and application of basic engineering,*
 22 *scientific, or mathematical principles of knowl-*
 23 *edge.*

24 "PROGRAM AUTHORIZED

25 "SEC. 203. (a) *The Secretary is authorized to make*
 26 *grants to States and to make discretionary grants, in accord-*

1 *ance with the provisions of this title, for strengthening the*
 2 *skills of teachers and instruction in mathematics, science,*
 3 *and computer learning.*

4 “(b) *There are authorized to be appropriated*
 5 *\$330,000,000 for the fiscal year 1989, \$345,000,000 for*
 6 *fiscal year 1990, \$365,000,000 for fiscal year 1991,*
 7 *\$385,000,000 for fiscal year 1992, and \$405,000,000 for*
 8 *fiscal year 1993 to carry out the provisions of this title.*

9 “ALLOTMENT TO STATES

10 “SEC. 204. (a)(1) *From 95 per centum of the amount*
 11 *appropriated to carry out this title for each fiscal year, the*
 12 *Secretary shall allot to each State an amount which bears the*
 13 *same ratio to such 95 per centum as the number of children*
 14 *aged 5 to 17, inclusive, in the State bears to the number of*
 15 *such children in all States, except that no State shall receive*
 16 *less than one-half of 1 per centum of the amount available*
 17 *under this subsection in any fiscal year.*

18 “(2)(A) *The Secretary shall reserve 4 per centum of*
 19 *such amount to carry out section 211, relating to discretion-*
 20 *ary grants of national significance.*

21 “(B) *The Secretary shall reserve the remaining 1 per*
 22 *centum to carry out the provisions of subsection (c).*

23 “(3) *For the purpose of this subsection, the term ‘State’*
 24 *does not include Guam, American Samoa, the Virgin Is-*
 25 *lands, the Northern Mariana Islands, or the Trust Territory*
 26 *of the Pacific Islands.*

1 “(4) The number of children aged 5 to 17, inclusive, in
 2 the State and in all States shall be determined by the Secre-
 3 tary on the basis of the most recent satisfactory data avail-
 4 able to him.

5 “(b) The amount of any State's allotment under subsec-
 6 tion (a) for any fiscal year to carry out this title which the
 7 Secretary determines will not be required for that fiscal year
 8 to carry out this title shall be available for reallocation from
 9 time to time, on such dates during that year as the Secretary
 10 may fix, to other States in proportion to the original allot-
 11 ments to those States under subsection (a) for that year but
 12 with such proportionate amount for any of those other States
 13 being reduced to the extent it exceeds the sum the Secretary
 14 estimates that States need and will be able to use for that
 15 year; and the total of those reductions shall be similarly real-
 16 lotted among the States whose proportionate amounts were
 17 not so reduced. Any amounts reallocated to a State under this
 18 subsection during a year shall be deemed a part of its allot-
 19 ment under subsection (a) for that year.

20 “(c)(1) From the amount reserved for each fiscal year
 21 under subsection (a)(2)(B), the Secretary shall allot—

22 “(A) not less than one-half of that amount to
 23 whatever agency the Secretary determines appropriate
 24 for programs authorized by this title for children in ele-

1 *mentary and secondary schools operated for Indian*
 2 *children by the Department of the Interior; and*

3 *“(B) the remainder of that amount among Guam,*
 4 *American Samoa, the Virgin Islands, the Northern*
 5 *Mariana Islands, and the Trust Territory of the Pacif-*
 6 *ic Islands according to their respective needs for assist-*
 7 *ance under this title.*

8 *“(2) The Secretary shall make payments under para-*
 9 *graph (1)(A) on whatever terms the Secretary determines*
 10 *will best carry out the purpose of this title.*

11 **“IN-STATE APPORTIONMENT**

12 *“SEC. 205. (a) For each fiscal year, 75 per centum of*
 13 *each State's allotment under section 204 of this title shall be*
 14 *used for elementary and secondary education programs in*
 15 *accordance with section 206.*

16 *“(b) For each fiscal year, 25 per centum of each State's*
 17 *allotment under section 204 of this title shall be used for*
 18 *higher education programs in accordance with section 207.*

19 **“ELEMENTARY AND SECONDARY EDUCATION PROGRAMS**

20 *“SEC. 206. (a) The amount apportioned under section*
 21 *205(a) from each State's allotment under this title shall be*
 22 *used by the State educational agency to strengthen elementa-*
 23 *ry and secondary education programs in accordance with the*
 24 *provisions of this section.*

25 *“(b)(1) Not less than 90 per centum of the amount*
 26 *available under this section shall be distributed to local edu-*

1 cational agencies within the State. Each local educational
2 agency shall use funds distributed under this paragraph
3 for—

4 “(A) the expansion and improvement of training,
5 in-service training, and retraining of teachers and other
6 appropriate school personnel in the fields of mathemat-
7 ics and science, including vocational education teachers
8 who use mathematics and science in the courses of
9 study the teachers teach; or

10 “(B) if the local educational agency determines
11 that the agency has met its need for training, in-service
12 training, and retraining under subparagraph (A), sub-
13 ject to the provisions of section 201(c), such training,
14 in-service training, and retraining in the fields of com-
15 puter learning, and the acquisition of instructional ma-
16 terials and equipment related to mathematics and sci-
17 ence instruction.

18 Such training and instruction may be carried out through
19 agreements with public agencies, private industry, institu-
20 tions of higher education, and nonprofit organizations, in-
21 cluding museums, libraries, educational television stations,
22 professional science, mathematics and engineering associa-
23 tions, and other appropriate institutions. A local educational
24 agency may carry out the activities authorized by this para-
25 graph with one or more other local educational agencies

1 *within the State, or with the State educational agency, or*
2 *both. Each local educational agency shall assure that pro-*
3 *grams of training, inservice training and retraining will take*
4 *into account the need for greater access to and participation*
5 *in mathematics, science, and computer learning programs*
6 *and careers of students from historically underrepresented*
7 *groups, including females, minorities, individuals with limit-*
8 *ed-English proficiency, the handicapped, and migrants.*

9 “(2)(A) *The State educational agency shall distribute*
10 *50 per centum of the funds available under this subsection to*
11 *local educational agencies according to the relative enroll-*
12 *ments in public and private nonprofit schools within the dis-*
13 *trict of such agencies. Such relative enrollments may be cal-*
14 *culated, at the option of the State educational agency, on the*
15 *basis of the total number of children enrolled in public*
16 *schools and (i) private nonprofit schools, or (ii) private non-*
17 *profit schools desiring that their children and teachers par-*
18 *ticipate in programs or projects assisted under this title.*
19 *Nothing in the preceding sentence shall diminish the respon-*
20 *sibility of local educational agencies to contact, on an annual*
21 *basis, appropriate officials from private nonprofit schools*
22 *within their school districts in order to determine whether*
23 *such schools desire that their children and teachers partici-*
24 *pate in programs or projects assisted under this title.*

1 “(B) The State educational agency shall distribute 50
 2 per centum of the funds available under this subsection based
 3 on the relative number of children aged 5 to 17 who are from
 4 families below the poverty level as determined under section
 5 1005(c)(2)(A) of this Act in the public schools of the local
 6 educational agencies within the State.

7 “(3) The State educational agency shall renew pay-
 8 ments to local educational agencies under this subsection
 9 based upon the criteria set forth in paragraph (2) of this sub-
 10 section and a determination by the State educational agency
 11 that the local educational agency is implementing the pro-
 12 gram assisted under this title so that a substantial number of
 13 teachers in the public and private schools in the school dis-
 14 trict of such agency are served and several grade levels of
 15 instruction in such schools are involved in the program.

16 “(c) Not less than 5 per centum of the amount available
 17 under this section shall be used by the State educational
 18 agency—

19 “(1) demonstration and exemplary programs for
 20 teacher training and retraining and inservice upgrad-
 21 ing of teacher skills in the fields of mathematics, sci-
 22 ence, and computer learning,

23 “(2) demonstration and exemplary programs for
 24 instructional equipment and materials in such fields
 25 and necessary technical assistance,

1 “(3) demonstration and exemplary programs for
2 special projects for historically underrepresented and
3 underserved populations and for gifted and talented
4 students, and

5 “(4) the dissemination of information to all local
6 educational agencies within the State relating to the
7 exemplary programs in the fields of mathematics, sci-
8 ence, and computer learning.

9 In providing financial assistance for such demonstration and
10 exemplary programs, the State educational agency shall give
11 special consideration to special projects in mathematics, sci-
12 ence, and computer education to historically underrepresent-
13 ed and underserved populations of students, including fe-
14 males, minorities, handicapped individuals, individuals with
15 limited-English proficiency, and migrant students, and to
16 programs for gifted and talented students. The programs for
17 gifted and talented students may include assistance to magnet
18 schools for such students.

19 “(d) Not more than 5 per centum of the amount avail-
20 able under this section may be used by the State educational
21 agency—

22 “(1) to provide technical assistance to local educa-
23 tional agencies, institutions of higher education, and
24 nonprofit organizations, including museums, libraries,

1 *and educational television stations, in the conduct of*
 2 *programs specified under subsection (b); and*

3 *“(2) for the costs of administration and evaluation*
 4 *of the program assisted under this title.*

5 *“HIGHER EDUCATION PROGRAMS*

6 *“SEC. 207. (a) The amount apportioned under section*
 7 *205(b) from each State's allotment under this title shall be*
 8 *used by the State agency for higher education for education*
 9 *programs in accordance with the provisions of this section.*

10 *“(b)(1)(A) Not less than 95 per centum of the amount*
 11 *available for this section shall be used by the State agency for*
 12 *higher education for grants to institutions of higher education*
 13 *in accordance with the provisions of this subsection.*

14 *“(B) The State agency for higher education shall make*
 15 *funds available on a competitive basis to institutions of*
 16 *higher education in the State which apply for payments*
 17 *under this section and which demonstrate involvement of*
 18 *local educational agencies. The State agency for higher edu-*
 19 *cation shall make every effort to ensure equitable participa-*
 20 *tion of private and public institutions of higher education.*

21 *“(2) The amount available under this subsection shall*
 22 *be used for—*

23 *“(A) establishing traineeship programs for new*
 24 *teachers who will specialize in teaching mathematics*
 25 *and science at the secondary school level;*

1 “(B) retraining of secondary school teachers who
 2 specialize in disciplines other than the teaching of
 3 mathematics, science, or computer learning to special-
 4 ize in the teaching of mathematics, science, or computer
 5 learning, including the provision of stipends for par-
 6 ticipation in institutes authorized under title I; and

7 “(C) inservice training for elementary, secondary,
 8 and vocational school teachers and training for other
 9 appropriate school personnel to improve their teaching
 10 skills in the fields of mathematics, science, and com-
 11 puter learning, including stipends for participation in
 12 institutes authorized under title I.

13 Each institution of higher education receiving a grant under
 14 this subsection shall assure that programs of training, re-
 15 training, and inservice training will take into account the
 16 need for greater access to and participation in mathematics,
 17 science, and computer learning and careers of students from
 18 historically underrepresented and underserved groups, in-
 19 cluding females, minorities, individuals with limited-English
 20 proficiency, the handicapped, migrants, and the gifted and
 21 talented, and will insure cooperative agreements or coopera-
 22 tive arrangements with local educational agencies.

23 “(3) No institution of higher education may receive as-
 24 sistance under paragraphs (2) (B) and (C) of this subsection
 25 unless the institution enters into an agreement with a local

1 *educational agency, or consortium of such agencies, to pro-*
 2 *vide inservice training and retraining for the elementary and*
 3 *secondary school teachers in the public and private schools of*
 4 *the school district of each such agency.*

5 “(c) *The State agency for higher education may use*
 6 *funds described in subsection (b)(1)(A) for cooperative pro-*
 7 *grams among institutions of higher education, local educa-*
 8 *tional agencies, State educational agencies, private industry,*
 9 *and nonprofit organizations, including museums, libraries,*
 10 *educational television stations, and professional mathematics,*
 11 *science, and engineering societies and associations for the de-*
 12 *velopment and dissemination of projects designed to improve*
 13 *student understanding and performance in science, mathe-*
 14 *matics, and computer learning.*

15 “(d) *Not to exceed 5 per centum of the amount available*
 16 *under this section may be used by the State agency for higher*
 17 *education for—*

18 “(1) *the State assessment required by section 208*
 19 *of this title; and*

20 “(2) *the costs of administration and evaluation of*
 21 *the program assisted under this title incurred by the*
 22 *State higher education agency.*

23 “STATE APPLICATION

24 “SEC. 208. (a) *Each State which desires to receive*
 25 *grants under this title shall file an application with the Sec-*
 26 *retary at such time, in such manner, and containing or ac-*

1 *accompanied by such information as the Secretary may reason-*
2 *ably require.*

3 *"(b) Each such application shall—*

4 *"(1) designate the State educational agency for*
5 *the purpose of programs described in section 206, and*
6 *the State agency for higher education for programs de-*
7 *scribed in section 207 as the agency or agencies re-*
8 *sponsible for the administration and supervision of the*
9 *programs described in sections 206 and 207, as the*
10 *case may be;*

11 *"(2) describe the programs for which assistance is*
12 *sought under the application;*

13 *"(3) provide assurances that payments will be dis-*
14 *tributed by the State in accordance with the provisions*
15 *of sections 206 and 207, as the case may be;*

16 *"(4) provide procedures—*

17 *"(A) for submitting applications for pro-*
18 *grams described in sections 206 and 207 for dis-*
19 *tribution of payments under this title within the*
20 *State, and*

21 *"(B) for approval of applications by the ap-*
22 *propriate State agency, including appropriate pro-*
23 *cedures to assure that the appropriate State*
24 *agency will not disapprove an application without*
25 *notice and opportunity for a hearing;*

1 “(5) provide assurances that—

2 “(A) for programs described in section 206,
3 the provisions of sections 210 and 211 will be
4 carried out; and

5 “(B) to the extent feasible, evaluations of the
6 program assisted under this title will be per-
7 formed;

8 “(6) provide assurances that Federal funds made
9 available under this title for any fiscal year will be so
10 used as to supplement, and to the extent practicable, to
11 increase the level of funds that would, in the absence of
12 such Federal funds, be available from non-Federal
13 sources for the purposes described in sections 206 and
14 207, and in no case supplant such funds from non-
15 Federal sources; and

16 “(7) provide such fiscal control and accounting
17 procedures as may be necessary (A) to ensure proper
18 accounting of Federal funds paid to the applicant
19 under this title, and (B) to ensure the verification of
20 the programs assisted under the application.

21 “(c) The Secretary shall expeditiously approve any
22 State plan that meets the requirements of this section.

23 “LOCAL EDUCATIONAL AGENCY ASSESSMENT

24 “SEC. 209. (a) Each local educational agency which
25 desires to receive a payment from the State educational
26 agency pursuant to section 206 shall provide to the State

1 *educational agency an assessment of the local educational*
2 *agency's need for assistance in—*

3 “(1) *teacher training, retraining, and inservice*
4 *training and the training of appropriate school person-*
5 *nel in the areas of mathematics, science, and computer*
6 *learning, including a description of the availability*
7 *and qualifications of teachers in the areas of mathe-*
8 *matics, science, and computer learning, including the*
9 *qualifications of teachers at the elementary level to*
10 *teach in such areas;*

11 “(2) *improving instructional materials and equip-*
12 *ment related to mathematics and science education;*
13 *and*

14 “(3) *improving the access to instruction in mathe-*
15 *matics, science, and computer learning of historically*
16 *underserved and underrepresented individuals and of*
17 *the gifted and talented, and an assessment of the cur-*
18 *rent degree of access to such instruction of such indi-*
19 *viduals.*

20 “(b) *Such assessment shall also describe the types of*
21 *services to be provided pursuant to the program assisted*
22 *under section 206, a description of how the services assisted*
23 *will meet the program needs of the local educational agency,*
24 *and in the second year for which funds under this title are*

1 *made available, a description of how the services assisted will*
 2 *address unmet needs described under section 208.*

3 “(c) *If a local educational agency determines, pursuant*
 4 *to section 206(b)(1), that the agency has met its teacher*
 5 *training, retraining, and inservice training needs in mathe-*
 6 *matics and science and desires to expend all or a portion of*
 7 *its funds on other activities prescribed in section*
 8 *206(b)(1)(B), the local educational agency may request the*
 9 *State educational agency to waive such training require-*
 10 *ments. If the State educational agency determines that the*
 11 *local educational agency has met teacher training needs, the*
 12 *State educational agency shall grant the waiver.*

13 “PARTICIPATION OF CHILDREN AND TEACHERS FROM
 14 PRIVATE SCHOOLS

15 “SEC. 210. (a) *To the extent consistent with the*
 16 *number of children in the State or in the school district of*
 17 *each local educational agency who are enrolled in private*
 18 *nonprofit elementary and secondary schools, such State or*
 19 *agency shall, after consultation with appropriate private*
 20 *school representatives, make provision for including services*
 21 *and arrangements for the benefit of such children as will*
 22 *assure the equitable participation of such children in the pur-*
 23 *poses and benefits of this title.*

24 “(b) *To the extent consistent with the number of chil-*
 25 *dren in the State or in the school district of a local education-*
 26 *al agency who are enrolled in private nonprofit elementary*

1 *and secondary schools, such State, State educational agency,*
 2 *or State agency for higher education shall, after consultation*
 3 *with appropriate private school representatives, make provi-*
 4 *sion, for the benefit of such teachers in such schools, for such*
 5 *inservice and teacher training and retraining as will assure*
 6 *equitable participation of such teachers in the purposes and*
 7 *benefits of this title.*

8 “(c) *If by reason of any provision of law a State or*
 9 *local educational agency is prohibited from providing for the*
 10 *participation of children or teachers from private nonprofit*
 11 *schools as required by subsections (a) and (b), or if the Secre-*
 12 *tary determines that a State or local educational agency has*
 13 *substantially failed or is unwilling to provide for such par-*
 14 *ticipation on an equitable basis, the Secretary shall waive*
 15 *such requirements and shall arrange for the provision of serv-*
 16 *ices to such children or teachers which shall be subject to the*
 17 *requirements of this section. Such waivers shall be subject to*
 18 *consultation, withholding, notice, and judicial review re-*
 19 *quirements in accordance with sections 577(b) (3) and (4) of*
 20 *the Education Consolidation and Improvement Act of 1981.*

21 **“SECRETARY’S DISCRETIONARY FUND FOR PROGRAMS OF**
 22 **NATIONAL SIGNIFICANCE**

23 “SEC. 211. (a) *From the amount reserved by the Secre-*
 24 *tary under section 204(a)(2)(A), the Secretary is authorized*
 25 *to carry out directly, or through grants, cooperative agree-*

1 ments, or contracts, projects which are authorized by this sec-
2 tion.

3 “(b)(1) From amounts available under this section in
4 each fiscal year, the Secretary shall make grants to and enter
5 into cooperative agreements with State and local educational
6 agencies, institutions of higher education, and private non-
7 profit organizations, including museums, libraries, educa-
8 tional television stations, and professional science, mathemat-
9 ics, and engineering societies and associations for programs
10 of national significance in mathematics and science instruc-
11 tion, computer learning, and foreign language instruction in
12 critical languages. The Secretary shall give special consider-
13 ation to provide assistance to local educational agencies, or
14 consortia thereof, to establish or improve magnet schools for
15 gifted and talented students. In awarding of grants and coop-
16 erative agreements the Secretary shall give special consider-
17 ation to local educational agencies, institutions of higher edu-
18 cation, and private nonprofit organizations, including muse-
19 ums, libraries, educational television stations, and profes-
20 sional science, mathematics, and engineering societies and
21 associations providing special services to historically under-
22 served and underrepresented populations in the fields of
23 mathematics and science.

24 “(2) The Secretary, from the amount available under
25 paragraph (1) for each fiscal year, shall reserve not to exceed

1 \$3,000,000 in each such year for the Assistant Secretary of
 2 the Office of Educational Research and Improvement for the
 3 purpose of conducting evaluation and research activities.
 4 Such evaluation and research activities shall include—

5 “(A) a policy analysis of alternative methods to
 6 improve instruction in mathematics and science;

7 “(B) an annual evaluation of the programs assist-
 8 ed under this title; and

9 “(C) research on improving teacher training, re-
 10 training, inservice training, and retention, as well as
 11 the development of curriculum and materials in the
 12 fields of mathematics and science.

13 “PAYMENTS

14 “SEC. 212. (a) From the amounts appropriated under
 15 section 203(b), the Secretary shall pay, in accordance with
 16 the provisions of this title, the costs of the programs and ac-
 17 tivities described in the application approved under section
 18 209, and the costs of programs of national significance under
 19 section 212.

20 “(b) Payments under this title shall be made as soon
 21 after approval of the application as practical.”

22 **SEC. 6003. PARTNERSHIPS IN EDUCATION FOR MATHEMATICS,
 23 SCIENCE, AND ENGINEERING REAUTHORIZED.**

24 Section 304(b) of the Act is amended by striking out
 25 “1987, and 1988,” and inserting in lieu thereof the follow-
 26 ing: “1987, and \$20,000,000 for the fiscal year 1988 and

1 *such sums as may be necessary for each of the succeeding*
 2 *fiscal years ending prior to October 1, 1993,".*

3 **SEC. 6004. PRESIDENTIAL AWARD FOR FOREIGN LANGUAGE**
 4 **TEACHERS.**

5 (a) *GENERAL AUTHORITY.*—(1) *Section 401(a) of the*
 6 *Education for Economics Security Act is amended—*

7 (A) *by inserting "(1)" after the subsection desig-*
 8 *nation; and*

9 (B) *by adding at the end thereof the following*
 10 *new paragraph:*

11 *"(2) The President is authorized to make Presidential*
 12 *awards for teaching excellence in foreign languages to ele-*
 13 *mentary and secondary school teachers of foreign languages*
 14 *who have demonstrated outstanding teaching qualifications*
 15 *in the field of teaching foreign languages."*

16 (2) *Section 401(b) of such Act is amended by striking*
 17 *out "100 awards under subsection (a) of this section" and*
 18 *inserting in lieu thereof the following: "104 awards under*
 19 *paragraph (1) of subsection (a) of this section, and 104*
 20 *awards under paragraph (2) of subsection (a) of this sec-*
 21 *tion".*

22 (3) *Section 403(a) of such Act is amended—*

23 (A) *by inserting "(1)" after the subsection desig-*
 24 *nation; and*

1 (B) *by adding at the end thereof the following*
 2 *new paragraph:*

3 “(2) *There are authorized to be appropriated*
 4 *\$1,000,000 for each fiscal year to carry out the provisions of*
 5 *paragraph (2) of section 401(a).”.*

6 (b) *TECHNICAL AMENDMENT.—The heading of title IV*
 7 *of such Act is amended to read as follows:*

8 “*TITLE IV—PRESIDENTIAL AWARDS FOR*
 9 *TEACHING EXCELLENCE IN MATHEMAT-*
 10 *ICS AND SCIENCE AND IN FOREIGN LAN-*
 11 *GUAGES”.*

12 *SEC. 6005. STAR SCHOOLS PROGRAM AUTHORIZED.*

13 *The Education for Economic Security Act is amended*
 14 *by adding at the end thereof the following new title:*

15 “*TITLE IX—STAR SCHOOLS PROGRAM*

16 “*SHORT TITLE*

17 “*SEC. 901. This title may be cited as the ‘Star Schools*
 18 *Program Assistance Act’.*

19 “*STATEMENT OF PURPOSE*

20 “*SEC. 902. It is the purpose of this title to encourage*
 21 *improved instruction in mathematics, science, and foreign*
 22 *languages through a star schools program under which dem-*
 23 *onstration grants are made to eligible telecommunications*
 24 *partnerships to enable such eligible telecommunications part-*
 25 *nerships to develop, construct, and acquire telecommunica-*
 26 *tions audio and visual facilities and equipment, to develop*

1 *and acquire instructional programming, and obtain technical*
 2 *assistance for the use of such facilities and instructional*
 3 *programming.*

4

"PROGRAM AUTHORIZED

5

"SEC. 903. (a) GENERAL AUTHORITY.—The Secre-
 6 *tary is authorized, in accordance with the provisions of this*
 7 *title, to make grants to eligible telecommunications partner-*
 8 *ships to develop, construct, and acquire telecommunications*
 9 *facilities and equipment, to develop and acquire instructional*
 10 *programming, and for technical assistance.*

11

"(b) AUTHORIZATION OF APPROPRIATIONS.—(1)
 12 *There is authorized to be appropriated \$100,000,000 for the*
 13 *period beginning October 1, 1988, and ending September 30,*
 14 *1992.*

15

"(2) No appropriation in excess of \$60,000,000 may be
 16 *made in any fiscal year pursuant to paragraph (1) of this*
 17 *subsection.*

18

"(c) LIMITATIONS.—(1)(A) A demonstration grant
 19 *made to an eligible telecommunications partnership under*
 20 *this title may not exceed \$10,000,000.*

21

"(B) An eligible telecommunications partnership may
 22 *receive a grant for a second year under this title, but in no*
 23 *event may such a partnership receive more than*
 24 *\$20,000,000.*

1 “(2) Not less than 25 percent of the funds available in
2 any fiscal year under this Act shall be used for the cost of
3 instructional programming.

4 “(3) Not less than 50 percent of the funds available in
5 any fiscal year under this Act shall be used for the cost of
6 facilities, equipment, teacher training or retraining, technical
7 assistance, or programming, for local educational agencies
8 which are eligible to receive assistance under chapter 1 of
9 title I of this Act.

10 “**ELIGIBLE TELECOMMUNICATIONS PARTNERSHIPS**

11 “**SEC. 904. (a) GENERAL RULE.**—In order to be eligi-
12 ble for demonstration grants under this title, an eligible tele-
13 communications partnership shall consist of—

14 “(1) a public agency or corporation established for
15 the purpose of developing and operating telecommuni-
16 cations networks to enhance educational opportunities
17 provided by educational institutions, teacher training
18 centers, health institutions, and industry, except that
19 any such agency or corporation shall contain represen-
20 tation of the interests of elementary and secondary
21 schools which are eligible to participate in the program
22 under chapter 1 of title I of this Act; or

23 “(2) a partnership which includes three or more
24 of the following which will provide a telecommunica-
25 tions network:

“(A) a local educational agency, which has a significant number of elementary and secondary schools which are eligible for assistance under chapter 1 of title I of this Act or elementary and secondary schools operated for Indian children by the Department of the Interior eligible under section 1005(d) of this Act,

“(B) a State educational agency,

“(C) an institution of higher education,

“(D) a teacher training center, or

“(E)(i) a public agency with experience or expertise in the planning or operation of a telecommunications network,

“(ii) a private organization with such experience, or

“(iii) a public broadcasting entity with such experience.

18 “(b) *SPECIAL RULE.*—An eligible telecommunications
19 *partnership must be organized on a statewide or multistate*
20 *basis.*

"APPLICATIONS

22 “SEC. 905. (a) *APPLICATION REQUIRED.*—Each eli-
23 gible telecommunications partnership which desires to receive
24 a demonstration grant under this title may submit an appli-
25 cation to the Secretary, at such time, in such manner, and

1 containing or accompanied by such information as the Secre-
 2 tary may reasonably require.

3 “(b) *CONTENTS OF APPLICATION.*—Each such appli-
 4 cation shall—

5 “(1) *describe the telecommunications facilities and*
 6 *equipment and technical assistance for which assist-*
 7 *ance is sought which may include—*

8 “(A) *the design, development, construction,*
 9 *and acquisition of State or multistate educational*
 10 *telecommunications networks and technology re-*
 11 *source centers;*

12 “(B) *microwave, fiber optics, cable, and sat-*
 13 *ellite transmission equipment;*

14 “(C) *reception facilities;*

15 “(D) *satellite time;*

16 “(E) *production facilities;*

17 “(F) *other telecommunications equipment ca-*
 18 *pable of serving a wide geographic area;*

19 “(G) *the provision of training services to ele-*
 20 *mentary and secondary school teachers (particu-*
 21 *larly teachers in schools receiving assistance*
 22 *under chapter 1 of title I of this Act in using the*
 23 *facilities and equipment for which assistance is*
 24 *sought; and*

1 “(H) the development of educational pro-
2 gramming for use on a telecommunications net-
3 work;

4 “(2) describe, in the case of an application for as-
5 sistance for instructional programming, the types of
6 programming which will be developed to enhance in-
7 struction and training;

8 “(3) demonstrate that the eligible telecommunica-
9 tions partnership has engaged in sufficient survey and
10 analysis of the area to be served to ensure that the
11 services offered by the telecommunications partnership
12 will increase the availability of courses of instruction
13 in mathematics, science, and foreign languages;

14 “(4) describe the teacher training policies to be
15 implemented to ensure the effective use of the telecom-
16 munications facilities and equipment for which assist-
17 ance is sought;

18 “(5) provide assurances that the financial interest
19 of the United States in the telecommunications facili-
20 ties and equipment will be protected for the useful life
21 of such facilities and equipment;

22 “(6) provide assurances that a significant portion
23 of the facilities, equipment, technical assistance, and
24 programming for which assistance is sought will be
25 made available to elementary and secondary schools of

1 *local educational agencies which have a high percent-*
2 *age of children counted for the purpose of chapter 1 of*
3 *title I of this Act;*

4 *“(7) describe the manner in which traditionally*
5 *underserved students will participate in the benefits of*
6 *the telecommunications facilities, equipment, technical*
7 *assistance, and programming assisted under this Act;*
8 *and*

9 *“(8) provide such additional assurances as the*
10 *Secretary may reasonably require.*

11 *“(c) APPROVAL OF APPLICATION; PRIORITY.—The*
12 *Secretary shall, in approving applications under this title,*
13 *give priority to applications which demonstrate that—*

14 *“(1) a concentration and quality of mathematics,*
15 *science, and foreign language resources which, by their*
16 *distribution through the eligible telecommunications*
17 *partnership, will offer significant new educational op-*
18 *portunities to network participants, particularly to tra-*
19 *ditionally underserved populations and areas with*
20 *scarce resources and limited access to courses in math-*
21 *ematics, science, and foreign languages;*

22 *“(2) the eligible telecommunications partnership*
23 *has secured the direct cooperation and involvement of*
24 *public and private educational institutions, State and*

1 *local government, and industry in planning the net-*
2 *work;*

3 *"(3) the eligible telecommunications partnership*
4 *will serve the broadest range of institutions, including*
5 *public and private elementary and secondary schools*
6 *(particularly schools having significant numbers of*
7 *children counted for the purpose of chapter 1 of title I*
8 *of this Act, programs providing instruction outside of*
9 *the school setting, institutions of higher education,*
10 *teacher training centers, research institutes, and pri-*
11 *rate industry;*

12 *"(4) a significant number of educational institu-*
13 *tions have agreed to participate or will participate in*
14 *the use of the telecommunications system for which as-*
15 *sistance is sought;*

16 *"(5) the eligible telecommunications partnership*
17 *will have substantial academic and teaching capabili-*
18 *ties including the capability of training, retraining,*
19 *and inservice upgrading of teaching skills;*

20 *"(6) the eligible telecommunications partnership*
21 *will serve a multistate area; and*

22 *"(7) the eligible telecommunications partnership*
23 *will, in providing services with assistance sought under*
24 *this Act, meet the needs of groups of individuals tradi-*
25 *tionally excluded from careers in mathematics and sci-*

1 *ence because of discrimination, inaccessibility, or eco-*
2 *nomically disadvantaged backgrounds.*

3 “(d) *GEOGRAPHIC DISTRIBUTION.*—In approving ap-
4 *plications under this title, the Secretary shall assure an equi-*
5 *table geographic distribution of grants.*

6 "DISSEMINATION OF COURSES AND MATERIALS UNDER
7 THE STAR SCHOOLS PROGRAM

8 “SEC. 906. (a) *REPORT.*—Each eligible telecommuni-
9 *cations partnership awarded a grant under this Act shall*
10 *report to the Secretary a listing and description of available*
11 *courses of instruction and materials to be offered by educa-*
12 *tional institutions and teacher training centers which will be*
13 *transmitted over satellite, specifying the satellite on which*
14 *such transmission will occur and the time of such transmis-*
15 *sion.*

16 “(b) *DISSEMINATION OF COURSES OF INSTRU-*
17 *CTION.—The Secretary shall compile and prepare for dissemi-*
18 *nation a listing and description of available courses of in-*
19 *struction and materials to be offered by educational institu-*
20 *tions and teacher training centers equipped with satellite*
21 *transmission capabilities, as reported to the Secretary under*
22 *subsection (a) of this section.*

23 “(c) *DISSEMINATION TO STATE EDUCATIONAL*
24 *AGENCIES.—The Secretary shall distribute the list required*
25 *by subsection (b) of this section to all State educational agen-*
26 *cies.*

1 "EVALUATION

2 "SEC. 907. (a) *EVALUATION.*—*The Office of Technol-*
 3 *ogy Assessment may, upon request, beginning after Septem-*
 4 *ber 30, 1987, conduct a thorough evaluation of the use of the*
 5 *telecommunications systems supported by grants made under*
 6 *this title.*

7 "(b) *REPORTS.*—*The Office of Technology Assessment*
 8 *shall, after a request made under subsection (a), prepare and*
 9 *submit a report to the Congress, on the evaluation authorized*
 10 *by this subsection.*

11 "STUDY OF FEASIBILITY OF AN EDUCATIONAL SATELLITE

12 "SEC. 908. (a) *EVALUATION.*—*The Office of Technol-*
 13 *ogy Assessment may, upon request, conduct a study and eval-*
 14 *uation of the cost of designing, building, and launching a*
 15 *satellite for educational purposes, together with an analysis*
 16 *of—*

17 "(1) *the demand for the use of a satellite for edu-*
 18 *cational purposes; and*

19 "(2) *the ability of users of such a system to repay*
 20 *the cost of such a satellite.*

21 "(b) *NOTIFICATION.*—*If the Office of Technology As-*
 22 *essment finds, after a study and evaluation conducted under*
 23 *subsection (a), that the cost entailed in designing, building,*
 24 *and launching such a satellite could be repaid within 10*
 25 *years by the potential users of such a satellite, the Office of*

1 *Technology Assessment shall notify the Congress of its find-*
2 *ings.*

3 "DEFINITIONS

4 "SEC. 909. *As used in this title—*

5 " (1) *the term 'educational institution' means an*
6 *institution of higher education, a local educational*
7 *agency, and a State educational agency;*

8 " (2) *the term 'institution of higher education' has*
9 *the same meaning given that term under section*
10 *1201(a) of the Higher Education Act of 1965;*

11 " (3) *the term 'local educational agency' has the*
12 *same meaning given that term under section 1471(10)*
13 *of this Act;*

14 " (4) *the term 'instructional programming' means*
15 *courses of instruction, and training courses, and mate-*
16 *rials for use in such instruction and training which*
17 *have been prepared in audio and visual form on tape,*
18 *disc, film, or live, and presented by means of telecom-*
19 *munications devices;*

20 " (5) *the term 'public broadcasting entity' has the*
21 *same meaning given that term in section 397 of the*
22 *Communications Act of 1934;*

23 " (6) *the term 'Secretary' means the Secretary of*
24 *Education;*

1 “(7) the term ‘State educational agency’ has the
2 same meaning given that term under section 1471(16)
3 of this Act; and

4 “(8) the term ‘State’ means each of the several
5 States, the District of Columbia, the Commonwealth of
6 Puerto Rico, Guam, American Samoa, the Virgin Is-
7 lands, the Trust Territory of the Pacific Islands, and
8 the Commonwealth of the Northern Mariana Islands.”.

9 **SEC. 6006. REPEAL.**

10 Title VI of the Education for Economic Security Act is
11 repealed.

12 **PART B—FOREIGN LANGUAGE ASSISTANCE**

13 **SEC. 6501. SHORT TITLE.**

14 This part may be cited as the “Foreign Language As-
15 sistance Act of 1987”.

16 **SEC. 6502. FINDINGS.**

17 The Congress finds that the economic and security in-
18 terests of this Nation require significant improvement in the
19 quantity and quality of foreign language instruction offered
20 in the Nation’s elementary and secondary schools, and Fed-
21 eral funds should be made available to assist the purpose of
22 this part.

23 **SEC. 6503. PROGRAM AUTHORIZED.**

24 (a) **GENERAL AUTHORITY.**—The Secretary shall make
25 grants to State educational agencies whose applications are

1 *approved under subsection (b) to pay the Federal share of the*
 2 *cost of model programs, designed and operated by local edu-*
 3 *cational agencies, providing for the commencement or im-*
 4 *provement and expansion of foreign language study for*
 5 *students.*

6 **(b) APPLICATION.**—*Any State educational agency de-*
 7 *siring to receive a grant under this port shall submit an ap-*
 8 *plication therefor to the Secretary at such time, in such form,*
 9 *and containing such information and assurances as the Sec-*
 10 *retary may require. No application may be approved by the*
 11 *Secretary unless the application—*

12 **(1)** *contains a description of model programs*
 13 *which—*

14 **(A)** *are designed by local educational agen-*
 15 *cies and are available without regard to whether*
 16 *students attend the schools operated by such*
 17 *agency,*

18 **(B)** *represents a variety of alternative and*
 19 *innovative approaches to foreign language instruc-*
 20 *tion, and*

21 **(C)** *are selected on a competitive basis by the*
 22 *State educational agency;*

23 **(2)** *provides assurances that all children aged 5*
 24 *through 17 who reside within the school district of the*
 25 *local educational agency shall be eligible to participate*

1 *in any model program funded under this section (with-*
 2 *out regard to whether such children attend schools oper-*
 3 *ated by such agency);*

4 *(3) provides assurances that the State will pay*
 5 *the non-Federal share of the activities for which assist-*
 6 *ance is sought from non-Federal sources; and*

7 *(4) provides that the local educational agency will*
 8 *provide standard evaluations of the proficiency of par-*
 9 *ticipants at appropriate intervals in the program which*
 10 *are reliable and valid, and provide such evaluations to*
 11 *the State educational agency.*

12 *(c) FEDERAL SHARE.—(1) The Federal share for each*
 13 *fiscal year shall be 50 percent.*

14 *(2) The Secretary may waive the requirement of para-*
 15 *graph (1) for any local educational agency which the Secre-*
 16 *tary determines does not have adequate resources to pay the*
 17 *non-Federal share of the cost of the project.*

18 *(d) PARTICIPATION OF PRIVATE SCHOOLS.—(1) To*
 19 *the extent consistent with the number of children in the State*
 20 *or in the school district of each local educational agency who*
 21 *are enrolled in private elementary and secondary schools,*
 22 *such State or agency shall, after consultation with appropri-*
 23 *ate private school representatives, make provision for includ-*
 24 *ing special educational services and arrangements (such as*
 25 *dual enrollment, educational radio and television, and mobile*

1 educational services and equipment) in which such children
 2 can participate and which meet the requirements of this sec-
 3 tion. Expenditures for educational services and arrangements
 4 pursuant to this subsection for children in private schools
 5 shall be equal (taking into account the number of children to
 6 be served and the needs of such children) to expenditures for
 7 children enrolled in the public schools of the State or local
 8 educational agency.

9 (2) If by reason of any provision of law a State or local
 10 educational agency is prohibited from providing for the par-
 11 ticipation of children from private schools as required by
 12 paragraph (1), or if the Secretary determines that a State or
 13 local educational agency has substantially failed or is unwill-
 14 ing to provide for such participation on an equitable basis,
 15 the Secretary shall waive such requirements and shall ar-
 16 range for the provision of services to such children which
 17 shall be subject to the requirements of this subsection. Such
 18 waivers shall be subject to consultation, withholding, notice,
 19 and judicial review requirements in accordance with section
 20 557(b) (3) and (4) of the Education Consolidation and Im-
 21 provement Act of 1981.

22 **SEC. 6504. ALLOTMENT.**

23 (a) **GENERAL RULE.**—(1) From the sums appropriated
 24 to carry out this part in any fiscal year, the Secretary shall
 25 reserve 1 percent for payments to Guam, American Samoa,

1 *the Virgin Islands, the Trust Territory of the Pacific Is-*
 2 *lands, and the Commonwealth of the Northern Mariana Is-*
 3 *lands, to be allotted in accordance with their respective needs.*

4 (2) *From the remainder of such sums the Secretary*
 5 *shall allot to each State an amount which bears the same*
 6 *ratio to the amount of such remainder as the school age popu-*
 7 *lation of the State bears to the school age population of all*
 8 *States, except that no State shall receive less than an amount*
 9 *equal to one-half of 1 percent of such remainder.*

10 (b) *AVAILABILITY OF FUNDS.—The allotment of a*
 11 *State under subsection (a) shall be made available to the*
 12 *State for 2 additional years after the first fiscal year during*
 13 *which the State receives its allotment under this section if the*
 14 *Secretary determines that the funds made available to the*
 15 *State during the first such year were used in the manner*
 16 *required under the State's approved application.*

17 **SEC. 6505. DEFINITIONS.**

18 (a) *GENERAL RULE.—For the purpose of this part, the*
 19 *term "foreign language instruction" means instruction in*
 20 *critical foreign languages as defined by the Secretary.*

21 (b) *SPECIAL RULE.—For the purpose of section*
 22 *6504—*

23 (1) *the term "school age population" means the*
 24 *population aged 5 through 17; and*

1 (2) the term "States" includes the 50 States, the
2 District of Columbia, and the Commonwealth of
3 Puerto Rico.

4 **SEC. 6506. AUTHORIZATION OF APPROPRIATIONS.**

5 There are authorized to be appropriated \$21,000,000 for
6 the fiscal year 1989, \$22,000,000 for the fiscal year 1990,
7 \$23,000,000 for the fiscal year 1991, \$24,000,000 for the
8 fiscal year 1992, and \$25,000,000 for the fiscal year 1993 to
9 carry out this part.

10 **TITLE VII—BILINGUAL EDUCATION**
11 **PROGRAMS**

12 **SEC. 7001. SHORT TITLE.**

13 This title may be cited as the "Bilingual Education
14 Act."

15 **SEC. 7002. POLICY; APPROPRIATIONS.**

16 (a) **POLICY.**—Policy recognizing—

17 (1) that there are large and growing numbers of
18 children of limited English proficiency;

19 (2) that many of such children have a cultural
20 heritage which differs from that of English proficient
21 persons;

22 (3) that the Federal Government has a special
23 and continuing obligation to assist in providing equal
24 educational opportunity to limited English proficient
25 children;

1 (4) that, regardless of the method of instruction,
2 programs which serve limited English proficient stu-
3 dents have the equally important goals of developing
4 academic achievement and English proficiency;

5 (5) that the Federal Government has a special
6 and continuing obligation to assist language minority
7 students to acquire the English language proficiency
8 that will enable them to become full and productive
9 members of society;

10 (6) that a primary means by which a child learns
11 is through the use of such child's native language and
12 cultural heritage;

13 (7) that, therefore, large numbers of children of
14 limited English proficiency have educational needs
15 which can be met by the use of bilingual educational
16 methods and techniques;

17 (8) that in some school districts establishment of
18 bilingual education programs may be administratively
19 impractical due to the presence of small numbers of
20 students of a particular native language or because
21 personnel who are qualified to provide bilingual in-
22 structional services are unavailable;

23 (9) that States and local school districts should be
24 encouraged to determine appropriate curricula for lim-
25 ited English proficient students within their jurisdic-

1 *tions and to develop and implement appropriate in-*
2 *structional programs;*

3 *(10) that children of limited English proficiency*
4 *have a high dropout rate and low median years of*
5 *education;*

6 *(11) that the segregation of many groups of*
7 *limited English proficient students remains a serious*
8 *problem;*

9 *(12) that both limited English proficient children*
10 *and children whose primary language is English can*
11 *benefit from bilingual education programs, and that*
12 *such programs help develop our national linguistic*
13 *resources;*

14 *(13) that research, evaluation, and data collection*
15 *capabilities in the field of bilingual education need to*
16 *be strengthened so as to better identify and promote*
17 *those programs and instructional practices which result*
18 *in effective education;*

19 *(14) that parent and community participation in*
20 *bilingual education programs contributes to program*
21 *effectiveness; and*

22 *(15) that because of limited English proficiency,*
23 *many adults are not able to participate fully in nation-*
24 *al life, and that limited English proficient parents are*

1 often not able to participate effectively in their chil-
2 dren's education,
3 the Congress declares it to be the policy of the United States,
4 in order to establish equal educational opportunity for all
5 children and to promote educational excellence (A) to encour-
6 age the establishment and operation, where appropriate, of
7 educational programs using bilingual educational practices,
8 techniques, and methods, (B) to encourage the establishment
9 of special alternative instructional programs for students of
10 limited English proficiency in school districts where the es-
11 tablishment of bilingual education programs is not practica-
12 ble or for other appropriate reasons, and (C) for those pur-
13 poses, to provide financial assistance to local educational
14 agencies, and, for certain related purposes, to State educa-
15 tional agencies, institutions of higher education, and commu-
16 nity organizations. The programs assisted under this title in-
17 clude programs in elementary and secondary schools as well
18 as related preschool and adult programs which are designed
19 to meet the educational needs of individuals of limited Eng-
20 lish proficiency, with particular attention to children having
21 the greatest need for such programs. Such programs shall be
22 designed to enable students to achieve full competence in
23 English. Such programs may additionally provide for the de-
24 velopment of student competence in a second language.

1 **(b) AUTHORIZATION.**—(1) *For the purpose of carrying*
 2 *out the provisions of this title, there are authorized to be ap-*
 3 *propriated, subject to paragraph (7) \$168,000,000 for the*
 4 *fiscal year 1989, \$176,500,000 for the fiscal year 1990,*
 5 *\$185,300,000 for the fiscal year 1991, \$194,500,000 for the*
 6 *fiscal year 1992, and \$200,400,000 for the fiscal year 1993.*

7 (2) *There are further authorized to be appropriated to*
 8 *carry out the provisions of section 7032, such sums as may*
 9 *be necessary for fiscal year 1989 and each of the 4 succeed-*
 10 *ing fiscal years, subject to paragraph (7).*

11 (3) *From the sums appropriated under paragraph (1)*
 12 *for part A for any fiscal year, the Secretary may reserve not*
 13 *to exceed 25 percent for special alternative instructional pro-*
 14 *grams and related activities authorized under section*
 15 *7021(a)(3) and may include programs under section 7021(a)*
 16 *(2), (4), (5), and (6).*

17 (4) *From the sums appropriated under paragraph (1)*
 18 *for any fiscal year, the Secretary shall reserve at least 60*
 19 *percent for the programs carried out under part A of this Act;*
 20 *and of this amount, at least 75 percent shall be reserved for*
 21 *the programs of transitional bilingual education carried out*
 22 *under section 7021(a)(1), and may include programs under*
 23 *section 7021(a) (2), (4), (5), and (6).*

1 (5) *From the sums appropriated under paragraph (1)*
 2 *for any fiscal year, the Secretary shall reserve at least 25*
 3 *percent for training activities carried out under part C.*

4 (6) *Notwithstanding paragraphs (1) and (2), no amount*
 5 *in excess of \$176,000,000 is authorized to be appropriated to*
 6 *carry out the provisions of this title (including section 7032)*
 7 *for fiscal year 1989.*

8 (7) *The reservation required by paragraph (3) shall not*
 9 *result in changing the terms, conditions, and negotiated levels*
 10 *of any grant awarded in fiscal year 1987 to which section*
 11 *7021(d)(1)(A), 7021(d)(1)(C), 7021(d)(2), or 7021(d)(3) ap-*
 12 *plies.*

13 **SEC. 7003. DEFINITIONS; REGULATIONS.**

14 (a) **GENERAL RULE.**—*The following definitions shall*
 15 *apply to the terms used in this title:*

16 (1) *The terms “limited English proficiency” and*
 17 *“limited English proficient” when used with reference*
 18 *to individuals means—*

19 (A) *individuals who were not born in the*
 20 *United States or whose native language is a lan-*
 21 *guage other than English;*

22 (B) *individuals who come from environments*
 23 *where a language other than English is dominant,*
 24 *as further defined by the Secretary by regulation;*
 25 *and*

1 (C) individuals who are American Indian
2 and Alaskan Natives and who come from environ-
3 ments where a language other than English has
4 had a significant impact on their level of English
5 language proficiency, subject to such regulations
6 as the Secretary determines to be necessary;
7 and who, by reason thereof, have sufficient difficulty
8 speaking, reading, writing, or understanding the Eng-
9 lish language to deny such individuals the opportunity
10 to learn successfully in classrooms where the language
11 of instruction is English or to participate fully in our
12 society.

13 (2) The term "native language", when used with
14 reference to an individual of limited English proficien-
15 cy, means the language normally used by such individ-
16 uals, or in the case of a child, the language normally
17 used by the parents of the child.

18 (3) The term "low-income" when used with re-
19 spect to a family means an annual income for such a
20 family which does not exceed the poverty level deter-
21 mined pursuant to section 1005(c)(2)(A) of this Act.

22 (4)(A) The term "program of transitional bilin-
23 gual education" means a program of instruction, de-
24 signed for children of limited English proficiency in el-
25 ementary or secondary schools, which provides, with

1 *respect to the years of study to which such program is*
 2 *applicable, structured English language instruction,*
 3 *and, to the extent necessary to allow a child to achieve*
 4 *competence in the English language, instruction in the*
 5 *child's native language. Such instruction shall incorpo-*
 6 *rate the cultural heritage of such children and of other*
 7 *children in American society. Such instruction shall,*
 8 *to the extent necessary, be in all courses or subjects of*
 9 *study which will allow a child to meet grade-promotion*
 10 *and graduation standards.*

11 *(B) In order to prevent the segregation of children*
 12 *on the basis of national origin in programs of transi-*
 13 *tional bilingual education, and in order to broaden the*
 14 *understanding of children about languages and cultural*
 15 *heritages other than their own, a program of transition-*
 16 *al bilingual education may include the participation of*
 17 *children whose language is English, but in no event*
 18 *shall the percentage of such children exceed 40 percent.*
 19 *The program may provide for centralization of teacher*
 20 *training and curriculum development, but it shall serve*
 21 *such children in the schools which they normally*
 22 *attend.*

23 *(C) In such courses or subjects of study as art,*
 24 *music, and physical education, a program of transi-*
 25 *tional bilingual education shall make provision for the*

1 *participation of children of limited English proficiency*
2 *in regular classes.*

3 *(D) Children enrolled in a program of transition-*
4 *al bilingual education shall, if graded classes are used,*
5 *be placed, to the extent practicable, in classes with chil-*
6 *dren of approximately the same age and level of educa-*
7 *tional attainment. If children of significantly varying*
8 *ages or levels of educational attainment are placed in*
9 *the same class, the program of transitional bilingual*
10 *education shall seek to insure that each child is pro-*
11 *vided with instruction which is appropriate for his or*
12 *her level of educational attainment.*

13 *(5)(A) The term "program of developmental bilin-*
14 *gual education" means a full-time program of instruc-*
15 *tion in elementary and secondary schools which pro-*
16 *vides, with respect to the years of study to which such*
17 *program is applicable, structured English language in-*
18 *struction and instruction in a second language. Such*
19 *programs shall be designed to help children achieve*
20 *competence in English and a second language, while*
21 *mastering subject matter skills. Such instruction shall,*
22 *to the extent necessary, be in all courses or subjects of*
23 *study which will allow a child to meet grade-promotion*
24 *and graduation standards.*

1 (B) *Where possible, classes in programs of devel-*
2 *opmental bilingual education shall be comprised of ap-*
3 *proximately equal numbers of students whose native*
4 *language is English and limited English proficient*
5 *students whose native language is the second language*
6 *of instruction and study in the program.*

7 (6) *The term "special alternative instructional*
8 *programs" means programs of instruction designed for*
9 *children of limited English proficiency in elementary*
10 *and secondary schools. Such programs are not transi-*
11 *tional or developmental bilingual education programs,*
12 *but have specially designed curricula and are appropri-*
13 *ate for the particular linguistic and instructional needs*
14 *of the children enrolled. Such programs shall provide,*
15 *with respect to the years of study to which such pro-*
16 *gram is applicable, structured English language in-*
17 *struction and special instructional services which will*
18 *allow a child to achieve competence in the English lan-*
19 *guage and to meet grade-promotion and graduation*
20 *standards.*

21 (7) *The term "family English literacy program"*
22 *means a program of instruction designed to help limit-*
23 *ed English proficient adults and out-of-school youth*
24 *achieve competence in the English language. Such pro-*
25 *grams of instruction may be conducted exclusively in*

1 *English or in English and the student's native lan-*
2 *guage. Where appropriate, such programs may include*
3 *instruction on how parents and family members can*
4 *facilitate the educational achievement of limited Eng-*
5 *lish proficient children. To the extent feasible, prefer-*
6 *ence for participation in such programs shall be ac-*
7 *corded to the parents and immediate family members of*
8 *children enrolled in programs assisted under this title.*

9 (8) *The term "programs of academic excellence"*
10 *means programs of transitional bilingual education, de-*
11 *velopmental bilingual education, or special alternative*
12 *instruction which have an established record of provid-*
13 *ing effective, academically excellent instruction and*
14 *which are designed to serve as models of exemplary bi-*
15 *lingual education programs and to facilitate the dis-*
16 *semination of effective bilingual educational practices.*

17 (9) *The term "Office" means the Office of Bilin-*
18 *gual Education and Minority Languages Affairs.*

19 (10) *The term "Director" means the Director of*
20 *the Office of Bilingual Education and Minority Lan-*
21 *guages Affairs.*

22 (11) *The term "Secretary" means the Secretary*
23 *of Education.*

24 (12) *The term "other programs for persons of lim-*
25 *ited English proficiency" when used in this title*

1 *means any programs within the Department of Educa-*
2 *tion directly involving bilingual education activities*
3 *serving persons of limited English proficiency, such as*
4 *the programs carried out in coordination with the pro-*
5 *visions of this title pursuant to part E of title IV of*
6 *the Carl D. Perkins Vocational Education Act, and*
7 *section 306(b)(11) of the Adult Education Act, and*
8 *programs and projects serving individuals of limited*
9 *English proficiency pursuant to section 6(b)(4) of the*
10 *Library Services and Construction Act.*

11 *(b) REGULATION REQUIREMENT.—(1) In prescribing*
12 *regulations under this title, the Secretary shall consult with*
13 *State and local educational agencies, organizations represent-*
14 *ing persons of limited English proficiency, and organizations*
15 *representing teachers and other personnel involved in bilin-*
16 *gual education.*

17 *(2) The Secretary shall not prescribe under this title*
18 *any regulations further defining the terms defined in para-*
19 *graphs (4), (5), (6), (7), and (8) of subsection (a), or any*
20 *regulations restricting or expanding the definitions contained*
21 *in such paragraphs.*

22 *(c) SPECIAL INFORMATION RULE.—Parents of chil-*
23 *dren participating in programs assisted under this title shall*
24 *be informed of the instructional goals of the program and the*
25 *progress of their children in such program. To the extent*

1 *practicable, the information provided to parents pursuant to*
 2 *this subsection shall be in a language and form the parents*
 3 *understand.*

4 **PART A—FINANCIAL ASSISTANCE FOR BILINGUAL**
 5 **EDUCATION PROGRAMS**

6 **SEC. 7021. BILINGUAL EDUCATION PROGRAMS.**

7 (a) *USE OF FUNDS.—Funds available for grants under*
 8 *this part shall be used for the establishment, operation, and*
 9 *improvement of—*

10 (1) *programs of transitional bilingual education;*

11 (2) *programs of developmental bilingual educa-*
 12 *tion;*

13 (3) *special alternative instructional programs for*
 14 *students of limited English proficiency;*

15 (4) *programs of academic excellence;*

16 (5) *family English literacy programs;*

17 (6) *bilingual preschool, special education, and*
 18 *gifted and talented programs preparatory or supple-*
 19 *mentary to programs such as those assisted under this*
 20 *Act; and*

21 (7) *programs to develop instructional materials in*
 22 *languages for which such materials are commercially*
 23 *unavailable.*

24 (b) *APPLICATION REQUIRED.—(1) A grant may be*
 25 *made under subsection (a) (1), (2), (3), or (4) of this section*

1 *only upon application therefore by one or more local educa-*
 2 *tional agencies or by institutions of higher education, includ-*
 3 *ing junior or community colleges, applying jointly with one*
 4 *or more local educational agencies.*

5 (2) *A grant may be made under subsection (a) (5) or (6)*
 6 *only upon application therefore by one or more local educa-*
 7 *tional agencies; institutions of higher education, including*
 8 *junior or community colleges; and private nonprofit organiza-*
 9 *tions, applying separately or jointly.*

10 (c) *MANNER OF FILING AND CONTENTS OF APPLICA-*
 11 *TION.—(1) Any application for a grant authorized under*
 12 *subsection (a) of this section shall be made to the Secretary*
 13 *at such time, and in such manner, as the Secretary deems*
 14 *appropriate.*

15 (2) *Applications for grants authorized under subsections*
 16 *(a)(1), (a)(2), and (a)(3) of this section, shall contain infor-*
 17 *mation regarding—*

18 (A) *the number of children enrolled in programs*
 19 *conducted by the local educational agency;*

20 (B) *the number of children residing in the area*
 21 *served by the local educational agency who are enrolled*
 22 *in private schools;*

23 (C)(i) *the number of children enrolled in public*
 24 *and private schools in the area served by the local edu-*
 25 *cational agency who are limited in their English profi-*

1 *ciency; (ii) the method used by the applicant to make*
2 *this determination; and (iii) evidence of the educational*
3 *condition of the limited English proficient students,*
4 *such as reading, mathematics, and subject matter test*
5 *scores, and, where available, data on grade retention*
6 *rates, rates of referral to or placement in special educa-*
7 *tion programs, and student dropout rates;*

8 *(D) the number of limited English proficient chil-*
9 *dren who are enrolled in instructional programs specif-*
10 *ically designed to meet their educational needs, as well*
11 *as descriptions of such programs;*

12 *(E) the number of limited English proficient chil-*
13 *dren enrolled in public or private schools in the area*
14 *served by the local educational agency who need or*
15 *could benefit from education programs such as those*
16 *assisted under this title;*

17 *(F) the number of children who are to receive in-*
18 *struction through the proposed program and the extent*
19 *of their educational needs;*

20 *(G) a statement of the applicant's ability to serve*
21 *children of limited English proficiency, including an*
22 *assessment of the qualifications of personnel who will*
23 *participate in the proposed project and of the need for*
24 *further training of such personnel;*

1 (H) the resources needed to develop and operate or
2 improve the proposed program;

3 (I) the activities which would be undertaken
4 under the grant and how these activities will improve
5 the educational attainment of students and expand the
6 capacity of the applicant to operate programs such as
7 those assisted under this Act when Federal assistance
8 under this section is no longer available; and

9 (J) the specific educational goals of the proposed
10 program and how achievement of these goals will be
11 measured.

12 (3) An application for a grant under subsection (a)(3) of
13 this section shall receive priority if the application is made
14 on behalf of (A) a local educational agency having schools in
15 which many languages are represented; (B) a local educa-
16 tional agency that does not have personnel qualified to pro-
17 vide bilingual instructional services; or (C) a local education-
18 al agency having a small number of students in the schools of
19 such agency that because of isolation or regional location is
20 unable to obtain a native language teacher.

21 (4) Applications for grants authorized under subsection
22 (a)(4) shall contain information regarding—

23 (A) the number of children served by the existing
24 bilingual education program and evidence of their edu-
25 cational condition prior to enrollment in the program;

1 (B) a description of the existing program as well
 2 as the educational background and linguistic competen-
 3 cies of program personnel;

4 (C) the extent to which the program has promoted
 5 student academic achievement as indicated by objective
 6 evidence, such as improvements in language, mathe-
 7 matics, and subject matter test scores; grade retention
 8 rates; rates of referral to or placement in special educa-
 9 tion programs; student dropout rates; and, where ap-
 10 propriate, postsecondary education and employment ex-
 11 periences of students;

12 (D) the extent of parent involvement in and satis-
 13 faction with the existing bilingual education program;
 14 and

15 (E) how the activities carried out under the grant
 16 would utilize and promote programs of academic excel-
 17 lence which employ bilingual educational practices,
 18 techniques, and methods.

19 (5) Applications for grants authorized under subsection
 20 (a)(5) shall contain information regarding—

21 (A) the number of limited English proficient par-
 22 ents and out-of-school family members of limited Eng-
 23 lish proficient students who would be served by the
 24 English literacy program;

1 (B) the activities which would be undertaken
 2 under the grant and how these activities will promote
 3 English literacy and enable parents and family mem-
 4 bers to assist in the education of limited English profi-
 5 cient children;

6 (C) the extent to which the persons to be served by
 7 the program have been involved in its development;

8 (D) applicant's prior experience and performance
 9 in providing educational programs to limited English
 10 proficient adults and out-of-school youth;

11 (E) with respect to applications by a local educa-
 12 tional agency, the extent to which limited English pro-
 13 ficient students enrolled in the educational agency are
 14 served by programs specifically designed to meet their
 15 needs; and

16 (F) with respect to other applicants, a description
 17 of how the applicant will coordinate its program with a
 18 local education agency to ensure that the program will
 19 help limited English proficient family members pro-
 20 mote the academic progress of limited English profi-
 21 cient children.

22 (d) DURATION OF GRANTS.—(1)(A) Grants made pur-
 23 suant to subsections (a)(1), (a)(2), and (a)(3) of this section
 24 shall be for 3 years.

1 *(B) During the first 6 months of grants made pursuant*
 2 *to subsections (a)(1), (a)(2), and (a)(3) of this section, an*
 3 *applicant shall engage exclusively in preservice activities.*
 4 *Such activities may include program design, materials devel-*
 5 *opment where such materials are commercially unavailable,*
 6 *staff recruitment and training, development of evaluation*
 7 *mechanisms and procedures, and the operation of programs to*
 8 *involve parents in the educational program and to enable par-*
 9 *ents and family members to assist in the education of limited*
 10 *English proficient children. This subparagraph may be*
 11 *waived by the Secretary upon a determination that an appli-*
 12 *cant is prepared to operate successfully the proposed instruc-*
 13 *tional program.*

14 *(C) Upon reapplication, grants authorized under sub-*
 15 *sections (a)(1), (a)(2), and (a)(3) of this section shall be re-*
 16 *newed for 2 additional years unless the Secretary determines*
 17 *that—*

18 *(i) the applicant's program does not comply with*
 19 *the requirements set out in this title;*

20 *(ii) the applicant's program has not made sub-*
 21 *stantial progress in achieving the specific educational*
 22 *goals set out in the original application; or*

23 *(iii) there is no longer a need for the applicant's*
 24 *program.*

1 (D) Parents or legal guardians of students identified for
2 enrollment in bilingual education programs shall be informed
3 of (i) the reasons for the selection of their child as in need of
4 bilingual education, (ii) the alternative educational programs
5 that are available, and (iii) the nature of the bilingual educa-
6 tion program and of the instructional alternatives. Parents
7 shall also be informed that they have the option of declining
8 enrollment of their children in such programs and shall be
9 given an opportunity to do so if they so choose. To the extent
10 practicable, the information provided to parents pursuant to
11 this subsection shall be in a language and form the parents
12 understand.

13 (2) Grants made pursuant to subsections (a)(4) and
14 (a)(5) shall be for 3 years.

15 (3) Grants made pursuant to subsections (a)(6) and
16 (a)(7) shall be for a period of 1 to 3 years.

17 (4)(A) No student may be enrolled in a bilingual pro-
18 gram for which a grant is made under subsection (a)(1) or
19 (a)(3) of this section for a period of more than 3 years,
20 except, where only Federal funds are available for bilingual
21 education, and the school in which the student is enrolled—

22 (i) conducts a comprehensive evaluation of the
23 overall academic progress of the student, and

24 (ii) the results of the evaluation indicate that fail-
25 ure to master English is impeding the academic

1 *progress of the student in meeting grade promotion and*
 2 *graduation standards, and in the case of a handicapped*
 3 *child attainment of the objective in the child's individ-*
 4 *ualized education program.*

5 *Any student with respect to whom the requirements of this*
 6 *paragraph are met, may remain in the program for a fourth*
 7 *year, except as provided in division (ii) of subparagraph (B).*

8 *(B)(i) The evaluation required by paragraph (A) shall*
 9 *involve teachers and school personnel familiar with the stu-*
 10 *dents' overall academic progress. The results of such an eval-*
 11 *uation shall be made available to the parents of the student.*

12 *(ii) An evaluation shall be carried out at the end of the*
 13 *fourth year the student is in the bilingual program described*
 14 *in subparagraph (A) if the student is to continue in the bilin-*
 15 *gual education program for a fifth year and shall be conduct-*
 16 *ed in accordance with division (i) of this subparagraph.*

17 *(iii) Each evaluation shall indicate how the students'*
 18 *failure to master English will be addressed during the period*
 19 *a student is retained in a bilingual education program. The*
 20 *students' academic program during that period shall empha-*
 21 *size mastery of English.*

22 *(C) No student shall remain in a bilingual education*
 23 *program described in subparagraph (A) for more than 5*
 24 *years.*

1 (D) *In carrying out this title, each local educational*
 2 *agency, institution of higher education, and private nonprofit*
 3 *organization having an application approved under this sec-*
 4 *tion may intensify instruction for limited English proficient*
 5 *students throughout the program by—*

6 (i) *expanding the educational calendar of the*
 7 *schools in which such student is enrolled to include*
 8 *programs before and after school and during the*
 9 *summer months;*

10 (ii) *lowering per pupil ratios, including the use of*
 11 *professional and volunteer aids; and*

12 (iii) *the application of technology to the course of*
 13 *instruction.*

14 (e) *CONSULTATION REQUIRED.—An application for a*
 15 *grant authorized under subsections (a)(1), (a)(2), and (a)(3)*
 16 *of this section shall—*

17 (1) *be developed in consultation with an advisory*
 18 *council, of which a majority shall be parents and other*
 19 *representatives of the children to be served in such pro-*
 20 *grams, in accordance with criteria prescribed by the*
 21 *Secretary;*

22 (2) *be accompanied by documentation of such con-*
 23 *sultation and by the comments which the Council*
 24 *makes on the application;*

1 (3) contain assurances that, after the application
 2 has been approved, the applicant will provide for the
 3 continuing consultation with, and participation by, the
 4 committee of parents, teachers, and other interested in-
 5 dividuals which shall be selected by and predominantly
 6 composed of parents of children participating in the
 7 program, and in the case of programs carried out in
 8 secondary schools, representatives of the secondary stu-
 9 dents to be served; and

10 (4) include evidence that the State educational
 11 agency has been notified of the application and has
 12 been given the opportunity to offer recommendations
 13 thereon to the applicant and to the Secretary.

14 (f) *APPLICATION APPROVAL.*—An application for a
 15 grant under subsections (a)(1), (a)(2), and (a)(3) of this sec-
 16 tion may be approved only, if the Secretary determines—

17 (1) that the program will use qualified personnel,
 18 including only those personnel who are proficient in
 19 the language or languages used for instruction;

20 (2) that in designing the program for which appli-
 21 cation is made, the needs of the children in nonprofit
 22 private elementary and secondary schools have been
 23 taken into account through consultation with appropri-
 24 ate private school officials; and, consistent with the
 25 number of such children enrolled in such schools in the

1 *area to be served whose educational needs are of the*
 2 *type and whose language and grade levels are of a*
 3 *similar type which the program is intended to address,*
 4 *after consultation with appropriate private school offi-*
 5 *cial, provision has been made for the participation of*
 6 *such children on a basis comparable to that provided*
 7 *for public school children;*

8 *(3) that the program will be evaluated in accord-*
 9 *ance with a plan that meets the requirements of section*
 10 *7033 of this title;*

11 *(4) that Federal funds made available for the*
 12 *project or activity will be used so as to supplement the*
 13 *level of State and local funds that, in the absence of*
 14 *those Federal funds, would have been expended for spe-*
 15 *cial programs for children of limited English profi-*
 16 *ciency and in no case to supplant such State and local*
 17 *funds, except that nothing in this clause shall—*

18 *(A) preclude a local education agency from*
 19 *using funds under this title for activities carried*
 20 *out under an order of a court of the United States*
 21 *or of any State respecting services to be provided*
 22 *such children, or to carry out a plan approved by*
 23 *the Secretary as adequate under title VI of the*
 24 *Civil Rights Act of 1964 with respect to services*
 25 *to be provided such children; or*

1 *(B) authorize any priority or preference to be*
2 *assigned by the Secretary to the funding of the*
3 *activities under this title;*

4 *(5) that the assistance provided under the applica-*
5 *tion will contribute toward building the capacity of the*
6 *applicant to provide a program on a regular basis,*
7 *similar to that proposed for assistance, which will be of*
8 *sufficient size, scope, and quality to promise significant*
9 *improvement in the education of children of limited*
10 *English proficiency, and that the applicant will have*
11 *the resources and commitment to continue the program*
12 *when assistance under this title is reduced or no longer*
13 *available;*

14 *(6) that the applicant will provide or secure train-*
15 *ing for personnel participating, or preparing to partici-*
16 *pate, in the program and that, to the extent possible,*
17 *college or university credit will be awarded for such*
18 *training; and*

19 *(7) that the provision of assistance proposed in the*
20 *application is consistent with criteria established by the*
21 *Secretary, after consultation with the State educational*
22 *agency, for the purpose of achieving an equitable*
23 *distribution of assistance under this part within the*
24 *State in which the applicant is located, taking into*
25 *consideration—*

1 (A) *the geographic distribution of children of*
 2 *limited English proficiency;*

3 (B) *the relative need of persons in different*
 4 *geographic areas within the State for the kinds of*
 5 *services and activities authorized under this title;*

6 (C) *with respect to grants to carry out pro-*
 7 *grams described in subsections (a)(1), (a)(2), and*
 8 *(a)(3) of this section, the relative ability of par-*
 9 *ticular local educational agencies within the State*
 10 *to provide such services and activities; and*

11 (D) *with respect to such grants, the relative*
 12 *numbers of persons from low-income families*
 13 *sought to be benefited by such programs.*

14 (g) *GENERAL PRIORITY RULE.—An application for a*
 15 *grant under subsection (a)(3) of this section may receive pri-*
 16 *ority based upon the information provided by the applicant*
 17 *pursuant to clause (A), (B), or (C) of subsection (c)(3) of this*
 18 *section.*

19 (h) *SPECIAL PRIORITY RULES.—In the consideration*
 20 *of applications from local educational agencies to carry out*
 21 *programs authorized under this section, the Secretary shall*
 22 *give priority to applications from local educational agencies*
 23 *which are located in various geographical regions of the*
 24 *Nation and which propose to assist children of limited Eng-*
 25 *lish proficiency who have historically been underserved by*

1 *programs of bilingual education, taking into consideration*
 2 *the relative numbers of such children in the schools of such*
 3 *local educational agencies and the relative need for such pro-*
 4 *grams. In approving such applications, the Secretary shall,*
 5 *to the extent feasible, allocate funds appropriated in propor-*
 6 *tion to the geographical distribution of children of limited*
 7 *English proficiency throughout the Nation, with due regard*
 8 *for the relative ability of particular local educational agencies*
 9 *to carry out such programs and the relative numbers of per-*
 10 *sons from low-income families sought to be benefited by such*
 11 *programs.*

12 (i) *PROGRAMS FOR PUERTO RICO.—Programs author-*
 13 *ized under this title in the Commonwealth of Puerto Rico*
 14 *may, notwithstanding any other provision of this title, in-*
 15 *clude programs of instruction, teacher training, curriculum*
 16 *development, research, evaluation, and testing designed to im-*
 17 *prove the English proficiency of children, and may also make*
 18 *provision for serving the needs of students of limited profi-*
 19 *ciency in Spanish.*

20 (j) *NONPROFIT PRIVATE SCHOOL RULE.—If the Sec-*
 21 *retary determines that an applicant for assistance under this*
 22 *title is unable or unwilling to provide for the participation in*
 23 *the program for which assistance is sought of children of lim-*
 24 *ited English proficiency enrolled in nonprofit, private*

1 schools, as required by subsection (f)(2) of this section, the
2 Secretary shall—

3 (1) withhold approval of such application until the
4 applicant demonstrates that it is in compliance with
5 those requirements; or

6 (2) reduce the amount of the grant to such appli-
7 cant by the amount which is required for the Secretary
8 to arrange (such as through a contract with a nonprof-
9 it, nonsectarian agency, organization, or institution) to
10 assess the needs of the children in the area to be served
11 for programs of the type authorized in this title and to
12 carry out such programs for the children.

13 **SEC. 7022. INDIAN CHILDREN IN SCHOOLS.**

14 (a) **TERMS DEFINED.**—For the purpose of carrying out
15 programs under this title for individuals served by elementa-
16 ry, secondary, or postsecondary schools operated predomi-
17 nantly for Indian or Alaskan Native children, an Indian
18 tribe or a tribally sanctioned educational authority may be
19 considered to be a local educational agency as such term is
20 used in this title, subject to the following qualifications:

21 (1) The term “Indian tribe” means any Indian
22 tribe, band, nation, or other organized group or com-
23 munity, including any Alaska Native village or region-
24 al or village corporation as defined in or established
25 pursuant to the Alaskan Native Claims Settlement Act

1 (85 Stat. 688) which is recognized for the special pro-
 2 grams and services provided by the United States to
 3 Indians because of their status as Indians.

4 (2) The term "tribally sanctioned educational au-
 5 thority" means any department or division of educa-
 6 tion operating within the administrative structure of
 7 the duly constituted governing body of an Indian tribe,
 8 as well as any nonprofit institution or organization
 9 which is chartered by the governing body of an Indian
 10 tribe to operate any such school or otherwise to oversee
 11 delivery of educational services to members of that tribe
 12 and which is approved by the Secretary for the pur-
 13 poses of this section.

14 (b) *GENERAL AUTHORITY.*—From the sums appropri-
 15 ated pursuant to section 7002(b), the Secretary is authorized
 16 to make payments to the applicants to carry out programs of
 17 bilingual education for Indian children on reservations
 18 served by elementary and secondary schools operated or
 19 funded by the Bureau of Indian Affairs.

20 (c) *REPORT.*—The Assistant Secretary of the Interior
 21 for the Bureau of Indian Affairs shall submit to the Con-
 22 gress, the President, and the Secretary by September 30 of
 23 each year an annual report which provides—

24 (1) an assessment of the needs of the Indian chil-
 25 dren with respect to the purposes of this title in schools

1 operated or funded by the Department of the Interior,
 2 including those tribes and local educational agencies
 3 receiving assistance under the Johnson-O'Malley Act
 4 (25 U.S.C. 452 et seq.); and

5 (2) an assessment of the extent to which such
 6 needs are being met by funds provided to such schools
 7 for educational purposes through the Secretary of the
 8 Interior.

9 **PART B—DATA COLLECTION, EVALUATION, AND**
 10 **RESEARCH**

11 **SEC. 7031. USE OF FUNDS.**

12 Funds available under this part shall be used for (1)
 13 collecting data on the number of limited English proficient
 14 persons and the educational services available to such per-
 15 sons, (2) evaluating the operation and effectiveness of pro-
 16 grams assisted under this title, (3) conducting research to
 17 improve the effectiveness of bilingual education programs,
 18 and (4) collecting, analyzing, and disseminating data and
 19 information on bilingual education.

20 **SEC. 7032. GRANTS FOR STATE PROGRAMS.**

21 (a) *IN GENERAL.*—Upon an application from a State
 22 educational agency, the Secretary shall make provision for
 23 the submission and approval of a State program for the col-
 24 lection, aggregation, analysis, and publication of data and
 25 information on the State's population of limited English pro-

1 *ficient persons and the educational services provided or avail-*
 2 *able to such individuals.*

3 (b) *REPORT.*—*State programs under this part shall*
 4 *provide for the annual submission of a report to the Secretary*
 5 *containing data and information on such matters as the Sec-*
 6 *retary shall, by regulation, determine necessary and proper to*
 7 *achieve the purposes of this title, including the matters speci-*
 8 *fied in section 7021(c)(2). Such reports shall be in such form*
 9 *and shall be submitted on such date as the Secretary shall*
 10 *specify by regulation. State programs shall provide for the*
 11 *dissemination of information regarding these matters to the*
 12 *public, and particularly to persons of limited English profi-*
 13 *ciency.*

14 (c) *USES OF FUNDS.*—*State programs authorized*
 15 *under this section may also provide for—*

16 (1) *the planning and development of educational*
 17 *programs such as those assisted under this title;*

18 (2) *the review and evaluation of programs of bi-*
 19 *lingual education, including bilingual education pro-*
 20 *grams that are not funded under this title;*

21 (3) *the provision, coordination, or supervision of*
 22 *technical and other forms of nonfinancial assistance to*
 23 *local educational agencies, community organizations,*
 24 *and private elementary and secondary schools that*
 25 *serve limited English proficient persons;*

1 (4) the development and administration of instru-
 2 ments and procedures for the assessment of the educa-
 3 tional needs and competencies of persons of limited
 4 English proficiency;

5 (5) the training of State and local educational
 6 agency staff to carry out the purposes of this title; and

7 (6) other activities and services designed to build
 8 the capacity of State and local educational agencies to
 9 serve the educational needs of persons of limited Eng-
 10 lish proficiency.

11 (d) *PAYMENT RULE.*—Except as provided in the
 12 second sentence of this subparagraph, the Secretary shall pay
 13 from the amounts appropriated for the purposes of this section
 14 pursuant to section 7002(b)(2) for each fiscal year to each
 15 State educational agency which has a State program submit-
 16 ted and approved under subsection (a) of this section such
 17 sums as may be necessary for the proper and efficient con-
 18 duct of such State program. The amount paid by the Secre-
 19 tary to any State educational agency under the preceding
 20 sentence for any fiscal year shall not be less than \$50,000
 21 nor greater than 5 percent of the aggregate of the amounts
 22 paid under section 7021 for programs within such State in
 23 the fiscal year preceding the fiscal year to which this limita-
 24 tion applies.

1 (e) *MAINTENANCE OF EFFORT RULE.*—*Funds made*
 2 *available under this section for any fiscal year shall be used*
 3 *by the State educational agency to supplement and, to the*
 4 *extent practical, to increase the level of funds that would, in*
 5 *the absence of such funds, be made available by the State for*
 6 *the purposes described in this section, and in no case to sup-*
 7 *plant such funds.*

8 **SEC. 7033. PROGRAM EVALUATION REQUIREMENTS.**

9 *The Secretary shall issue, within 6 months of the date*
 10 *of enactment of this section, regulations which set forth a*
 11 *comprehensive design for evaluating the programs assisted*
 12 *under part A of this title. Such regulations shall be developed*
 13 *by the Director, and shall provide for the collection of infor-*
 14 *mation and data including—*

15 (1) *the educational background, needs, and compe-*
 16 *tencies of the limited English proficient persons served*
 17 *by the program;*

18 (2) *the specific educational activities undertaken*
 19 *pursuant to the program; the pedagogical materials,*
 20 *methods, and techniques utilized in the program; and*
 21 *with respect to classroom activities, the relative amount*
 22 *of instructional time spent with students on specified*
 23 *tasks;*

1 (3) the educational and professional qualifica-
2 tions, including language competencies, of the staff re-
3 sponsible for planning and operating the program; and
4 (4) the extent of educational progress achieved
5 through the program measured, as appropriate, by (A)
6 tests of academic achievement in English language
7 arts, and where appropriate, second language arts; (B)
8 tests of academic achievement in subject matter areas;
9 and (C) changes in the rate of student grade-retention,
10 dropout, absenteeism, referral to or placement in spe-
11 cial education classes, placement in programs for the
12 gifted and talented, and enrollment in postsecondary
13 education institutions.

14 **SEC. 7034. EVALUATION ASSISTANCE CENTERS.**

15 The Secretary shall establish, through competitive
16 grants to institutions of higher education, at least two evalua-
17 tion assistance centers. Such centers shall provide, upon the
18 request of State or local educational agencies, technical as-
19 sistance regarding methods and techniques for identifying the
20 educational needs and competencies of limited English profi-
21 cient persons and assessing the educational progress achieved
22 through programs such as those assisted under this title.
23 Grants made pursuant to this section shall be for a period of
24 3 years.

1 **SEC. 7035. RESEARCH.**

2 (a) *GENERAL AUTHORITY.*—The Secretary shall,
3 through competitive contracts under this section, provide fi-
4 nancial assistance for research and development proposals
5 submitted by institutions of higher education, private for-
6 profit and nonprofit organizations, State and local education-
7 al agencies, and individuals.

8 (b) *ACTIVITIES AUTHORIZED.*—Research activities
9 authorized to be assisted under this section shall include—

10 (1) studies to determine and evaluate effective
11 models for bilingual education programs;

12 (2) studies which examine the process by which
13 individuals acquire a second language and master the
14 subject matter skills required for grade-promotion and
15 graduation, and which identify effective methods for
16 teaching English and subject matter skills within the
17 context of a bilingual education program or special al-
18 ternative instructional program to students who have
19 language proficiencies other than English;

20 (3) longitudinal studies to measure the effect of
21 this title on the education of students who have lan-
22 guage proficiencies other than English, and the effect
23 of this title on the capacity of local educational agen-
24 cies to operate bilingual programs following the termi-
25 nation of assistance under this title;

1 (4) studies to determine effective and reliable
2 methods for identifying students who are entitled to
3 services under this title and for determining when their
4 English language proficiency is sufficiently well devel-
5 oped to permit them to derive optimal benefits from an
6 all-English instructional program;

7 (5) the operation of a clearinghouse which shall
8 collect, analyze, and disseminate information about bi-
9 lingual education and related programs;

10 (6) studies to determine effective methods of teach-
11 ing English to adults who have language proficiencies
12 other than English;

13 (7) studies to determine and evaluate effective
14 methods of instruction for bilingual programs, taking
15 into account language and cultural differences among
16 students;

17 (8) studies to determine effective approaches to
18 preservice and inservice training for teachers, taking
19 into account the language and cultural differences of
20 their students;

21 (9) studies to determine effective and reliable tech-
22 niques for providing bilingual education to handi-
23 capped students; and

1 (10) studies to determine effective and reliable
2 methods for identifying gifted and talented students
3 who have language proficiencies other than English.

4 (c) *DELEGATION RULE.*—In carrying out the responsi-
5 bilities of this section, the Secretary may delegate authority
6 to the Director, and in any event, shall consult with the Di-
7 rector, representatives of State and local educational agen-
8 cies, and appropriate groups and organizations involved in
9 bilingual education.

10 (d) *DISSEMINATION RULE.*—The Secretary shall pub-
11 lish and disseminate all requests for proposals in research
12 and development assisted under this title.

13 **SEC. 7036. COORDINATION OF RESEARCH.**

14 Notwithstanding section 405(b)(1) of the General Edu-
15 cation Provisions Act, the Assistant Secretary for Educa-
16 tional Research and Improvement shall consult with the Di-
17 rector to insure that research activities undertaken pursuant
18 to section 405(b)(2)(C) of the General Education Provisions
19 Act complement and do not duplicate the activities conducted
20 pursuant to this part.

21 **SEC. 7037. EDUCATION STATISTICS.**

22 (a) *GENERAL AUTHORITY.*—Notwithstanding section
23 406 of the General Education Provisions Act, the Center for
24 Education Statistics shall collect and publish, as part of its
25 annual report on the condition of education, data for States,

1 *Puerto Rico, and the Trust Territories with respect to the*
 2 *population of limited English proficient persons, the special*
 3 *educational services and programs available to limited Eng-*
 4 *lish proficient persons, and the availability of educational*
 5 *personnel qualified to provide special educational services*
 6 *and programs to limited English proficient persons.*

7 (b) *USE OF AVAILABLE DATA.*—*In carrying out its*
 8 *responsibilities under this section, the Center for Education*
 9 *Statistics shall utilize, to the extent feasible, data submitted*
 10 *to the Department of Education by State and local educa-*
 11 *tional agencies and institutions of higher education pursuant*
 12 *to the provisions of this title.*

13 **PART C—TRAINING AND TECHNICAL ASSISTANCE**

14 **SEC. 7041. USE OF FUNDS.**

15 (a) *IN GENERAL.*—*Funds available under this part*
 16 *shall be used for—*

17 (1) *the establishment, operation, and improvement*
 18 *of training programs for educational personnel prepar-*
 19 *ing to participate in, or personnel participating in, the*
 20 *conduct of programs of bilingual education or special*
 21 *alternative instructional programs for limited English*
 22 *proficient students, which shall emphasize opportunities*
 23 *for career development, advancement, and lateral mo-*
 24 *bility, and may provide training to teachers, adminis-*

1 *trators, counselors, paraprofessionals, teacher aides,*
 2 *and parents;*

3 (2) *the training of persons to teach and counsel*
 4 *such persons;*

5 (3) *the encouragement of reform, innovation, and*
 6 *improvement in applicable education curricula in grad-*
 7 *uate education, in the structure of the academic profes-*
 8 *sion, and in recruitment and retention of higher educa-*
 9 *tion and graduate school faculties, as related to*
 10 *bilingual education;*

11 (4) *the operation of short-term training institutes*
 12 *designed to improve the skills of participants in pro-*
 13 *grams of bilingual education or special alternative in-*
 14 *structional programs for limited English proficient stu-*
 15 *dents; which may include summer programs designed*
 16 *to improve the instructional competence of educational*
 17 *personnel in the languages used in the program; and*

18 (5) *the provision of inservice training and techni-*
 19 *cal assistance to parents and educational personnel*
 20 *participating in, or preparing to participate in, bilin-*
 21 *gual education programs or special alternative instruc-*
 22 *tional programs for limited English proficient students.*

23 (b) *APPLICATION REQUIRED.— (1) A grant or contract*
 24 *may be made under subsection (a)(1), (a)(2), or (a)(3) of this*
 25 *section upon application of an institution of higher education.*

1 (2) *A grant or contract may be made under subsection*
 2 *(a)(4) of this section upon application of (A) institutions of*
 3 *higher education (including junior colleges and*
 4 *community colleges) and private for-profit or nonprofit orga-*
 5 *nizations which apply, after consultation with, or jointly*
 6 *with, one or more local educational agencies or a State edu-*
 7 *cational agency; (B) local educational agencies; or (C) a*
 8 *State educational agency.*

9 (3) *A grant or contract may be made under subsection*
 10 *(a)(5) of this section upon application of (A) institutions of*
 11 *higher education (including junior colleges and*
 12 *community colleges), (B) private for-profit or nonprofit orga-*
 13 *nizations, or (C) a State educational agency.*

14 (c) *SPECIAL RULE.—An application for a grant or*
 15 *contract for preservice or inservice training activities de-*
 16 *scribed in subsection (a)(1) of this section shall be considered*
 17 *an application for a program of bilingual education for the*
 18 *purposes of section 7021(e) of this title.*

19 (d) *PREFERENCE.—In making a grant or contract for*
 20 *preservice training programs described in subsection (a)(1) of*
 21 *this section, the Secretary shall give preference to programs*
 22 *which contain coursework in—*

- 23 (1) *teaching English as a second language;*
- 24 (2) *use of a non-English language for instruction-*
- 25 *al purposes;*

1 (3) *linguistics; and*

2 (4) *evaluation and assessment;*

3 *and involving parents in the educational process. Preservice*
 4 *training programs shall be designed to ensure that partici-*
 5 *pants become proficient in English and a second language of*
 6 *instruction.*

7 **SEC. 7042. MULTIFUNCTIONAL RESOURCE CENTERS.**

8 (a) **CENTERS ESTABLISHED.**—*Pursuant to subsection*
 9 *(a)(5) of section 7041, the Secretary shall establish, through*
 10 *competitive grants or contracts, at least 16 multifunctional*
 11 *resource centers (hereafter in this section referred to as "cen-*
 12 *ters"). Grants and contracts shall be awarded with consider-*
 13 *ation given to the geographic and linguistic distribution of*
 14 *children of limited English proficiency.*

15 (b) **CENTER FUNCTIONS.**—*In addition to providing*
 16 *technical assistance and training to persons participating in*
 17 *or preparing to participate in bilingual education programs*
 18 *or special alternative instructional programs for limited Eng-*
 19 *lish proficient students, each center shall be responsible for*
 20 *gathering and providing information to other centers on a*
 21 *particular area of bilingual education, including (but not*
 22 *limited to) bilingual special education, bilingual education*
 23 *for gifted and talented limited English proficient students,*
 24 *bilingual vocational education, bilingual adult education, bi-*
 25 *lingual education program administration, literacy, educa-*

1 tion technology in bilingual programs, mathematics and sci-
 2 ence education in bilingual programs, counseling limited
 3 English proficient students, and career education programs
 4 for limited English proficient students.

5 **SEC. 7043. FELLOWSHIPS.**

6 (a) **GENERAL AUTHORITY.**—Pursuant to subsection
 7 (a)(2) of section 7041, the Secretary is authorized to award
 8 fellowships for advanced study of bilingual education or spe-
 9 cial alternative instructional programs for limited English
 10 proficient students in such areas as teacher training, program
 11 administration, research and evaluation, and curriculum de-
 12 velopment. For the fiscal year ending September 30, 1989,
 13 not less than 500 fellowships leading to a graduate degree
 14 shall be awarded under the preceding sentence. Such fellow-
 15 ships shall be awarded, to the extent feasible, in proportion to
 16 the needs of various groups of individuals with limited Eng-
 17 lish proficiency. In awarding fellowships, the Secretary shall
 18 give preference to individuals intending to study bilingual
 19 education or special alternative instructional programs for
 20 limited English proficient students in the following special-
 21 ized areas: vocational education, adult education, gifted and
 22 talented education, special education, education technology,
 23 literacy, and mathematics and science education. The Secre-
 24 tary shall include information on the operation of the fellow-

1 *ship program in the report required under section 7051(c) of*
 2 *this title.*

3 (b) *STUDY REQUIRED.*—*The Secretary shall under-*
 4 *take an on-going longitudinal study of the impact of recipi-*
 5 *ents of such fellowships on the field of bilingual education*
 6 *and alternative instructional programs for students of limited*
 7 *English proficiency and shall, through the clearinghouse es-*
 8 *tablished pursuant to section 7035(b)(5) of this title, dissemi-*
 9 *nate research undertaken by recipients of such fellowships.*

10 (c) *FELLOWSHIP AGREEMENT.*—*Any person receiving*
 11 *a fellowship under this section shall agree either to repay*
 12 *such assistance or to work for a period equivalent to the*
 13 *period of time during which such person received assistance,*
 14 *and such work shall be in an activity related to programs and*
 15 *activities such as those authorized under this Act. The Secre-*
 16 *tary may waive this requirement in extraordinary circum-*
 17 *stances.*

18 **SEC. 7044. PRIORITY.**

19 *In making grants or contracts under this part, the Sec-*
 20 *retary shall give priority to eligible applicants with demon-*
 21 *strated competence and experience in programs and activities*
 22 *such as those authorized under this Act.*

23 **SEC. 7045. STIPENDS.**

24 *In the terms of any arrangement described in this part,*
 25 *the Secretary shall provide for the payment, to persons par-*

1 *ticipating in training programs so described, of such stipends*
 2 *(including allowances for subsistence and other expenses for*
 3 *such persons and their dependents) as the Secretary may de-*
 4 *termine to be consistent with prevailing practices under com-*
 5 *parable federally supported programs.*

6 **PART D—ADMINISTRATION**

7 **SEC. 7051. OFFICE OF BILINGUAL EDUCATION AND MINORITY** 8 **LANGUAGES AFFAIRS.**

9 (a) *OFFICE ESTABLISHED.*—*There shall be, in the*
 10 *Department of Education, an Office of Bilingual Education*
 11 *and Minority Languages Affairs (hereafter in this section*
 12 *referred to as the "Office") through which the Secretary shall*
 13 *carry out functions relating to bilingual education.*

14 (b) *ORGANIZATION.*—(1) *The Office shall be headed by*
 15 *a Director of Bilingual Education and Minority Languages*
 16 *Affairs, appointed by the Secretary, to whom the Secretary*
 17 *shall delegate all delegable functions relating to bilingual*
 18 *education. The Director shall also be assigned responsibility*
 19 *for coordinating the bilingual education aspects of other pro-*
 20 *grams administered by the Secretary.*

21 (2) *The Office shall be organized as the Director deter-*
 22 *mines to be appropriate in order to enable the Director to*
 23 *carry out such functions and responsibilities effectively,*
 24 *except that there shall be a division, within the Office, which*
 25 *is exclusively responsible for the collection, aggregation, anal-*

1 ysis, and publication of data and information on the oper-
2 ation and effectiveness of programs assisted under this title.

3 (c) *REPORT.*—The Secretary shall prepare and, not
4 later than February 1 of 1992, shall submit to the Congress
5 and the President a report on the condition of bilingual edu-
6 cation in the Nation and the administration and operation of
7 this title and of other programs for persons of limited English
8 proficiency. Such report shall include—

9 (1) a national assessment of the educational needs
10 of children and other persons with limited English pro-
11 ficiency and of the extent to which such needs are
12 being met from Federal, State, and local efforts;

13 (2) a plan, including cost estimates, for extending
14 programs of bilingual education and bilingual voca-
15 tional and adult education programs to all such pre-
16 school and elementary school children and other per-
17 sons of limited English proficiency, including a phased
18 plan for the training of the necessary teachers and
19 other educational personnel necessary for such purpose;

20 (3) a report on and evaluation of the activities
21 carried out under this title and the extent to which
22 each of such activities achieves the policy set forth in
23 section 7002(a);

1 (4) *a statement of the activities intended to be car-*
 2 *ried out during the succeeding period, including an es-*
 3 *timate of the cost of such activities;*

4 (5)(A) *an assessment of the number of teachers*
 5 *and other educational personnel needed to carry out*
 6 *programs of bilingual education under this title and*
 7 *those carried out under other programs for persons of*
 8 *limited English proficiency;*

9 (B) *a statement describing the activities carried*
 10 *out thereunder designed to prepare teachers and other*
 11 *educational personnel for such programs; and*

12 (C) *the number of other educational personnel*
 13 *needed to carry out programs of bilingual education in*
 14 *the States; and*

15 (6) *an estimate of the number of fellowships in*
 16 *the field of training teachers for bilingual education*
 17 *which will be necessary.*

18 (d) *COORDINATION.—In order to maximize Federal ef-*
 19 *forts designed to serve the educational needs of children of*
 20 *limited English proficiency, the Secretary shall coordinate*
 21 *and closely cooperate with other programs administered by*
 22 *the Department of Education, including such areas as*
 23 *teacher training, program content, research, and curriculum.*
 24 *The Secretary's report under subsection (c) shall include*
 25 *demonstration that such coordination has taken place.*

1 (e) *STAFF.*—*The Secretary shall ensure that the Office*
 2 *of Bilingual Education and Minority Languages Affairs is*
 3 *staffed with sufficient personnel trained, or with experience*
 4 *in, bilingual education to discharge effectively the provisions*
 5 *of this title.*

6 ***TITLE VIII—DEMONSTRATION PRO-***
 7 ***JECTS DESIGNED TO ADDRESS***
 8 ***SCHOOL DROPOUT PROBLEMS***
 9 ***AND TO STRENGTHEN BASIC***
 10 ***SKILLS INSTRUCTION***

11 ***PART A—ASSISTANCE TO ADDRESS SCHOOL***
 12 ***DROPOUT PROBLEMS***

13 ***SEC. 8001. SHORT TITLE.***

14 *This part may be cited as the “School Dropout Demon-*
 15 *stration Assistance Act of 1987”.*

16 ***SEC. 8002. PURPOSE.***

17 *The purpose of this part is to reduce the number of chil-*
 18 *dren who do not complete their elementary and secondary*
 19 *education by providing grants to local educational agencies to*
 20 *establish and demonstrate—*

- 21 (1) *effective programs to identify potential student*
 22 *dropouts and prevent them from dropping out;*
 23 (2) *effective programs to identify and encourage*
 24 *children who have already dropped out to reenter school*

1 *and complete their elementary and secondary*
 2 *education;*

3 (3) *effective programs for early intervention de-*
 4 *signed to identify at-risk students in elementary and*
 5 *early secondary schools; and*

6 (4) *model systems for collecting and reporting in-*
 7 *formation to local school officials on the number, ages,*
 8 *and grade levels of the children not completing their el-*
 9 *ementary and secondary education and the reasons*
 10 *why such children have dropped out of school.*

11 **SEC. 8003. AUTHORIZATION OF APPROPRIATIONS.**

12 *There are authorized to be appropriated to carry out this*
 13 *part \$50,000,000 for each of the fiscal years 1988 and 1989.*

14 **SEC. 8004. GRANTS TO LOCAL EDUCATIONAL AGENCIES.**

15 (a) **ALLOTMENT TO CATEGORIES OF LOCAL EDUCA-**
 16 **TIONAL AGENCIES.**—*From the amount appropriated under*
 17 *section 8003 for any fiscal year, the Secre... shall allot the*
 18 *following percentages to each of the following categories of*
 19 *local educational agencies:*

20 (1) *Local educational agencies administering*
 21 *schools with a total enrollment of 50,000 or more ele-*
 22 *mentary and secondary school students shall be allotted*
 23 *45 percent of the amount appropriated.*

24 (2) *Local educational agencies administering*
 25 *schools with a total enrollment of at least 20,000 but*

1 *less than 50,000 elementary and secondary school stu-*
 2 *dents shall be allotted 15 percent of the amount*
 3 *appropriated.*

4 (3) *Local educational agencies administering*
 5 *schools with a total enrollment of less than 20,000 ele-*
 6 *mentary and secondary school students shall be allotted*
 7 *35 percent of the amount appropriated. Grants may be*
 8 *made under this paragraph to intermediate educational*
 9 *units and consortia of not more than 5 local education-*
 10 *al agencies in any case in which the total enrollment of*
 11 *the largest such local educational agency is less than*
 12 *20,000 elementary and secondary students. Such units*
 13 *and consortia may apply in conjunction with the State*
 14 *educational agency. Not less than 20 percent of funds*
 15 *available under this paragraph shall be awarded to*
 16 *local educational agencies administering schools with a*
 17 *total enrollment of less than 2,000 elementary and sec-*
 18 *ondary school students.*

19 (4) *Community-based organizations shall be allot-*
 20 *ted 5 percent of the amount appropriated. Grants*
 21 *under this category shall be made after consultation*
 22 *with the local educational agency that is to benefit*
 23 *from such a grant.*

24 (b) *SPECIAL TREATMENT OF EDUCATIONAL PART-*
 25 *NERSHIPS.--(1) The Secretary shall allot in each category*

1 *described in paragraphs (1), (2), and (3) of subsection (a) of*
 2 *this section 25 percent of the funds available for each such*
 3 *category to educational partnerships.*

4 (2) *Educational partnerships under this subsection*
 5 *shall include—*

6 (A) *a local educational agency,*

7 (B)(i) *a business concern or business organiza-*
 8 *tion, or*

9 (ii) *a community-based organization, and*

10 (C) *one of the following: any nonprofit private or-*
 11 *ganization, institution of higher education, State edu-*
 12 *cational agency, State and local public agencies, pri-*
 13 *ate industry councils (established under the Job*
 14 *Training Partnership Act), museum, library, or educa-*
 15 *tional television or broadcasting station, or community-*
 16 *based organization.*

17 (c) *AWARD OF GRANT.—From the amount allotted for*
 18 *any fiscal year to a category of local educational agencies*
 19 *under subsection (a), the Secretary shall award as many*
 20 *grants as practicable within each such category to local edu-*
 21 *cational agencies and educational partnerships whose appli-*
 22 *cations have been approved by the Secretary for such fiscal*
 23 *year under section 8005 and whose applications propose a*
 24 *program of sufficient size and scope to be of value as a dem-*
 25 *onstration. The grants shall be made under such terms and*

1 *conditions as the Secretary shall prescribe consistent with the*
 2 *provisions of this part.*

3 (d) *USE OF FUNDS WHEN NOT FULLY NEEDED FOR*
 4 *EDUCATIONAL PARTNERSHIPS.—(1) Whenever the Secre-*
 5 *tary determines that the full amount of the sums made avail-*
 6 *able under subsection (b) of this section in each category for*
 7 *educational partnerships will not be required for applications*
 8 *of educational partnerships, the Secretary may make the*
 9 *amount not so required available to local educational agen-*
 10 *cies in the same category in which the funds are made*
 11 *available.*

12 (2) *Whenever the Secretary transfers amounts under*
 13 *the provisions of this subsection, the Secretary shall use a*
 14 *peer review process and shall prepare and make available to*
 15 *local educational agencies, upon request, the availability of*
 16 *funds in the same category, and the reasons therefor.*

17 (e) *USE OF FUNDS WHEN NOT FULLY ALLOTTED TO*
 18 *CATEGORIES UNDER SUBSECTION (a) OF THIS SEC-*
 19 *TION.—(1) Whenever the Secretary determines that the full*
 20 *amount of the sums allotted under any category set forth*
 21 *under subsection (a) of this section will not be required for*
 22 *applications of the local educational agencies in the case of*
 23 *categories (1) through (3), the Secretary may make the*
 24 *amount not so required available to another category under*
 25 *such subsection (a). In carrying out the provisions of this*

1 subsection, the Secretary shall assure that the transfer of
 2 amounts from one category to another is made to a category
 3 in which there is the greatest need for funds.

4 (2) Whenever the Secretary transfers amounts under
 5 the provisions of this subsection, the Secretary shall use a
 6 peer review process and shall prepare and make available to
 7 local educational agencies and educational partnerships,
 8 upon request, the categories which were not fully funded
 9 under subsection (a) and the reasons therefor.

10 (f) *FEDERAL SHARE.*—(1) The Federal share of a
 11 grant under this part shall not exceed—

12 (A) 90 percent of the total cost of a project for the
 13 first year for which the project receives assistance
 14 under this part, and

15 (B) 70 percent of such cost for the second such
 16 year.

17 (2) The non-Federal share may be paid from any source
 18 other than funds made available under this part, except that
 19 not more than 10 percent of the non-Federal share in any
 20 fiscal year may be from other Federal sources, other than this
 21 part.

22 (3) The non-Federal share of payments under this part
 23 may be in cash or in kind fairly evaluated, including plant
 24 equipment or services.

1 **SEC. 8005. APPLICATION.**

2 (a) *IN GENERAL.*—(1) *A grant under this part may be*
 3 *made only to a local educational agency or an educational*
 4 *partnership which submits an application to the Secretary*
 5 *containing such information as may be required by the Sec-*
 6 *retary by regulation.*

7 (2) *The Secretary shall encourage applicants to make*
 8 *applications for a 2-year period.*

9 (b) *CONTENTS OF APPLICATION.*—*Each such applica-*
 10 *tion shall—*

11 (1) *provide documentation of (A) the number of*
 12 *children who were enrolled in the schools of the appli-*
 13 *cant for the 5 academic years prior to the date applica-*
 14 *tion is made who have not completed their elementary*
 15 *or secondary education and who are classified as drop-*
 16 *out students pursuant to section 8008(a), and (B) the*
 17 *percentage that such number of children is of the total*
 18 *school-age population in the applicant's schools;*

19 (2) *include a plan for the development and imple-*
 20 *mentation of a dropout information collection and re-*
 21 *porting system for documenting the extent and nature*
 22 *of the dropout problem;*

23 (3) *include a plan for the development and imple-*
 24 *mentation of a project which will include activities de-*
 25 *signed to carry out the purpose of this part and which*
 26 *may include activities which—*

1 (A) implement identification, prevention, out-
2 reach, or reentry projects for dropouts and poten-
3 tial dropouts,

4 (B) address the special needs of school-age
5 parents,

6 (C) disseminate information to students, par-
7 ents, and the community related to the dropout
8 problem,

9 (D) include coordinated activities involving
10 at least one high school and its feeder junior or
11 middle schools and elementary schools for those
12 local educational agencies having such feeder sys-
13 tems,

14 (E) as appropriate, include coordinated serv-
15 ices and activities with programs of vocational
16 education, adult basic education, and programs
17 under the Job Training Partnership Act,

18 (F) involve the use of educational and tele-
19 communications and broadcasting technologies
20 and educational materials for dropout prevention,
21 outreach, and reentry,

22 (G) provide activities which focus on devel-
23 oping occupational competencies which link job
24 skill preparation and training with genuine job
25 opportunities,

1 (H) establish annual procedures for (i) eval-
 2 uating the effectiveness of the project, and (ii)
 3 where possible, determining the cost-effectiveness
 4 of the particular dropout prevention and reentry
 5 methods used and the potential for reproducing
 6 such methods in other areas of the country,

7 (I) coordinate, to the extent practicable, with
 8 other student dropout activities in the community,
 9 or

10 (J) use the resources of the community and
 11 parents to help develop and implement solutions to
 12 the local dropout problem; and

13 (4) contain such other information as the Secre-
 14 tary considers necessary to determine the nature of the
 15 local needs, the quality of the proposed project, and the
 16 capability of the applicant to carry out the project.

17 (c) *PRIORITY; SPECIAL CONSIDERATIONS.*—(1) The
 18 Secretary shall, in approving applications under this section,
 19 give priority to—

20 (A) applications which show the replication of
 21 successful programs conducted in other local educa-
 22 tional agencies or the expansion of successful programs
 23 within a local educational agency; and

24 (B) applications which reflect very high numbers
 25 or very high percentages of school dropouts in the

1 *schools of the applicant in each category described in*
 2 *section 8004(a).*

3 *(2) The Secretary shall, in approving applications*
 4 *under this section, give special consideration to—*

5 *(A) applications which contain provisions which*
 6 *emphasize early intervention designed to identify at-*
 7 *risk students in elementary or early secondary schools;*
 8 *and*

9 *(B) applications which contain provisions for sig-*
 10 *nificant parental involvement in the design and con-*
 11 *duct of the program for which assistance is sought.*

12 *(d) REVIEW OF PROJECTS.—In any application from*
 13 *a local educational agency for a grant to continue a project*
 14 *for the second fiscal year following the first fiscal year in*
 15 *which a grant was awarded to such local educational agency,*
 16 *the Secretary shall review the progress being made toward*
 17 *meeting the objectives of the project. The Secretary may*
 18 *refuse to award a grant if the Secretary finds that sufficient*
 19 *progress has not been made toward meeting such objectives,*
 20 *but only after affording the applicant notice and an opportu-*
 21 *nity for a hearing.*

22 **SEC. 8006. AUTHORIZED ACTIVITIES.**

23 *(a) GENERAL.—Grants under this part shall be used to*
 24 *carry out plans set forth in applications approved under sec-*
 25 *tion 8005. In addition, grants may be used for educational,*

1 *occupational, and basic skills testing services and activities,*
2 *including, but not limited to—*

3 (1) *the establishment of systemwide or school-level*
4 *policies, procedures, and plans for dropout prevention*
5 *and school reentry;*

6 (2) *the development and implementation of activi-*
7 *ties, including extended day or summer programs, de-*
8 *signed to address poor achievement, basic skills defi-*
9 *ciencies, language deficiencies, or course failures, in*
10 *order to assist students at risk of dropping out of school*
11 *and students reentering school;*

12 (3) *the establishment or expansion of work-study,*
13 *apprentice, or internship programs;*

14 (4) *the use of resources of the community, includ-*
15 *ing contracting with public or private entities or com-*
16 *munity-based organizations of demonstrated perform-*
17 *ance, to provide services to the grant recipient or the*
18 *target population;*

19 (5) *the evaluation and revision of program place-*
20 *ment of students at risk;*

21 (6) *the evaluation of program effectiveness of*
22 *dropout programs;*

23 (7) *the development and implementation of pro-*
24 *grams for traditionally underserved groups of students;*

1 (8) the implementation of activities which will im-
2 prove student motivation and the school learning
3 environment;

4 (9) the provision of training for school staff on
5 strategies and technique designed to—

6 (A) identify children at risk of dropping out,

7 (B) intervene in the instructional program
8 with support and remedial services,

9 (C) develop realistic expectations for student
10 performance, and

11 (D) improve student-staff interactions;

12 (10) the study of the relationship between drugs
13 and dropouts and between youth gangs and dropouts,
14 and the coordination of dropout prevention and reentry
15 programs with appropriate drug prevention and youth
16 gang prevention community organizations;

17 (11) the study of the relationship between handi-
18 capping conditions and student dropouts;

19 (12) the study of the relationship between the
20 ratio of dropouts among gifted and talented students
21 compared to the ratio of dropouts among the genera.
22 student enrollment;

23 (13) the use of educational telecommunications
24 and broadcasting technologies and educational materi-
25 als designed to extend, motivate, and reinforce school,

1 *community, and home dropout prevention and reentry*
 2 *activities; and*

3 *(14) the provision of other educational, occupa-*
 4 *tional and testing services and activities which directly*
 5 *relate to the purpose of this part.*

6 *(b) ACTIVITIES FOR EDUCATIONAL PARTNER-*
 7 *SHIPS.—Grants under this part may be used by educational*
 8 *partnerships for—*

9 *(1) activities which offer jobs and college admis-*
 10 *sions for successful completion for the program for*
 11 *which assistance is sought;*

12 *(2) internship, work study or apprenticeship*
 13 *programs;*

14 *(3) summer employment programs;*

15 *(4) occupational training programs;*

16 *(5) career opportunity and skills counseling;*

17 *(6) job placement services;*

18 *(7) the development of skill employment compe-*
 19 *tency testing programs;*

20 *(8) special school staff training projects; and*

21 *(9) any other activity described in subsection (a).*

1 **SEC. 8007. DISTRIBUTION OF ASSISTANCE; LIMITATION ON**
2 **COSTS.**

3 (a) **DISTRIBUTION OF ASSISTANCE.**—*The Secretary*
4 *shall assure that, to the extent practicable, in approving grant*
5 *applications under this part—*

6 (1) *grants are equitably distributed on a geo-*
7 *graphic basis within each category set forth in section*
8 *8004(a);*

9 (2) *not less than 30 percent of the amount avail-*
10 *able for grants in each fiscal year be used for activities*
11 *relating to dropout prevention; and*

12 (3) *not less than 30 percent of the amount avail-*
13 *able for grants in each fiscal year be used for activities*
14 *relating to persuading dropouts to return to school and*
15 *assisting former dropouts with specialized services once*
16 *they return to school.*

17 (b) **ADMINISTRATIVE COSTS.**—*Not more than 10 per-*
18 *cent of any grant may be used for administrative costs.*

19 **SEC. 8008. NATIONAL SCHOOL DROPOUT STUDY.**

20 (a) **IN GENERAL.**—*From amounts appropriated under*
21 *this title to the Secretary for fiscal year 1989, the Secretary*
22 *shall use not more than \$500,000 to conduct a 1-year study*
23 *of the nature and extent of the student dropout problem in the*
24 *United States. The Secretary shall conduct the study re-*
25 *quired by this section through the Office of Education Re-*
26 *search and Improvement.*

1 (b) *COMPONENTS OF STUDY.*—In conducting the
2 study, the Secretary shall—

3 (1) *examine the standard definition of a school*
4 *dropout established under this title;*

5 (2) *develop a standard list of reasons why chil-*
6 *dren are dropping out of school, including major fac-*
7 *tors that contribute to children dropping out;*

8 (3) *develop a model dropout information collection*
9 *and reporting system;*

10 (4) *develop minimum reporting system*
11 *requirements;*

12 (5) *identify the numbers of children and the gen-*
13 *eral reasons for their dropping out of school among*
14 *population groups with particularly high dropout rates,*
15 *including (A) children and youth with handicapping*
16 *conditions and their reasons for dropping out and (B)*
17 *gifted and talented students and their reasons for drop-*
18 *ping out;*

19 (6) *identify the characteristics of children who*
20 *appear to be at risk of dropping out of school;*

21 (7) *identify and evaluate successful programs and*
22 *educational partnership and include recommendations*
23 *for replication and implementation in other school dis-*
24 *tricts of local educational agencies;*

1 (8) *determine to what extent a causal relationship*
2 *exists between the inability of children to read ade-*
3 *quately and their dropping out of school;*

4 (9) identify the factors or policies which may at-
5 tract children who have dropped out to reenter school
6 and complete their elementary and secondary educa-
7 tion; and

8 (10) *provide recommendations for activities and*
9 *policies which can be implemented at each level of gov-*
10 *ernment and in communities to ameliorate the dropout*
11 *problem.*

12 (b) *OTHER REQUIREMENTS.—Recipients of grants*
13 *under this title shall cooperate with the Secretary in carrying*
14 *out the study under subsection (a) by providing data and*
15 *information on the nature and extent of the student dropout*
16 *problem and the effectiveness of techniques used to address*
17 *the problem.*

**PART B—ASSISTANCE TO PROVIDE BASIC SKILLS
IMPROVEMENT**

20 SEC. 8101. SHORT TITLE.

21 *This part may be cited as the “Basic Skills Demonstra-*
22 *tion Assistance Act of 1987”.*

23 SEC. 8102. PURPOSE.

24 *It is the purpose of this part to provide assistance to*
25 *local educational agencies with high concentrations of low-*

1 *income children to improve the achievement of educationally*
 2 *disadvantaged children enrolled in the secondary schools of*
 3 *such agencies.*

4 **SEC. 8103. AUTHORIZATION OF APPROPRIATIONS.**

5 *There are authorized to be appropriated to carry out this*
 6 *part \$200,000,000 for the fiscal year 1988 and*
 7 *\$200,000,000 for the fiscal year 1989.*

8 **SEC. 8104. GRANTS TO LOCAL EDUCATIONAL AGENCIES.**

9 (a) *GENERAL AUTHORITY.*—*From the amount appro-*
 10 *priated under section 8103 for any fiscal year the Secretary*
 11 *shall make grants to local educational agencies in accordance*
 12 *with the provisions of this part.*

13 (b) *COMMUNITY-BASED ORGANIZATIONS RULE.*—
 14 *Each local educational agency may carry out the activities*
 15 *described in section 8105 in cooperation with community-*
 16 *based organizations.*

17 (c) *ELIGIBLE STUDENTS.*—*Secondary school students*
 18 *who meet the requirements of part A of chapter 1 of title I of*
 19 *this Act shall be eligible to participate in programs and ac-*
 20 *tivities assisted under this part.*

21 **SEC. 8105. AUTHORIZED ACTIVITIES.**

22 (a) *IN GENERAL.*—*Funds made available under this*
 23 *part shall be used—*

24 (1) *to initiate or expand programs to meet the spe-*
 25 *cial educational needs of secondary school students and*

1 to help such students attain grade level proficiency in
2 basic skills;

3 (2) to develop remedial programs specifically tai-
4 lored to the needs of secondary school students;

5 (3) to develop and implement remedial activities
6 to address the problems of poor achievement and course
7 failure among eligible children;

8 (4) to develop innovative approaches for sur-
9 mounting barriers that make secondary school pro-
10 grams under this part difficult for certain students to
11 attend and to administer, such as scheduling problems,
12 courses leading to a general education diploma, and
13 graduation requirements;

14 (5) to develop and implement innovative programs
15 involving community-based organizations and/or the
16 private sector to provide motivational activities, pre-em-
17 ployment training, or transition-to-work activities;

18 (6) provide programs for eligible students outside
19 the school, with the goal of reaching dropouts who will
20 not reenter the traditional school, for the purpose of
21 providing remedial education, basic skills education, or
22 courses for general educational development;

23 (7) to use the resources of the community to assist
24 in providing services to the target population;

1 (8) to provide training for staff who will work
2 with the target population on strategies and techniques
3 for identifying, instructing, and assisting such stu-
4 dents;

5 (9) to provide guidance and counseling, support
6 services, exploration of postsecondary educational op-
7 portunities, youth employment activities, and other
8 pupil services which are necessary to assist eligible stu-
9 dents; and

10 (10) to recruit, train, and supervise secondary
11 school students (including the provision of stipends to
12 low-income students) to serve as tutors of other stu-
13 dents eligible for services under this part and under
14 part A, in order to assist such eligible students with
15 homework assignments, provide instructional activities,
16 and foster good study habits and improved achieve-
17 ment.

18 (b) *LIMITATION.*—Not more than 25 percent of
19 amounts available may be used by a local educational agency
20 for noninstructional services.

21 **SEC. 8106. APPLICATION.**

22 (a) *IN GENERAL.*—(1) A grant under this part may be
23 made only to a local educational agency which submits an
24 application to the Secretary containing or accompanied by
25 such information as the Secretary may reasonably require.

1 (2) *The Secretary shall encourage applicants to make*
2 *applications for a 2-year period.*

3 (b) *CONTENTS OF APPLICATION.—Each such applica-*
4 *tion shall include—*

5 (1) *a description of the program goals and the*
6 *manner in which funds will be used to initiate or*
7 *expand services to secondary school students;*

8 (2) *a description of the activities and services*
9 *which will be provided by the program (including docu-*
10 *mentation to demonstrate that the local educational*
11 *agency has the qualified personnel required to develop,*
12 *administer, and implement the program under this*
13 *part);*

14 (3) *a list of the secondary schools within the local*
15 *educational agency in which programs will be conduct-*
16 *ed and a description of the needs of the schools, in*
17 *terms of achievement levels of students, and poverty*
18 *rates;*

19 (4) *an assurance that programs will be operated*
20 *in secondary schools with the greatest need for assist-*
21 *ance, in terms of achievement levels, and poverty rates;*

22 (5) *an assurance that parents of eligible students*
23 *will be involved in the development and implementa-*
24 *tion of programs under this part;*

1 (6) a statement of the methods which will be
2 used—

3 (A) to ensure that the programs will serve el-
4 igible students most in need of the activities and
5 services provided by this part; and

6 (B) an assurance that services will be pro-
7 vided under this part to special populations, such
8 as individuals with limited English proficiency
9 and individuals with handicaps;

10 (7) an assurance that the program will be of suffi-
11 cient size, scope, and quality to offer reasonable prom-
12 ise of success;

13 (8) a description of the manner in which the
14 agency will provide for equitable participation of pri-
15 vate school students as provided under section 1017;

16 (9) a description of the methods by which the ap-
17 plicant will coordinate programs under this part with
18 programs for the eligible student population operated
19 by community-based organizations, social service orga-
20 nizations and agencies, private sector entities, and
21 other agencies, organizations, and institutions, and
22 with programs conducted under the Carl D. Perkins
23 Vocational Education Act, the Job Training Partner-
24 ship Act, and other relevant Acts; and

1 (10) *such other information as the State educa-*
 2 *tional agency may require to determine the nature and*
 3 *quality of the proposed project and the applicant's abil-*
 4 *ity to carry out the project.*

5 (c) **APPROVAL OF APPLICATIONS.**—*The Secretary*
 6 *shall, in approving applications under this section, give spe-*
 7 *cial consideration to programs that—*

8 (1) *demonstrate the greatest need for services as-*
 9 *sisted under this part based on their numbers of low-*
 10 *income children and numbers of low-achieving*
 11 *children;*

12 (2) *are representative of urban and rural regions*
 13 *in the United States; and*

14 (3) *offer innovative approaches to the achievement*
 15 *among eligible secondary school children and offer ap-*
 16 *proaches which show promise for replication and*
 17 *dissemination.*

18 (d) **ADMINISTRATIVE COSTS.**—*Not more than 10 per-*
 19 *cent of any grant under this part may be used for adminis-*
 20 *trative costs.*

21 **PART C—GENERAL PROVISIONS**

22 **SEC. 8201. GENERAL PROVISIONS.**

23 (a) **DEFINITION OF SCHOOL DROPOUT.**—*The Secre-*
 24 *tary shall by regulation, not later than 60 days after the date*

1 of enactment of this Act, establish a standard definition of a
2 school dropout.

3 (b) *TIMELY AWARD OF GRANTS.*—To the extent possi-
4 ble, for any fiscal year the Secretary shall award grants to
5 local educational agencies and educational partnerships
6 under this title not later than July 1 preceding such fiscal
7 year.

8 (c) *GRANTS MUST SUPPLEMENT OTHER FUNDS.*—A
9 local educational agency receiving funds under this title shall
10 use the Federal funds only to supplement the funds that
11 would, in the absence of such Federal funds, be made avail-
12 able from non-Federal sources for activities described in part
13 A or part B of this title, as the case may be.

14 (d) *COORDINATION AND DISSEMINATION.*—The Sec-
15 retary shall require local educational agencies receiving
16 grants under this title to cooperate with the coordination and
17 dissemination efforts of the National Diffusion Network and
18 State educational agencies.

19 (e) *AUDIT.*—The Comptroller General shall have access
20 for the purpose of audit and examination to any books, docu-
21 ments, papers, and records of any local educational agency or
22 educational partnership receiving assistance under this title
23 that are pertinent to the sums received and disbursed under
24 this part.

1 (f) *WITHHOLDING PAYMENTS.*—Whenever the Secre-
 2 tary, after reasonable notice and opportunity for a hearing to
 3 any local educational agency or educational partnership,
 4 finds that the local educational agency has failed to comply
 5 substantially with the provisions set forth in its application
 6 approved under section 8005 or section 8106, the Secretary
 7 shall withhold payments under this part in accordance with
 8 section 453 of the General Education Provisions Act until
 9 the Secretary is satisfied that there is no longer any failure
 10 to comply.

11 **SEC. 8202. DEFINITIONS.**

12 As used in this title, the term “community-based organi-
 13 zation” means a private nonprofit organization which is rep-
 14 resentative of a community or significant segments of a com-
 15 munity and which provides educational or related services to
 16 individuals in the community.

17 **TITLE IX—EDUCATIONAL**
 18 **ASSESSMENT AND ACHIEVEMENT**
 19 **PART A—NATIONAL ASSESSMENT OF EDUCATIONAL**
 20 **PROGRESS**

21 **SEC. 9001. SHORT TITLE.**

22 This part may be cited as the “National Assessment of
 23 Educational Progress Improvement Act”.

1 **SEC. 9002. STATEMENT OF PURPOSE.**

2 *The purpose of this part is to improve the effectiveness of*
3 *our Nation's schools by making objective information about*
4 *student performance in an expanded variety of learning areas*
5 *available to policymakers at the national, regional, State,*
6 *and local levels. To enhance its utility, such information*
7 *shall be both representative and comparable and shall be*
8 *maintained in a manner that ensures the privacy of individ-*
9 *ual students and their families. It is not the purpose of this*
10 *Act to authorize the collection or reporting of information on*
11 *student attitudes or beliefs or on other matters that are not*
12 *germane to the acquisition and analysis of information about*
13 *academic achievement.*

14 **SEC. 9003. NATIONAL ASSESSMENT OF EDUCATIONAL**
15 **PROGRESS.**

16 *(a) GENERAL AUTHORITY.—Section 406 of the Gen-*
17 *eral Education Provisions Act (hereafter in this part referred*
18 *to as "the Act") is amended by redesignating subsection (h)*
19 *as subsection (i) and by inserting after subsection (g) the*
20 *following:*

21 *"(h)(1) With the advice of the National Assessment*
22 *Governing Board established by paragraph (5)(a)(i), the*
23 *Secretary shall carry out, by grant, contract, or cooperative*
24 *agreement with qualified organizations, or consortia thereof,*
25 *a National Assessment of Educational Progress. The purpose*
26 *of the National Assessment is the assessment of the perform-*

1 *ance of children and young adults in the basic skills of read-*
 2 *ing, mathematics, science, writing, history, geography, and*
 3 *civics.*

4 “(2)(A) *The National Assessment shall provide a fair*
 5 *and accurate presentation of educational achievement in*
 6 *skills, abilities, and knowledge in reading, writing, mathe-*
 7 *matics, science, history, geography, and civics, and shall use*
 8 *sampling techniques that produce data that are representative*
 9 *on a national, regional and State basis. In addition, the Na-*
 10 *tional Assessment shall—*

11 “(i) *collect and report data on a periodic basis, at*
 12 *least once every two years for reading and mathemat-*
 13 *ics; at least once every four years for writing and sci-*
 14 *ence; and at least once every six years for history, ge-*
 15 *ography, and civics;*

16 “(ii) *collect and report data every two years on*
 17 *students at ages nine, thirteen, and seventeen and in*
 18 *grades four, eight, and twelve;*

19 “(iii) *report achievement data on a basis that fa-*
 20 *cilitates valid State-by-State comparisons;*

21 “(iv) *include special assessments of achievement*
 22 *in other educational areas as the need arises; and*

23 “(v) *include information on special groups.*

24 “(B) *In carrying out the provisions of subparagraph*
 25 *(A), the Secretary and the Board appointed under paragraph*

1 (5) shall assure that at least one of the subject matters in
2 each of the four and six year cycles described in subpara-
3 graph (A)(i) will be included in each two year cycle Assess-
4 ment.

5 “(C)(i) The National Assessment shall include an as-
6 sessment of literacy of a nationally representative sample of
7 out of school 17-year-olds and adults based upon a uniform
8 standard of literacy achievement.

9 “(ii) The Secretary and the Board established under
10 paragraph (5) in consultation with publishers of instructional
11 material and others with expertise in the field of literacy
12 shall assure that a uniform standard of literacy achievement
13 is developed.

14 “(3)(A) The National Assessment shall not collect any
15 data that are not directly related to the appraisal of educa-
16 tional performance and achievement or the fair and accurate
17 presentation of such information.

18 “(B) The National Assessment shall provide technical
19 assistance to States, localities, and other parties that desire to
20 expand the assessment to yield additional information de-
21 scribed in paragraph (2)(A).

22 “(4)(A) Except as provided in subparagraph (B), the
23 public shall have access to all data, questions, and test in-
24 struments of the National Assessment.

1 “(B)(i) *The Secretary shall ensure that all personally*
 2 *identifiable information about students, their educational*
 3 *performance, and their families and that information with*
 4 *respect to individual schools remain confidential, in accord-*
 5 *ance with section 552a of title 5, United States Code.*

6 “(ii) *Notwithstanding any other provision of the law,*
 7 *the Secretary may decline to make available to the public*
 8 *cognitive questions that the Secretary intends to reuse in the*
 9 *future.*

10 “(5)(A)(i) *There is established the National Assessment*
 11 *Governing Board (hereafter in this section referred to as the*
 12 *‘Board’).*

13 “(i) *The Board shall design and supervise the conduct*
 14 *of the National Assessment.*

15 “(B) *The Board shall be appointed by the Secretary in*
 16 *accordance with this subparagraph and subparagraphs (C),*
 17 *(D), and (E). The Board shall be composed of—*

18 “(i) *two Governors or former Governors, who*
 19 *shall not be members of the same political party;*

20 “(ii) *two State legislators, who shall not be mem-*
 21 *bers of the same political party;*

22 “(iii) *two chief State school officers;*

23 “(iv) *one superintendent of a local educational*
 24 *agency;*

25 “(v) *one member of a State board of education;*

- 1 “(vi) one member of a local board of education;
- 2 “(vii) two classroom teachers;
- 3 “(viii) one representative of business or industry;
- 4 “(ix) one curriculum planner or supervisor or
- 5 testing and measurement expert;
- 6 “(x) one nonpublic school administrator or policy-
- 7 maker;
- 8 “(xi) two school principals;
- 9 “(xii) one education researcher; and
- 10 “(xiii) three additional members, who are repre-
- 11 sentative of the general public, including parents.

12 *The Assistant Secretary for Educational Research and Im-*
 13 *provement shall serve as an ex officio member of the Board*
 14 *as a nonvoting member.*

15 “(C)(i) *The Secretary and the Board shall ensure at all*
 16 *times that the membership of the Board is balanced fairly in*
 17 *terms of geographical distribution and the points of view rep-*
 18 *resented and that it exercises its independent judgment, free*
 19 *from inappropriate influences and special interests.*

20 “(ii) *In the exercise of its functions, powers, and duties,*
 21 *the Board shall be independent of the Secretary and the other*
 22 *offices and officers of the Department of Education.*

23 “(D)(i) *The members of the Assessment Policy Commit-*
 24 *tee, serving on the date of enactment of the National Assess-*
 25 *ment of Educational Progress Improvement Act, shall*

1 *become members of the Board for the remainder of the terms*
2 *of the appointment to the Assessment Policy Committee.*

3 “(ii) *To complete the initial membership of the Board,*
4 *the Secretary shall appoint members of the Board as neces-*
5 *sary in the categories described in subparagraph (B) for*
6 *which there are no members serving on the Assessment Policy*
7 *Committee on the date of enactment of the National Assess-*
8 *ment of Educational Progress Improvement Act. The Secre-*
9 *tary shall appoint such members from among nominees fur-*
10 *nished by the Governors, chief State school officers, educa-*
11 *tion associations and organizations, the National Academy of*
12 *Sciences, parent organizations, learned societies, and other*
13 *interested parties.*

14 “(iii) *As vacancies occur, new members of the Board*
15 *shall be appointed by the Secretary from among individuals*
16 *who are nominated by the Board. For each vacancy the*
17 *Board shall nominate at least 3 individuals who, by reason*
18 *of experience or training, are qualified in that particular*
19 *Board vacancy.*

20 “(E) *Members of the Board appointed in accordance*
21 *with this paragraph shall serve for terms not to exceed 4*
22 *years which shall be staggered, as determined by the Secre-*
23 *tary, subject to the provisions of subparagraph (D)(i). Any*
24 *appointed member of the Board who changes status under*
25 *subparagraph (B) during the term of the appointment of the*

1 member may continue to serve as a member until the expira-
 2 tion of that term.

3 “(6)(A) In carrying out its functions under this subsec-
 4 tion, the Board shall—

5 “(i) select subject areas to be assessed (consistent
 6 with paragraph (2)(A));

7 “(ii) identify feasible achievement goals for each
 8 age and grade in each subject area to be tested under
 9 the National Assessment;

10 “(iii) develop assessment objectives;

11 “(iv) develop test specifications;

12 “(v) design the methodology of the assessment;

13 “(vi) develop guidelines and standards for analy-
 14 sis plans and for reporting and disseminating results;

15 “(vii) develop standards and procedures for inter-
 16 state, regional and national comparisons; and

17 “(viii) take appropriate actions needed to improve
 18 the form and use of the National Assessment.

19 “(B) The Board shall have final authority on the appro-
 20 priateness of cognitive items.

21 “(C) Any activity of the Board or of the organization
 22 described in paragraph (1), shall be subject to the provisions
 23 of this subsection.

24 “(7)(A) Not to exceed 10 per centum of the funds avail-
 25 able for this subsection may be used for administrative ex-

1 *penses and for expenses to carry out the functions of the*
 2 *Board described in paragraph (6)(A).*

3 “(B) *The Board shall be considered an advisory com-*
 4 *mittee for the purpose of the Federal Advisory Committee*
 5 *Act.*

6 “(8)(A) *Participation in the National and Regional As-*
 7 *sessments by State and local educational agencies shall be*
 8 *voluntary.*

9 “(B) *Participation in assessments made on a State*
 10 *basis shall be voluntary. The Secretary shall enter into an*
 11 *agreement with any State which desires to carry out an as-*
 12 *essment for the State under this subsection. Each such*
 13 *agreement shall contain provisions designed to assure—*

14 “(i) *that the State will participate in the assess-*
 15 *ment; and*

16 “(ii) *will pay from non-Federal sources or from*
 17 *funds paid to the State under chapter 2 of title I of*
 18 *this Act the non-Federal share of participation.*

19 “(C)(i) *For each fiscal year, the Federal share for the*
 20 *purpose of clause (ii) of subparagraph (B) shall be the cost of*
 21 *conducting the assessment in the State minus the cost of ad-*
 22 *ministering the assessment at the school level for all schools*
 23 *in the State sample.*

24 “(ii) *The non-Federal share of payments under this*
 25 *paragraph may be in cash or in kind.*

1 “(9)(A) The Secretary shall provide for a periodic
2 review of the National Assessment. The review shall provide
3 an opportunity for public comment on the conduct and use-
4 fulness of the National Assessment and shall result in a
5 report to the Congress, the President, and the Nation on the
6 findings and recommendations, if any, of the review. The
7 Secretary shall consider the findings and recommendations
8 in designing the competition to select the organization
9 through which the Office carries out the National Assess-
10 ment.

11 “(B) The Secretary shall, not later than 6 months after
12 the date of enactment of the National Assessment of Educa-
13 tional Progress Improvement Act, publish a report setting
14 forth plans for the collection of State representative data for
15 the 1990 assessment and plans for expanding the subjects
16 tested to include reading, writing, science, history, geography
17 and civics, in the 1992 and later assessments. The report
18 shall include methods by which the results of the National
19 Assessment of Educational Progress may be reported so that
20 the results are more readily available and more easily under-
21 stood by educators, policymakers, and the general public. The
22 report shall be developed after consultation with educators,
23 State education officials, members of the Board appointed
24 under paragraph (2), and the general public.

1 “(C) The report required by this paragraph shall be
 2 submitted to the Congress and made available to the public.
 3 The Secretary shall take such actions as may be appropriate
 4 to carry out the recommendations contained in the report.”.

5 (b) *AUTHORIZATION OF APPROPRIATIONS.*—(1) Sec-
 6 tion 405 of the Act is amended by striking out subsection (e)
 7 and by redesignating subsections (f) and (g) as subsections
 8 (e) and (f), respectively.

9 (2) Section 405(e)(1) of the Act (as redesignated by
 10 paragraph (1)) is amended by striking out “for each of the
 11 four succeeding fiscal years” and inserting in lieu thereof
 12 “for each of the fiscal years ending prior to October 1,
 13 1993”.

14 (c) *RESERVATION OF FUNDS FOR ASSESSMENTS.*—
 15 (1) Section 405(f)(1)(D) of the Act (as redesignated by para-
 16 graph (1)) is amended by striking out “\$4,000,000 shall be
 17 available in each fiscal year to carry out subsection (e) of this
 18 section” and inserting in lieu thereof the following:
 19 “\$11,500,000 for the fiscal year 1989, \$17,700,000 for the
 20 fiscal year 1990, \$17,900,000 for the fiscal year 1991,
 21 \$19,600,000 for the fiscal year 1992, and for the succeeding
 22 fiscal year, shall be available to carry out section 406(h) of
 23 this Act”.

1 (2) *Section 405(f)(1)(E) of the Act (as redesignated by*
 2 *paragraph (1)) is amended by inserting a comma and "except*
 3 *for subsection (h) of that section," immediately after "Act".*

4 **PART B—FUND FOR THE IMPROVEMENT AND**
 5 **REFORM OF SCHOOLS AND TEACHING**

6 **SEC. 9301. SHORT TITLE.**

7 *This part may be cited as the "Fund for the Improve-*
 8 *ment and Reform of Schools and Teaching Act".*

9 **SEC. 9302. FUND FOR THE IMPROVEMENT AND REFORM OF**
 10 **SCHOOLS AND TEACHING.**

11 (a) **ESTABLISHMENT OF FUND.**—*There is established*
 12 *a Fund for the Improvement and Reform of Schools and*
 13 *Teaching.*

14 (b) **GENERAL AUTHORITY.**—*The Fund is authorized*
 15 *to make grants to, and enter into contracts with, State educa-*
 16 *tional agencies, local educational agencies, institutions of*
 17 *higher education, nonprofit organizations, individual schools,*
 18 *consortia of such schools, and consortia of such schools and*
 19 *institutions, to improve educational opportunities for and the*
 20 *performance of elementary and secondary school students and*
 21 *teachers by—*

22 (1) *helping educationally disadvantaged or at risk*
 23 *children meet higher educational standards;*

24 (2) *providing incentives for improved perform-*
 25 *ance;*

1 (3) *strengthening school leadership and teaching;*

2 (4) *promoting closer ties among school teachers,*
3 *administrators, families and the local community;*

4 (5) *providing opportunities for teacher enrichment*
5 *and other means to improve the professional status of*
6 *teachers;*

7 (6) *encouraging projects that reallocate existing*
8 *resources (both human and financial) to serve children*
9 *better by refocusing priorities;*

10 (7) *allowing local schools to establish closer ties*
11 *with an institution of higher education to increase edu-*
12 *cational achievement;*

13 (8) *increasing the number and quality of minority*
14 *teachers;*

15 (9) *providing entry-year assistance to new teach-*
16 *ers and administrators; and*

17 (10) *improving the teacher certification process,*
18 *especially in schools, school districts, or States facing*
19 *serious shortages.*

20 (c) *PRIORITY RULE.*—*The Board shall give priority to*
21 *proposed projects that—*

22 (1) *will benefit students or schools with below av-*
23 *erage academic performance; and*

24 (2) *develop or implement systems for providing*
25 *incentives to schools, administrators, teachers, students,*

1 *or others to make measurable progress toward specific*
 2 *goals of improved educational performance.*

3 **SEC. 9303. APPLICATIONS.**

4 *(a) CONTENTS OF APPLICATIONS.—(1)(A) Each ap-*
 5 *plicant shall, if relevant, contain a description of the incen-*
 6 *tive system, including specific goals and timetables for*
 7 *progress toward such goals.*

8 *(B) For the purpose of this section, incentives may in-*
 9 *clude financial rewards, regulatory waivers, open enrollment*
 10 *among schools, grants to schools for innovative projects, or*
 11 *other rewards for meeting specific goals.*

12 *(C) For the purpose of this section, the goals described*
 13 *in subparagraph (A) may include increased graduation rate,*
 14 *reduced dropout rate, increased attendance rates, increased*
 15 *student achievement, reduced rate of incidents of juvenile de-*
 16 *linquency or vandalism, or other goals of educational im-*
 17 *provement.*

18 *(2)(A) Each teacher and administrator desiring to re-*
 19 *ceive a grant at the school level shall submit an application*
 20 *for school level projects involving an individual school or a*
 21 *consortia of schools. Each application shall contain assur-*
 22 *ances that the project will be carried out under the responsi-*
 23 *bility of a full-time teacher or school administrator.*

24 *(B) Each such application shall be reviewed by the ap-*
 25 *propriate local educational agency which may offer comments*

1 to the Board. The local education agency shall act as the
 2 fiscal agent in administering the school's grant to the school,
 3 but funds must be expended at the school level.

4 (b) *STATE EDUCATIONAL AGENCY REVIEW.*—Each
 5 application for a grant under this section (other than applica-
 6 tion from a State educational agency) shall be forwarded to
 7 the appropriate State education agency for review and com-
 8 ment, if the State education agency requests the opportunity
 9 for review. The State education agency must complete its
 10 review of the application and comment to the Board within
 11 30 calendar days of receipt.

12 (c) *SPECIAL EVALUATION RULE.*—In evaluating an
 13 application for a grant or contract under this section, the
 14 Board shall consider the extent to which the proposed project
 15 is likely to improve teaching and learning at the school level.

16 **SEC. 9304. SPECIAL GRANT RULES.**

17 (a) *GRANT CONDITIONS.*—(1) Federal funds paid
 18 under this part shall supplement, not supplant, other re-
 19 sources available to the grantee.

20 (2) Financial assistance made under this part is not
 21 intended to be used for the acquisition of capital equipment
 22 as a primary purpose.

23 (b) *DISTRIBUTION OF FUNDS.*—(1) At least 25 percent
 24 of the funds appropriated for the Fund in any fiscal year

1 *shall be used for grants to applicants described in subsection*
 2 *(c)(2).*

3 *(2) Financial assistance paid under this part to a single*
 4 *grantee may not be less than \$5,000 nor more than \$125,000*
 5 *in any fiscal year.*

6 **SEC. 9305. ADMINISTRATIVE PROVISIONS.**

7 *(a) FUND FOR THE IMPROVEMENT AND REFORM OF*
 8 *SCHOOLS AND TEACHING BOARD ESTABLISHED.—(1)*
 9 *There is established the Fund Board.*

10 *(2) The Board shall be responsible for setting priorities*
 11 *for the Fund and approving projects to be assisted under this*
 12 *part.*

13 *(3)(A) The Board shall be composed of 15 members and*
 14 *the Secretary. Appointed members of the Board shall be ap-*
 15 *pointed from among individuals who have extensive back-*
 16 *grounds in the field of education and shall represent a broad*
 17 *range of viewpoints and experience.*

18 *(B)(i) The term of office of each member of the Board*
 19 *shall be 3 years, except that, subject to the provisions of para-*
 20 *graphs (4) and (5), the members first taking office shall serve*
 21 *as designated by the Secretary, one-third of the members for*
 22 *terms of 1 year, one-third of the members for terms of 2*
 23 *years, and one-third of the members for terms of 3 years;*

24 *(ii) Any member appointed to fill a vacancy shall serve*
 25 *for the remainder of the term for which his predecessor was*

1 *appointed. No Board member may serve more than 2 consec-*
 2 *utive terms.*

3 (4) *The initial membership of the Board shall be ap-*
 4 *pointed by the Secretary.*

5 (5) *As vacancies occur, new members of the Board shall*
 6 *be appointed by the Secretary from among individuals who*
 7 *are nominated by the Board. The Board shall nominate at*
 8 *least 3 individuals for each vacancy.*

9 (6) *The Board shall elect a chairman and vice-chair-*
 10 *man from among its membership.*

11 (7) *The Board shall meet at least 3 times each year. A*
 12 *meeting shall also be held whenever one-third of the Board*
 13 *members request in writing that a meeting be held. A majori-*
 14 *ty of the Board shall constitute a quorum.*

15 (b) *DIRECTOR OF THE BOARD.*—(1) *The Secretary*
 16 *shall appoint a Director of the Fund to serve a 4-year term.*
 17 *No individual may serve as Executive Director for more*
 18 *than 8 years.*

19 (2) *The Director shall advise the Board about develop-*
 20 *ments in education that merit the attention of the Board,*
 21 *identify promising initiatives, coordinate the work of the*
 22 *Fund with the work of the Fund for the Improvement of*
 23 *Postsecondary Education, and provide such information and*
 24 *assistance as may be necessary to enable the Board to carry*

1 out its functions. The Director may offer comments to the
2 Board on any application to the Fund.

3 (3) The Director shall—

4 (A) advise the Board on priorities for the im-
5 provement of education,

6 (B) design grant competitions,

7 (C) solicit proposals,

8 (D) administer grant competitions,

9 (E) review and prioritize proposals,

10 (F) monitor funded projects, and

11 (G) disseminate the results of successful projects.

12 (c) **PRIORITIES RULE.**—In January of every calendar
13 year, the Secretary shall advise the Board of the priorities of
14 the Secretary for the improvement of education and their im-
15 plications for the Fund. The Board shall give careful consid-
16 eration to the priorities set forth by the Secretary. By Decem-
17 ber 31 of each calendar year, the Board will provide the Sec-
18 retary and the Congress with a report describing the recom-
19 mendations of the Secretary, the priorities the Board has
20 pursued, and a brief summary of the projects the Board has
21 funded, in the calendar year.

22 (d) **REVIEW AND EVALUATION PROCEDURES.**—The
23 Director shall establish procedures for reviewing and evaluat-
24 ing grants and contracts made or entered into under this
25 part. The procedures established under this subsection for re-

1 viewing grant applications or contracts for financial assist-
2 ance under this Act may not be subject to any review outside
3 of officials responsible for the administration of the Fund.

4 (e) *PROPOSAL REVIEW.*—In reviewing proposals, the
5 Board shall consider the need for the proposed project and its
6 plan of operation, educational value, budget and cost effec-
7 tiveness, plan for evaluation, proposed impact, expected out-
8 comes, potential transferability to other settings, and other
9 factors as appropriate with respect to the goals and priorities
10 of the Fund. The Board shall also consider, to the extent
11 practicable, the geographic distribution of the projects selected
12 for funding. The Board shall take appropriate steps to ensure
13 that new applicants are encouraged to participate in any
14 grant competition sponsored by the Fund for the Improve-
15 ment and Reform of Schools and Teaching.

16 (f) *PERSONNEL.*—The Director may appoint for terms
17 not to exceed 3 years, without regard to the provisions of title
18 5, of the United States Code governing appointments in the
19 competitive service, not more than 5 technical employees to
20 administer this part who may be paid without regard to the
21 provisions of chapter 51 and subchapter III of chapter 53 of
22 such title relating to classification and General Schedule pay
23 rates.

1 **SEC. 9306. DISSEMINATION AND REPORTING.**

2 (a) *EXEMPLARY PROJECTS.*—*The Secretary shall take*
 3 *appropriate steps to ensure that exemplary projects that are*
 4 *developed with assistance furnished under this part are made*
 5 *available to institutions of higher education and State and*
 6 *local educational agencies.*

7 (b) *REPORT.*—*The Secretary shall submit a final*
 8 *report to Congress not later than June 1, 1990. The report*
 9 *shall describe the programs assisted by this part, document*
 10 *the success of such programs in improving education, and*
 11 *make such recommendations as the Secretary deems appro-*
 12 *priate.*

13 (c) *REPORT FOR CONTINUED FUNDING RULE.*—*As a*
 14 *condition to continue to receive funding after the first year of*
 15 *a multi-year project, the project administrator shall submit*
 16 *an annual report to describe the activities conducted during*
 17 *the preceding year and the progress that has been made*
 18 *toward reaching the goals described in its application, if ap-*
 19 *plicable.*

20 **SEC. 9307. COORDINATION WITH THE FUND FOR THE IMPROVE-**
 21 **MENT OF POSTSECONDARY EDUCATION.**

22 *In order to facilitate coordination in between the Fund*
 23 *and the Fund for the Improvement of Postsecondary Educa-*
 24 *tion, the Director of the Fund shall meet regularly with the*
 25 *Director of the Fund for the Improvement of Postsecondary*
 26 *Education. The Board of the Fund shall meet at least once*

1 *each year with the Board of the Fund for the Improvement of*
 2 *Postsecondary Education to discuss priorities and projects to*
 3 *be funded.*

4 **SEC. 9308. AUTHORIZATION OF APPROPRIATIONS.**

5 (a) **AUTHORIZATIONS.**—*There are authorized to be ap-*
 6 *propriated \$18,000,000 for fiscal year 1989, \$18,900,000*
 7 *for fiscal year 1990, \$19,900,000 for fiscal year 1991,*
 8 *\$21,000,000 for fiscal year 1992, and \$22,000,000 for fiscal*
 9 *year 1993 to carry out this Act.*

10 (b) **RESERVATION.**—*The Secretary shall, from funds*
 11 *appropriated under subsection (a) in each fiscal year, reserve*
 12 *\$250,000 for activities authorized by section 9306.*

13 **SEC. 9309. DEFINITIONS.**

14 (a) *For the purpose of this part—*

15 (1) *the term "at risk" means students who, be-*
 16 *cause of learning deficiencies, lack of school readiness,*
 17 *limited English proficiency, poverty, educational or*
 18 *economic disadvantage, or physical or emotional handi-*
 19 *capping conditions face greater risk of low educational*
 20 *achievement and have greater potential of becoming*
 21 *school dropouts;*

22 (2) *the term "Board" means the Fund Board es-*
 23 *tablished under section 9305;*

1 (3) the term "Fund" means the Fund for the Im-
 2 provement and Reform of Schools and Teaching estab-
 3 lished under section 9302; and

4 (4) the term "Secretary" means the Secretary of
 5 Education.

6 **PART C—OPTIONAL TESTS FOR ACADEMIC**
 7 **EXCELLENCE**

8 **SEC. 9501. OPTIONAL TESTS FOR ACADEMIC EXCELLENCE.**

9 (a) **TEST OF ACADEMIC EXCELLENCE AUTHOR-**
 10 **IZED.**—The Secretary is authorized, after consultation with
 11 appropriate State and local educational agencies and public
 12 and private organizations, to approve comprehensive tests of
 13 academic excellence or to develop such a test where commer-
 14 cially unavailable, to be administered to identify outstanding
 15 students who are in the eleventh grade of public and private
 16 secondary schools.

17 (b) **PREPARATION AND CONDUCT OF TESTS.**—(1) The
 18 Secretary is authorized to establish a program through ar-
 19 rangements with appropriate State educational agencies,
 20 local educational agencies, public and private secondary
 21 schools, and public and private organizations throughout the
 22 Nation, under which the tests of academic excellence pre-
 23 pared or approved under this part may be given by such
 24 agencies or schools, or, on a voluntary basis, to students de-
 25 scribed in this section. The tests of academic excellence shall

1 be tests of acquired skills and knowledge appropriate for the
2 completion of a secondary school education. Such students
3 may file applications for the test at such time and in such
4 manner as the Secretary may prescribe. Upon application by
5 any appropriate agency or school by such time and in such
6 manner as the Secretary may determine, the Secretary shall
7 pay to such agency or school the cost of the administrative
8 expenses it has incurred pursuant to an arrangement made
9 under this section.

10 (2) The Secretary shall assure that the tests authorized
11 by this part are conducted in a secure manner, and that test
12 items remain confidential so that such items may be used in
13 future tests.

14 (c) CERTIFICATE.—(1) The Secretary is authorized
15 and directed to prepare a certificate, of such appropriate
16 design as the Secretary shall prescribe, and in such numbers
17 as are necessary, for issuance to students who have scored at
18 a sufficiently high level, as determined by the Secretary, on a
19 test of academic excellence prepared or approved under this
20 subpart and given in accordance with arrangements made
21 under this section. Each such student shall be awarded a
22 certificate within 60 days following the date on which the
23 student was given the test.

24 (2) Each certificate awarded pursuant to this section
25 shall be signed by the Secretary.

1 (d) *REPORT.*—*The Secretary shall prepare and submit*
 2 *to the Congress a report on the estimated costs of administer-*
 3 *ing, scoring, and analyzing the tests of academic excellence*
 4 *prepared or approved under this subpart.*

5 **SEC. 9502. AVAILABILITY OF FUNDS.**

6 *The Secretary shall reserve not less than \$2,000,000 in*
 7 *each fiscal year from amounts reserved pursuant to section*
 8 *405(f)(1)(D) of the General Education Provisions Act to*
 9 *carry out the provisions of this part.*

10 **TITLE X—EDUCATION FOR NATIVE**
 11 **HAWAIIANS**

12 **SEC. 10001. FINDINGS.**

13 *The Congress finds and declares that—*

14 (1) *the Federal Government retains the legal re-*
 15 *sponsibility to enforce the administration of the State*
 16 *of Hawaii's public trust responsibility for the better-*
 17 *ment of the conditions of Native Hawaiians;*

18 (2) *in furtherance of the responsibility for the bet-*
 19 *terment of the conditions of Native Hawaiians, Con-*
 20 *gress has the power to specially legislate for the benefit*
 21 *of Native Hawaiians;*

22 (3) *the attainment of educational success is*
 23 *critical to the betterment of the conditions of Native*
 24 *Hawaiians;*

1 (4) it is the policy of the Federal Government to
2 encourage the maximum participation of Native Ha-
3 waiians in the planning and management of Native
4 Hawaiian Education Programs;

5 (5) Native Hawaiian students score below nation-
6 al norms on standardized education achievement tests;

7 (6) both public and private schools show a pattern
8 of low percentages of Native Hawaiian students in the
9 uppermost achievement levels and in gifted and talent-
10 ed programs;

11 (7) Native Hawaiian students are over-represent-
12 ed among those qualifying for special education pro-
13 grams provided to handicapped students; and

14 (8) Native Hawaiians are disproportionately rep-
15 resented in many negative social and physical statis-
16 tics, indicative of special educational needs—

17 (A) lower educational attainment among
18 Native Hawaiians has been found to relate to
19 lower socioeconomic outcomes;

20 (B) Native Hawaiian students are dispropor-
21 tionately under-represented in Institutions of
22 Higher Education;

23 (C) Native Hawaiians are under-represented
24 in both traditional white collar professions, health
25 care professions, and the newly emerging technolo-

1 *gy based professions and are over-represented in*
 2 *service occupations;*

3 *(D) Native Hawaiians are beset with multi-*
 4 *ple health problems;*

5 *(E) Native Hawaiian children are dispropor-*
 6 *tionately victimized by child abuse and neglect, a*
 7 *signal of family stress; and*

8 *(F) there are and will continue to be geo-*
 9 *graphically rural, isolated areas with a high*
 10 *Native Hawaiian population density.*

11 *(9) Special efforts in education recognizing the*
 12 *unique cultural and historical circumstances of Native*
 13 *Hawaiians are required.*

14 **SEC. 10002. PURPOSE.**

15 *It is the purpose of this Act to—*

16 *(1) authorize and develop supplemental education-*
 17 *al programs to benefit Native Hawaiians,*

18 *(2) provide direction and guidance to appropriate*
 19 *Federal, State, and local agencies to focus resources,*
 20 *including those made available by this Act on the prob-*
 21 *lem of Native Hawaiian education, and*

22 *(3) supplement and expand existing programs and*
 23 *authorities in the area of education to further the pur-*
 24 *poses of this Act.*

1 **SEC. 10003. NATIVE HAWAIIAN MODEL CURRICULUM IMPLEMEN-**
 2 **TATION PROJECT.**

3 (a) **CURRICULUM DEVELOPMENT AUTHORITY.**—In
 4 order to implement the Kamehameha Elementary Education
 5 Program (KEEP) model curriculum developed by the Kame-
 6 hameha Elementary Demonstration School in appropriate
 7 public schools, the Secretary shall make direct grants to—

8 (1) the State of Hawaii (University of Hawaii)
 9 for comprehensive teacher training;

10 (2) the State of Hawaii (Department of Educa-
 11 tion) for educational support services;

12 (3) the Kamehameha Schools/Bernice Pauahi
 13 Bishop Estate for continued research and development;
 14 and

15 (4) the Kamehameha Schools/Bernice Pauahi
 16 Bishop Estate and the State of Hawaii for the
 17 establishment of long-term followup and assessment
 18 activities.

19 (b) **SPECIAL RULE.**—By no later than school year
 20 1992–1993, the Secretary shall assure that the State of
 21 Hawaii (Department of Education) has implemented the
 22 KEEP model curriculum in a minimum of twenty public
 23 schools.

24 (c) **AUTHORIZATION OF APPROPRIATIONS.**—There is
 25 authorized to be appropriated \$3,000,000 for fiscal year
 26 1938, and such sums as may be necessary for fiscal years

1 1989 through 1993. Of the amounts appropriated, no more
 2 than 10 per centum may be used for administrative purposes.
 3 Such sums shall remain available until expended.

4 **SEC. 10004. NATIVE HAWAIIAN FAMILY-BASED EDUCATION CEN-**
 5 **TERS.**

6 (a) **FAMILY-BASED EDUCATION CENTERS GENERAL**
 7 **AUTHORITY.**—The Secretary shall make direct grants to
 8 Native Hawaiian Organizations (including Native Hawai-
 9 ian Educational Organizations) to develop and operate a
 10 minimum of eleven Family-Based Education Centers
 11 throughout the Hawaiian Islands. Such centers shall in-
 12 clude—

13 (1) Parent-Infant programs (prenatal through age

14 3);

15 (2) Preschool programs for four and five year-
 16 olds;

17 (3) continued research and development; and

18 (4) a long term followup and assessment program.

19 (b) **AUTHORIZATION OF APPROPRIATIONS.**—In addi-
 20 tion to any other amount authorized for such centers, there is
 21 authorized to be appropriated \$2,400,000 for fiscal year
 22 1988, and such sums as may be necessary for fiscal years
 23 1989 through 1993. Of the amounts appropriated, no more
 24 than 10 per centum may be used for administrative purposes.
 25 Such sums shall remain available until expended.

1 *SEC. 10005. NATIVE HAWAIIAN HIGHER EDUCATION DEMON-*
2 *STRATION PROGRAM.*

3 *(a) HIGHER EDUCATION GENERAL AUTHORITY.—*

4 *The Secretary shall make grants to the Kamehameha*
5 *Schools/Bernice Pauahi Bishop Estate for a demonstration*
6 *program to provide Higher Education fellowship assistance*
7 *to Native Hawaiian students. The demonstration program*
8 *under this section may include—*

9 *(1) full or partial fellowship support for Native*
10 *Hawaiian students enrolled at an accredited two or*
11 *four year degree granting institution of higher educa-*
12 *tion with awards to be based on academic potential and*
13 *financial need;*

14 *(2) counseling and support services for such stu-*
15 *dents receiving fellowship assistance pursuant to sub-*
16 *section (a)(1) of this section;*

17 *(3) college preparation and guidance counseling at*
18 *the secondary school level for students who may be eli-*
19 *gible for fellowship assistance pursuant to subsection*
20 *(a)(1) of this section;*

21 *(4) appropriate research and evaluation of the ac-*
22 *tivities authorized by this section; and*

23 *(5) implementation of faculty development pro-*
24 *grams for the improvement and matriculation of Native*
25 *Hawaiian students.*

1 **(b) GRANTS AUTHORIZED.**—*The Secretary shall make*
 2 *grants to the Kamehameha Schools/Bernice Pauahi Bishop*
 3 *Estate for a demonstration project of fellowship assistance for*
 4 *Native Hawaiian students in post-bachelor degree programs.*
 5 *Such project may include—*

6 **(1)** *full or partial fellowship support for Native*
 7 *Hawaiian students enrolled at an accredited post-bach-*
 8 *elor degree granting institution of higher education,*
 9 *with priority given to professions in which Native Ha-*
 10 *waiians are under-represented and with awards to be*
 11 *based on academic potential and financial need;*

12 **(2)** *counseling and support services for such stu-*
 13 *dents receiving fellowship assistance pursuant to sub-*
 14 *section (b)(1) of this section; and*

15 **(3)** *appropriate research and evaluation of the ac-*
 16 *tivities authorized by this section.*

17 **(c) SPECIAL CONDITION REQUIRED.**—*For the pur-*
 18 *pose of subsection (b) fellowship conditions shall be estab-*
 19 *lished whereby recipients obtain an enforceable contract obli-*
 20 *gation to provide their professional services, either during*
 21 *their fellowship or upon completion of post-bachelor degree*
 22 *program, to the Native Hawaiian community within the*
 23 *State of Hawaii.*

24 **(d) AUTHORIZATION OF APPROPRIATIONS.**—*There is*
 25 *authorized to be appropriated \$1,250,000 for fiscal year*

1 1988 and for each succeeding fiscal year through 1993 for
 2 the purpose of funding the fellowship assistance demonstra-
 3 tion project under subsection (a). There is authorized to be
 4 appropriated \$750,000 for fiscal year 1988 and for each suc-
 5 ceeding fiscal year through 1993 for the purpose of funding
 6 the fellowship assistance demonstration project provided
 7 under subsection (b). Of the amounts appropriated no more
 8 than 10 per centum of the funds may be used for administra-
 9 tive purposes. Such sums shall remain available until
 10 expended.

11 **SEC. 10006. NATIVE HAWAIIAN GIFTED AND TALENTED DEMON-**
 12 **STRATION PROGRAM.**

13 (a) **GIFTED AND TALENTED DEMONSTRATION AU-**
 14 **THORITY.**—The Secretary shall establish a Native Hawai-
 15 ian Gifted and Talented Center at the University of Hawaii
 16 at Hilo and shall make grants to, and enter into contracts
 17 with, the University of Hawaii at Hilo or the Kamehameha
 18 Schools/Bernice Pauahi Bishop Estate for demonstration
 19 projects designed to address the special needs of Native Ha-
 20 waiian elementary and secondary school students who are
 21 gifted and talented students and their families. The grantees
 22 shall be authorized to subcontract when appropriate, includ-
 23 ing with the Children's Television Workshop.

24 (b) **USES OF FUNDS.**—Demonstration projects funded
 25 under this section may include—

1 (1) *the identification of the special needs of gifted*
2 *and talented students, particularly at the elementary*
3 *school level, with attention to the emotional and psy-*
4 *chosocial needs of these individuals and their families;*

5 (2) *the conduct of educational, psychosocial, and*
6 *developmental activities which hold reasonable promise*
7 *of resulting in substantial progress toward meeting the*
8 *educational needs of such gifted and talented children,*
9 *including, but not limited to, demonstrating and ex-*
10 *ploring the use of the Native Hawaiian language and*
11 *exposure to Native Hawaiian cultural traditions;*

12 (3) *the use of public television in meeting the spe-*
13 *cial educational needs of such gifted and talented*
14 *children;*

15 (4) *leadership programs designed to replicate pro-*
16 *grams for such children throughout the State of*
17 *Hawaii and to other Native American peoples, includ-*
18 *ing the dissemination of information derived from the*
19 *demonstration projects conducted under this section;*
20 *and*

21 (5) *appropriate research, evaluation, and related*
22 *activities pertaining to the needs of such children and*
23 *their families.*

24 (c) **INFORMATION PROVISION.**—*The Secretary shall*
25 *facilitate the establishment of a national network of Native*

1 *Hawaiian and American Indian Gifted and Talented Cen-*
 2 *ters, and ensure that the information developed by these cen-*
 3 *ters shall be readily available to the educational community*
 4 *at large.*

5 (d) *AUTHORIZATION OF APPROPRIATIONS.—In addi-*
 6 *tion to any other amount authorized for projects described in*
 7 *this section, there are authorized to be appropriated*
 8 *\$1,000,000 for fiscal year 1988 and for each succeeding*
 9 *fiscal year through fiscal year 1993. Such sums shall remain*
 10 *available until expended.*

11 **SEC. 10007. NATIVE HAWAIIAN SPECIAL EDUCATION PROGRAM.**

12 (a) *SPECIAL EDUCATION AUTHORITY.—The Secre-*
 13 *tary shall make grants to and enter into contracts with the*
 14 *State of Hawaii, and/or Native Hawaiian Organizations, to*
 15 *operate projects to address the special education needs of*
 16 *Native Hawaiian students. Such projects assisted under this*
 17 *section may include—*

18 (1) *the identification of Native Hawaiian children*
 19 *who are handicapped and in need of special education*
 20 *and related services;*

21 (2) *the conduct of educational activities consistent*
 22 *with part B of the Education of the Handicapped Act*
 23 *which hold reasonable promise of improving the provi-*
 24 *sion of special education and related services to Native*

1 *Hawaiian children who are identified as being handi-*
 2 *capped; and*

3 *(3) appropriate research, evaluation and related*
 4 *activities pertaining to the needs of such children.*

5 *(b) AUTHORIZATION OF APPROPRIATIONS.—In addi-*
 6 *tion to any other amount authorized for such project, there is*
 7 *authorized to be appropriated \$1,500,000 for fiscal year*
 8 *1988 and for each succeeding fiscal year through 1993. Of*
 9 *the funds appropriated, no more than 10 per centum shall be*
 10 *used for administrative purposes. Such sums shall remain*
 11 *available until expended.*

12 **SEC. 10008. ADMINISTRATIVE PROVISIONS.**

13 *(a) APPLICATION REQUIRED.—No grant may be*
 14 *made, nor any contract be entered into under this Act, unless*
 15 *an application is submitted to the Secretary in such form, in*
 16 *such manner, and containing such information as the Secre-*
 17 *tary may determine necessary to carry out the provisions of*
 18 *this Act.*

19 *(b) SPECIAL RULE.—Each application shall be accom-*
 20 *panied by the comments of each local educational agency*
 21 *serving students who will participate in the project for which*
 22 *assistance is sought.*

23 **SEC. 10009. DEFINITIONS.**

24 *For purposes of this Act—*

1 (1) the term "Native Hawaiian" means any individ-
2 ual who is—

3 (A) a citizen of the United States,

4 (B) a resident of the State of Hawaii, and

5 (C) a descendant of the aboriginal people,
6 who prior to 1778, occupied and exercised sover-
7 eignty in the area that now comprises the State of
8 Hawaii, as evidenced by—

9 (i) genealogical records,

10 (ii) Kupunu (elders) or Kama'aina
11 (long-term community residents) verification,
12 or

13 (iii) birth records of the State of
14 Hawaii;

15 (2) the term "Secretary" means the Secretary of
16 Education;

17 (3) the term "Native Hawaiian Educational Or-
18 ganization" means a private nonprofit organization
19 that—

20 (A) serves the interests of Native Hawaiians,

21 (B) has a demonstrated expertise in the edu-
22 cation of Native Hawaiian youth, and

23 (C) has demonstrated expertise in research
24 and program development;

1 (4) the term "Native Hawaiian Organization"
2 means a private nonprofit organization that—

3 (A) serves the interests of Native Hawaiians,
4 and

5 (B) is recognized by the Governor of Hawaii
6 for the purpose of planning, conducting, or admin-
7 istering programs (or portion of programs) for the
8 benefit of Native Hawaiians;

9 (5) the term "elementary school" has the same
10 meaning given that term under section 1471(7) of this
11 Act;

12 (6) the term "local educational agency" has the
13 same meaning given that term under section 1471(10)
14 of this Act; and

15 (7) the term "secondary school" has the same
16 meaning given that term under section 1471(7) of this
17 Act.

18 **TITLE XI—GENERAL PROVISIONS**

19 **SEC. 11001. DEFINITIONS.**

20 *Except as otherwise provided, for the purpose of this Act*
21 *the terms used in this Act have the meanings provided under*
22 *section 1471 of chapter 1 of title I of this Act.*

23 **SEC. 11002. BUDGET ACT PROVISION.**

24 *Any new spending authority (within the meaning of sec-*
25 *tion 401 of the Congressional Budget Act of 1974) which is*

1 *provided under this Act shall be effective for any fiscal year*
2 *only to the extent and in such amounts as are provided in*
3 *appropriation Acts.*

4 **SEC. 11003. EFFECTIVE DATE.**

5 (a) *GENERAL RULE.*—*Except as otherwise provided,*
6 *this Act shall take effect October 1, 1988.*

7 (b) *SPECIAL RULES.*—*The amendments made by sec-*
8 *tion 9003 shall take effect for assessments made after Sep-*
9 *tember 30, 1989, with respect to State data.*

Calendar No. 442

100TH CONGRESS
1ST SESSION

S. 373

[Report No. 100-222]

A BILL

To reauthorize the program of finance assistance to meet special educational needs of disadvantaged children, and to reauthorize chapter 2 of the Education Consolidation and Improvement Act of 1981, through fiscal year 1993.

NOVEMBER 19, 1987

Reported with an amendment

442