

104TH CONGRESS
1ST SESSION

S. 1509

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 27 (legislative day, DECEMBER 22), 1995

Referred to the Committee on Economic and Educational Opportunities

AN ACT

To amend the Impact Aid program to provide for a hold-harmless with respect to amounts for payments relating to the Federal acquisition of real property, to permit certain local educational agencies to apply for increased payments for fiscal year 1994 under the Impact Aid program, and to amend the Impact Aid program to make a technical correction with respect to maximum payments for certain heavily impacted local educational agencies.

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

1 **SECTION 1. HOLD-HARMLESS AMOUNTS FOR PAYMENTS**
 2 **RELATING TO FEDERAL ACQUISITION OF**
 3 **REAL PROPERTY.**

4 Section 8002 of the Elementary and Secondary Edu-
 5 cation Act of 1965 (20 U.S.C. 7702) is amended by add-
 6 ing at the end the following new subsections:

7 “(g) FORMER DISTRICTS.—

8 “(1) IN GENERAL.—Where the school district of
 9 any local educational agency described in paragraph
 10 (2) is formed at any time after 1938 by the consoli-
 11 dation of two or more former school districts, such
 12 agency may elect (at any time such agency files an
 13 application under section 8005) for any fiscal year
 14 to have (A) the eligibility of such local educational
 15 agency, and (B) the amount which such agency shall
 16 be eligible to receive, determined under this section
 17 only with respect to such of the former school dis-
 18 tricts comprising such consolidated school districts
 19 as such agency shall designate in such election.

20 “(2) ELIGIBLE LOCAL EDUCATIONAL AGEN-
 21 CIES.—A local educational agency referred to in
 22 paragraph (1) is any local educational agency that,
 23 for fiscal year 1994 or any preceding fiscal year, ap-
 24 plied for and was determined eligible under section
 25 2(c) of the Act of September 30, 1950 (Public Law

1 874, 81st Congress) as such section was in effect on
2 September 30, 1994.

3 “(h) HOLD-HARMLESS AMOUNTS.—

4 “(1) IN GENERAL.—Except as provided in para-
5 graph (2)(A), the total amount that the Secretary
6 shall pay a local educational agency under sub-
7 section (b)—

8 “(A) for fiscal year 1995 shall not be less
9 than 85 percent of the amount such agency re-
10 ceived for fiscal year 1994 under section 2 of
11 the Act of September 30, 1950 (Public Law
12 874, 81st Congress) as such section was in ef-
13 fect on September 30, 1994; or

14 “(B) for fiscal year 1996 shall not be less
15 than 85 percent of the amount such agency re-
16 ceived for fiscal year 1995 under subsection (b).

17 “(2) RATABLE REDUCTIONS.—(A)(i) If nec-
18 essary in order to make payments to local edu-
19 cational agencies in accordance with paragraph (1)
20 for any fiscal year, the Secretary first shall ratably
21 reduce payments under subsection (b) for such year
22 to local educational agencies that do not receive a
23 payment under this subsection for such year.

24 “(ii) If additional funds become available for
25 making payments under subsection (b) for such

1 year, then payments that were reduced under clause
2 (i) shall be increased on the same basis as such pay-
3 ments were reduced.

4 “(B)(i) If the sums made available under this
5 title for any fiscal year are insufficient to pay the
6 full amounts that all local educational agencies in all
7 States are eligible to receive under paragraph (1)
8 after the application of subparagraph (A) for such
9 year, then the Secretary shall ratably reduce pay-
10 ments under paragraph (1) to all such agencies for
11 such year.

12 “(ii) If additional funds become available for
13 making payments under paragraph (1) for such fis-
14 cal year, then payments that were reduced under
15 clause (i) shall be increased on the same basis as
16 such payments were reduced.”.

17 **SEC. 2. APPLICATIONS FOR INCREASED PAYMENTS.**

18 (a) PAYMENTS.—Notwithstanding any other provi-
19 sion of law—

20 (1) the Bonesteel-Fairfax School District Num-
21 ber 26–5, South Dakota, and the Wagner Commu-
22 nity School District Number 11–4, South Dakota,
23 shall be eligible to apply for payment for fiscal year
24 1994 under section 3(d)(2)(B) of the Act of Septem-
25 ber 30, 1950 (Public Law 874, 81st Congress) (as

1 such section was in effect on September 30, 1994);
2 and

3 (2) the Secretary of Education shall use a sub-
4 group of 10 or more generally comparable local edu-
5 cational agencies for the purpose of calculating a
6 payment described in paragraph (1), and the local
7 contribution rate applicable to such payment, for a
8 local educational agency described in such para-
9 graph.

10 (b) APPLICATION.—In order to be eligible to receive
11 a payment described in subsection (a), a school district
12 described in such subsection shall apply for such payment
13 within 30 days after the date of enactment of this Act.

14 (c) CONSTRUCTION.—Nothing in this section shall be
15 construed to require a local educational agency that re-
16 ceived a payment under section 3(d)(2)(B) of the Act of
17 September 30, 1950 (Public Law 874, 81st Congress) (as
18 such section was in effect on September 30, 1994) for fis-
19 cal year 1994 to return such payment or a portion of such
20 payment to the Federal Government.

21 **SEC. 3. MAXIMUM PAYMENTS.**

22 Subparagraph (B) of section 8003(f)(3) of the Ele-
23 mentary and Secondary Education Act of 1965 (20 U.S.C.
24 7703(f)(3)) is amended to read as follows:

1 “(B) SPECIAL RULE.—The Secretary shall
2 determine the maximum amount that a local
3 educational agency described in clause (ii) or
4 (iii) of paragraph (2)(A) may receive under this
5 subsection in accordance with the following
6 computations:

7 “(i) The Secretary shall multiply the
8 average per-pupil expenditure for all States
9 by 0.7, except that such amount may not
10 exceed 125 percent of the average per-
11 pupil expenditure for all local educational
12 agencies in the State.

13 “(ii) The Secretary shall next multiply
14 the product determined under clause (i) by
15 the number of students who are served by
16 the local educational agency and described
17 in subparagraph (A) or (B) of subsection
18 (a)(1).

19 “(iii) The Secretary shall next sub-
20 tract the total amount of payments re-
21 ceived by the local educational agency
22 under subsections (b) and (d) for a fiscal

